



Marketing Plan

Chocolate

To Be | São Paulo

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 **Hayek** GLOBAL COLLEGE

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Marketing Plan - Part 1

Company and Product Overview and Objectives/Goals

Company

Name: To Be

Product: Brazilian chocolate of Swiss quality

Location: São Paulo, Brazil

Background: A young good looking, charming, fresh graduate chocolatier, named Urs went after his successful graduation on his dream trip since school time to Copacabana, Rio de Janeiro, where he lost his heart to a Brazilian beauty from São Paulo. Head over heels in love, he decided not to return to Switzerland. Together with Juliana, he started a small-scale family business.

Scope: Anniversary, welcome, cooperate, birthday, wedding, award, reward, gift boxes with tailored and possible hand-made and decorated wrapping and packaging of special and hand-made personalized chocolate items.

Network: Personal social circles, growing into an entrepreneurial local business network, growing into a national and potentially international opportunity of finest luxury chocolate art presentations.

Product overview

Chocolate is a luxurious taste of art that can fulfill people's deepest desires. One bite in hell and the other bite in heaven. To Be provides chocolate including the traditional line of dark chocolate in different strength, white chocolate, and milk chocolate, adding to it the experimental range of orange chocolate, coffee chocolate, fruit chocolate, nuts chocolate, chilly chocolate, and truffle chocolate (amongst others), all with ingredients sourced from Brazilian local, sustainable, fair-trade, entrepreneurial farming.

Focus here will be on the art ensemble d'or chocolate with Brazilian Champagne oranges from around São Paulo and possibly Minas Gerais, and chocolate beans from Bahia (where also coffee beans will be sourced from).

Objectives/Goals

Development of a brand with global reputation within the luxurious segment of the market

Grow the business organically and sustainably from small family business to a globally renown brand

Make the lives of our customers more colourful with a symphony of senses for every mood and desire at anytime at any step and any stage of each moment

Marketing Plan – Part 2

Situation Analysis

Generally, based on the culture and lifestyle in Brazil, chocolate is a must in all circumstances for Brazilians, not only for holidays but also for events such as birthday, whenever and wherever a gift is needed.

In this part of the marketing plan the situation of the market is summarized following thorough research of industry and market development based on the past years, combined with a careful future outline. Specific consideration has been afforded to the unique situation of CoViD-19 and its effects on society and supply chain.

After extensive market research, the following findings have transpired and are generally supported by a various number of sources from within Brazil and also outside.

Given that the prescribed business idea is about a locally produced and manufactured luxury product, the initial view is on the key market players in Brazil and their network of distribution. Following this, the view goes on to the consumer base to identify, analyze and interpret the trends. Concluding this report is an industry outlook, compiled from different sources including investment advice.

Key players in the Brazilian market are:

1. Garoto
appears to be mainly targeting kids with milk chocolate
2. Cacau Show
focuses on milk chocolate
3. Lacta
famous for its cashew nuts filling
4. Dengo
mainly for family and with milk chocolate
5. Kopenhagen
commonly known for milk chocolate
6. Nugali
modern, sustainable with its gluten-free characteristics, natural, real, no sugar added and with the design to the more mature consumers
7. Super Vegan
specifically for female and dairy-free
8. Linea
milk chocolate, no sugar added, gluten-free

Further companies in the market are Mondélez, Nestlé, Hershey's, Arcor, Mars and

Ferrero as international actors.

Foursquare.com, the “most trusted”, independent location data platform for understanding how people move through the real world, is a location-based social network, which lists the following 9 best chocolate shops in São Paulo.

Key outlets for chocolate products in São Paulo are:

1. Munik Chocolate
2. Copenhagen – Café expresso (2 locations)
3. Lindt (2 locations)
4. Dengo – coffee (2 locations)
5. Cacau Show
6. Fábrica de Dengo

Here it is seen that a number of Brazilian key players and chocolate producers have their own outlets. However, main focus appears to be on a coffee-shop-style rather than on a point-of-sale for solid chocolate products in quantity. The remaining channels of distribution are just like in any other markets comprising of standard components in wholesale, retail and social media.

