

Case Study

The following is a case that explains exactly how iB transformed an entire organization and took an idea from conception to market.

Fix™ Hangover Strips:

In May of 2007, Clay Cooley, President and CEO of Cooley Nutraceuticals, Inc. (a subsidiary of HealthSport, Inc. – Ticker Symbol: HSPO), approached Imperial Boogie to product the graphic design for a new product called Fix™ Hangover Strips. Fix™ is a one of a kind edible thin strip and nutritional supplement that provides vitamins, minerals, electrolytes, and delivers speedy recovery from hangover symptoms. The Strips deliver this blend of active ingredients through the soft tissue of the inner cheek and gum, a process known as “Buccal Absorption”, and do it naturally without adding sugar and carbohydrates. iB recognized this as a great opportunity with a young product that holds a lot of potential.

In order to perform the work required to launch a product and to create a national brand, iB inquired of the client:

- Who is the manufacturer and where are they located?
- How is Fix going to handle order processing, order fulfillment and order tracking?
- How are you going to get your product to market?
- How is Fix going to market itself?
- Who is the target demographic?
- How is Fix going to drive sales?

The Fix™ Hangover Strips were so young, very few of these questions had yet been addressed. With a plan put in place to produce high end graphics to make the product shine on the outside, iB needed these questions answered in order to back that pretty package with deeper meaning & intentions.

By June 2007, iB presented a formal marketing plan, which included initiatives such as:

Fix™ Target Demographic as ADU35 Sales and the ADU35 Marketing Model

Fix Hangover Strips has identified the Adult Drinker Under 35 consumer as the demographic with greatest potential for product success. All marketing initiatives are designed with this particular consumer in mind. The following generalized criteria can be used in defining the ADU35 consumer:

- In control of their media and brand communications
- Experiential – seeking to be entertained vs. informed
- Experimental – willing to try new products
- Connected – to the world and to each other
- Highly peer influenced
- Craving self definition
- Seeking meaning, without sacrificing convenience
- Not price sensitive

ADU35 Marketing Initiatives

In order to gain increased product exposure in areas of high ADU35, Fix Hangover Strips has identified retail C/Gas and bar outlets targeted by national companies with similar demographic targets. The C/Gas outlets selected based on zip codes with high concentrations of ADU35 living and/or shopping within the area. The bar outlets, where ADU35 “play”, were selected through the process of sampling and surveying by similar companies to determine concentration of ADU35. These high ADU35 areas will be the focus of marketing efforts at the consumer level, incorporating special and increased promotions, brand presence materials and samplings to create brand awareness and push sales volume.

These initiatives include the following:

- Fix Strips Bar Program
- Strategic Partnerships
- Consumer Data Collection
- Direct Mail and E-mail Campaigns
- Promotional Tours

Packaging: The packaging is designed in the same dimensions as a pack of cigarettes so that we can sell to distributors that service the vending machines companies that service every bar cigarette machine in the country. A distribution channel rarely used and predominantly used by big tobacco.

Distribution Channels

- 5194 – Tobacco & Tobacco Products Wholesale Distributors – Approx. 3,500
- 5962 – Automatic Merchandising Machine Operators – Approx. 10,000
- 5182 – Wine, Spirits, and Liquor Distributors and Wholesalers – Approx. 3,500
- 5541 – Gasoline Service Stations – Approx. 3,500

Analysis of the Market and Direct Competitors

FixStrips.com Website ideas: The website will be co-creative, content driven and will have streaming video and audio. The site will be a flash site that would use the Flash Player to stream videos and MP3. The website would feature weekly video blogs and monthly YouTube released video commercials. Fix will encourage customers to submit their own videos for a chance to have them posted on the Fix Website. If the a customers video is accepted, they would receive a case of Fix, a VISA Gift Card and a letter saying, “You get paid to play with Fix.”

The website will feature:

- Music and film entertainment articles
- Lifestyle videos
- Weekly Video Blogs
- Streaming Fix Strip Radio

Free Music Downloads
Fix Strip promotional event videos
Customers will be able to interact with the brand through surveys and polls for complementary product, trips and prizes.
Create a Co-Creative environment
Customers will be able to download VIP tickets to Fix Promotional Events (limit of 200 tickets per event)

Web Based ordering System – Fully automated system that allows customers to order 24/7 Benefits:

Credit card processing.
Approval processes for vendors/buyers.
It allows your customers/vendors/employees to access, edit, customize, order, distribute and manage your company's inventory – from any location, at any time, on any deadline.
A boost in efficiency and control, a reduction in lost productivity and unnecessary expenditure.
See and control all distribution purchases.
Set spending & distribution limits.
Allow customized order processing – PO's, credit cards, etc.
Automatic order processing and delivery to warehouse for pick and pack delivery.
Automatic press ready file production upon order completion that is sent directly to the printing location fulfilling your order.
Customized and easy to understand data tracking to see buying trends. Understanding the trends will allow for better forecasting of production runs and increase efficiency.
Personalized portals for vendors and buyers to order from – increased branding means increased buying. It doesn't matter if Fix is dealing with 5 vendors or 50,000, this system will personalize each interface for that specific buyer. Because of personalized interface, this system is perfect for international distributors.
Easy to customize marketing materials – done with just a few keystrokes – with online available PDF proofing to confirm everything is correct before purchase/order.
End of day/week/month order and tracking reports for items ordered.
Exception delivery notices for items shipped to head off any late arrival problems.
Easily manage thousands of users and orders – saving you the cost of hiring order entry personnel to handle order calls, payment options, accounting, order fulfillment, etc.

Logistics - Outlined ways to take the product from the manufacturing plant in Woodland Hills, CA and bulk ship to a packaging plant for converting the cassettes into finished product and sending the finished product to a distribution warehouse in Tulsa, OK. This decreases the cost of production from the manufacturer, and with the distribution warehouse working on the backend of the ordering system means that customer know exactly where their order is located at all times.

Shipping product from central US allows Fix to get the product anywhere in the country in 3 days vs. having product shipped direct from the manufacturer in California and taking 3-5 days. This is in line with JIT models of our retailers and distributors.
iB found an automated method for packaging to drastically reduce the cost of production and produce higher profit margins for our clients.

This presentation meeting opened the eyes of the Fix executives who immediately gave iB the green light to begin work on the project. After the first four weeks of research & preliminary work, iB presented additional issues to be addressed and discussed the progress so far. On this July 7, 2007 meeting, the topics also included sales strategy, target industries and how Fix™ was going to manage the 22,000 potential leads. iB presented Fix™ with a complete sales strategy and a way to use a CRM system to track leads and customer information. We also discuss the development of software integration between two database systems: CRM and Web Based Ordering system. This allows the two databases to communicate: the ordering system pushes sales & customer data in real time to the CRM system, giving the sales staff tools that they can use for customer service aspects of their jobs.

July 15, 2007 - Six weeks after presentation of the marketing plan, the initial FixStrips.com website launched.

August 1, 2007 – Web-based ordering system was launched.

August 17, 2007 – iB presented a document called Ideas in Motion, showing progress of the CRM, Ordering System, Point of Purchase designs, marketing materials, and forms.

Because iB set up the entire infrastructure, logistics, forecasting, and strategy for Fix, iB was awarded the exclusive sale contract. The Fix™ test market launched on November 1, 2007 in Northeastern Oklahoma and immediately was picked up by regional drug store chain USA Drug with 180 locations. Fix™ is currently sold in 25 states and has 35 distributors around the country.

In less than six months, iB was able to take an idea and bring it to real life with real results. Imagine what we can do for your business.*

*Timeline will vary by case & individual client needs.