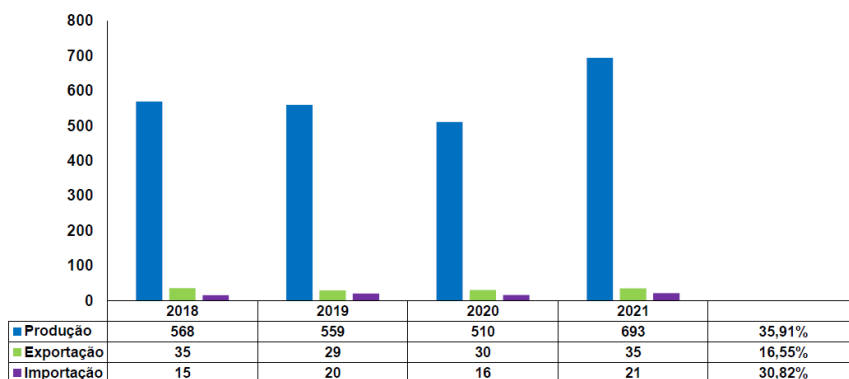
According to research results published by The Fermentation Association and Forbes, cocoa has been growing widely in natural environment without being much industrialized in Brazil. Regarding specific figures provided by a news platform named The Brazil Business in 2014, Brazil was the third largest chocolate producer in the world and other figures provided by The Fermentation Association in 2019 make it seventh. Over the years it is confirmed that Brazil is always listed among the top ten of the world’s largest chocolate producer. Even more so, following research results from the Brazilian Association of the Chocolate Industry, Brazil is the fourth largest chocolate producer and consumer market in the world for 2022 with a growth of 10% within the chocolate market per year, together with an increase of 6% of production in the first season of 2022. A correlating development for the import of chocolate is visible.

As reported in The Brazil Business, the consumption of chocolate at certain occasions, like holidays, some special days such as Easter, Valentine’s Day, Christmas increases considerably, and people do not only buy chocolate for gift exchange but also increasingly for their own consumption. As an example, the consumption per capita in Brazil has risen from 300g in the 1970s to 2.5kg in 2015 as the average per year.

In terms of import and export related to chocolate, it is very interesting to see that Brazil as one of the largest producer and exporter of chocolate has lowered export of chocolate and increased import thereof in order to satisfy the steadily and significantly increasing

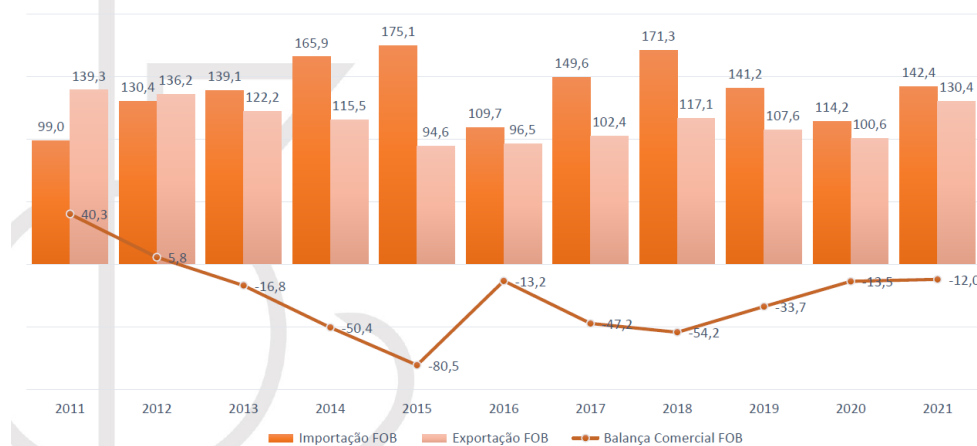
demand. This is specifically relevant for the years in which consumption of chocolate in Brazil has considerably more increased than domestic production of chocolate. Subsequently, a considerable increase in production could then reflect into a return of export to a previous level. Hereby it is worth mentioning that, while imported chocolate is considered more favourable by the consumer, it is not widely available in the market. Furthermore, the preference of Brazilian chocolate consumers is on national produce of which about 80% is made up by milk chocolate. Here, the massive negative effects of CoViD-19 on the supply chain had a very strong influence on the market, which is in effect negative for importer, yet likewise positive for local producer.

Chocolates: Produção, Exportação e Importação em volume (Mil Ton.)



Fonte: Associados – Coleta dos dados KPMG / ComexStat – Elaboração: Abicab

Balança Comercial - Chocolate
Dados em US\$ Milhões FOB



Fonte: ComexStat. Elaboração: Abicab



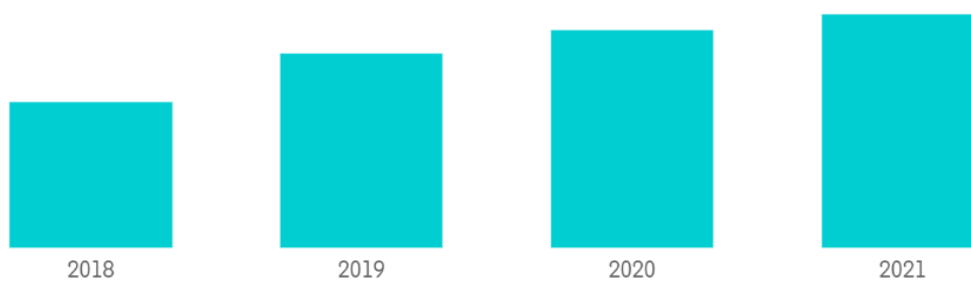
Given the size of Brazil as a country, it is worth mentioning that, based on the climate difference, producer of chocolate must adjust the ingredients depending on the target market especially within the country. The composition here specifically has to reflect a certain percentage of certain types of fats so that the product can be safely stored without being negatively affected in its appearance due to mainly temperature and humidity.

Over the years, most notably quite recently, the general consumer of chocolate in Brazil, stimulated by government initiatives, has increasingly become very sensitive towards health issues related to food consumption but also environmental effects of food production and consumption. The effects on chocolate production have presented a welcomed shift towards not only sustainable farming but also health-oriented production.

Nevertheless, just as seen on the platform named giftblooms.com, the market for exclusive, luxury, high-quality chocolate gifts is booming like never before. Even though market analysts expect a drop in market strength once CoViD-19 effects fade away, market outlook generally does not show any sign for such development.

Just like Mordor Intelligence says in their report from this year (2022): “Moreover, it is crucial for players to continuously innovate, operate, and grow in the market due to the rapidly changing consumer demands and preferences.”. For our product, thereby, the market expectation and outlook are very positive. In fact, it seems that our product indeed comes at the right time and finds a quite comfortable niche within a market of considerable size and significant continuing growth.

Premium Chocolate Market, Year-On-Year Growth Rate (%), Brazil, 2018-2021



Source: Mordor Intelligence



Even for future growth and correlating investment into our business structure, the projected outlook is highly attractive and promising.



Study Period:	2016 -2027
Base Year:	2021
CAGR:	4.12 %



Marketing Plan – Part 3

STP Analysis

STP, short for Segmentation, Targeting and Positioning in marketing, is commonly used as a tool to develop a marketing strategy for a business or product.

S – Market Segmentation

With a large population around the world, and beyond, people from all walks of life are grouped in certain categories under application of identifying a number of attributes based on factors within a range of scientific aspects. These are **demographic** (i.e. age, gender, marital status, ethnicity, sexuality, education, occupation, purchasing power, health), **geographic** (i.e. country, region, province, city, community, on-line) and **psychographic** (personality, risk-taking, values, lifestyle, behaviour, use, loyalty, perceived benefit, attitudes, interests).

The main product of the company is chocolate. It is well known that chocolate is enjoyed by basically everyone. The desire to consume chocolate frequently is even that great so that people with restrictions mainly based on reasons of health, either voluntarily or involuntarily, have created a new group of consumers with significant market potential and capacity. Such consumers are very health-oriented and demanding. These groups range from physically active women to senior people with chronic diseases. Not to forget the group of children who require a rather nutritious diet than delicious chocolate. In the target market, all groups in many different constellations are very strongly represented due to the demographic structure. Nevertheless, for the main product which will be focused on, a specific niche group with promising outlook and growing capacity has been chosen. In terms of the geographic focus, as already outlined in part one, concentration of activities shall first be covering the social circles around the business, and then grow organically. The psychographic aspects shall be considered individually as per chosen group and grow over time accordingly.

In the following list, the market findings are reflected, with the general and wide market potential first, and the intended target second.

Demographic

Age: from 12 months to the end of embodied life / age range 24-44

Gender: any of the many

Marital status: any / single

Ethnicity: any / any

Sexuality: any / active

Education: any / graduate

Occupation: any / junior management and above

Purchasing power: any / high

Health: any / unrestricted

geographic

Country: Brazil (growing into any other country)

Region: South-east

Province: São Paulo

City: São Paulo

Community: around nearby

On-line: social media

psychographic

Personality: any / confident

Risk taking: any / high

Values: any / high

Lifestyle: any / luxury

Behaviour: any / future-oriented

Use: any / special occasion

Loyalty: any / brand-loyal

Perceived benefit: any / high

Attitudes: any / convincing

Interests: any / quality of life

T - Customer Target

When launching a product to the market, profitability, serviceability, PESTEL, size and growth are the significant elements which are not neglectable. With market situation analysis of segments, measurability, accessibility, including costs (internal) and marketing channels, sustainability, cost-factors (external), business goals, alignment, value-offer, actionability, competitive advantage and communication link, a clear customer target for a specific product will be confirmed in order to focus on the development of a market niche to provide the best products and services to the most suitable group of people as consumers.

Customers / consumers are the key roles to keep a company, a brand and a product alive and shining in the market. Yet, in these modern times, they can also be the voices that destroy a business through on-line platforms. While targeting customers based on characteristics of the product will create an appropriate group of people who are attracted by and interested in the product and will find the product rather favourable by its perceived value, these customers will provide sustainable and organic growth to the business for a promising future of all stakeholders, especially the customers themselves, the business and its suppliers, as well as any other person who benefits from it indirectly.

Resulting from a thorough analysis of the market in question, it has transpired that the most suitable target consumer group looks as follows: young (aged 24-44) professionals, highly educated, single, healthy, inclined to pursue romantic endeavours, hungry for sustainable success, and widely active on social media – a very strong purchasing power.

P – Product or Company Positioning

Following the market situation analysis, with focus on major key players and potential competitors, USP (unique selling proposition), positioning map / perceptual mapping, and value proposition, the position of the company with its main product is visualized in a matrix for better understanding and showing a clear way forward. The USP is: providing a locally manufactured product, made from sustainable resources and organically-grown ingredients, at highest possible outstanding quality, in a provoking compilation, by state-of-the-art procedures, based on foreign traditional methods and skills, performed by an extraordinarily seasoned chocolatier.



The business will be placed with its flagship product on the market by perception of the consumer through strategically coordinated marketing efforts as a single niche supplier of hand- and tailor-made exclusive luxury products compared to mass production.

In order to achieve the highest possible outcome, the flagship product as mentioned in Part 1 is made of Bahia chocolate, Minas Gerais milk and São Paulo champagne orange. A catching name has already been found, yet will only be revealed at the later stage.

Positioning of “To Be” is supported by a very strongly applied marketing mix (5P – product, price, place, promotion, people).

Marketing Plan – Part 4

Marketing Strategy

A strategy is a plan of an adaptive set of activities to achieve an overall aim, while a marketing strategy is specifically relating to the plan of how to bring a product successfully to a market.

In order to develop not only an effective but also efficient marketing strategy, a number of specifically designed tools can and should be used. Many of these tools relate directly to the management of a business, and shall therefore not be discussed hereunto, e.g. costing and pricing. However, directly related to marketing and therefore important, are the considerations under PESTLE, SWOT, 5P.

Following previous research in the chocolate market, it is undoubted that Brazilians love chocolate. This factor establishes a promising path for chocolate to develop the market and innovate chocolate products. Aside from traditional chocolate (i.e. dark chocolate in different strength, white chocolate, milk chocolate), To Be will specifically develop orange chocolate, coffee chocolate, fruit chocolate, nuts chocolate, chilly chocolate, and truffle chocolate, amongst others. Foremost, the product of orange chocolate will be the first extraordinary orange chocolate in the chocolate market, and together with the signature role of To Be shall stand out in the chocolate market. This particular orange chocolate of To Be is made of the best chocolate beans from Bahia and combined with Brazilian Champagne oranges from around São Paulo and possibly Minas Gerais.

PESTLE:

Political

Chocolate does not involve in politics. However, some political factors will have an effect on the chocolate market. Aspects of the Amazon Rainforest, farming, unemployment, trade, and import / export need to be monitored frequently. Since To Be provides employment, does not export, is not geographically connected to the Amazon, and practices sustainable production, the potential effects of politics are rather to be expected in a positive way.

Economical

As a member of the BRICS group of countries, Brazil has an emerging economy. This means that together with the eradication of poverty, a considerable growth of the middle-class segment will be observed. Furthermore, the already strong upper-class

will further establish itself as a powerful force within the market. Increasing living conditions will unavoidably lead to increasing lifestyle expectations.

Social

The society loves chocolate. Chocolate is sweet, like life should be and makes everyone happy. As history has shown, chocolate has even made its name as relief product in wars, as well as that it is known to help create peace.

It may well be stated that society will never want to give up chocolate. All ages love chocolate, no matter what the situation or mood maybe. To establish the business and the product in focus, priority target is the upper market segment of young professionals.

It is worth mentioning that the sense of health in diet is strengthening in people's daily life. Acknowledging this social development, hand in hand with the dedicated consumer, chocolate produced by To Be will address all social concerns by using real and naturally-grown ingredients and trusted production processes, to create the most healthy product possible.

Technological

Producing chocolate is actually a hand-craft. Technology will only come into consideration once mass production comes up. Nevertheless, technology will be used to supplement hand-made production and to increase quality of production storage and transport, e.g. high-quality equipment, modern cooling and storage facilities, and technologically advanced transport material.

Legal

As a modern business, the operations of To Be are in full compliance with laws and regulations. Foremost to mention is health and safety, which are the base for a food producing business with customers, consumers and employees at its heart.

The farms of the suppliers will have to follow laws and regulations accordingly and will have to be certified frequently. Practicing sustainability does not mean to only fulfill legal requirements, but to be far ahead of them. Therefore, legal requirements will not only be met, but exceeded to a large extent and be advanced accordingly.

Environmental

Environmental protection and sustainability are deeply interwoven. Intending to be an industry leader and society model, To Be will do its best to support, promote and

practice all that is necessary to fulfill this responsibility. Since the overall business model is based on environmental as well as societal factors to be addressed this part of consideration is forming a significant portion of the business DNA.

SWOT:

Strengths:

Locally produced, sustainable, environment-friendly, innovative, hand-made, exclusive, organic growth, ahead-of-time, supportive of entrepreneurship, good for community development, small tailor-made operation

Weaknesses

Small size, difficult to grow sustainably with unproportionally increasing demand, new market entry, dependent on environment, vulnerable towards factors outside control, regional product (content needs to be adapted according to market climate)

Opportunities

Market opening up for this business model, strong tendency towards business aim and operation within market and society

Threats

Weather, environmental effects, sabotage (e.g. fungus infection of farms as reported previously), product and business model piracy

5P:

Product:

The product is an art ensemble d'or chocolate with Brazilian Champagne oranges from around São Paulo and possibly Minas Gerais, from where also fresh milk will be sourced, and chocolate beans from Bahia, where also coffee beans will be sourced from. An established need within the market will be met by a clear concept of business and products around this core product (flagship) with an expected renewing lifecycle, standing out from the market as a never-seen, recurring experience yet-to-be-met by any competitor.

Price:

The price will be established based on thorough costing and pricing, reflecting documented quality and including a premium profit margin. The price shall stand for its outstanding market position and be undisputed by the consumer who not only can but more so is willing to pay for the privilege to own, to be able to gift, and to be able to enjoy or let enjoy an ever-unique experience based on desire.

The financial goal is to make revenue and profit from small large-amount turnover in terms of quantity (quality rather than quantity), and not from large small-amounts (organic growth).

As the business will be positioned in the premium segment, and since To Be will launch with an omnichannel strategy. The introductory pricing strategy will be based on added value, including perceptive value. Instead of lowering prices, there are offers that increase the perceived value even further:

- 3*2 on chocolate bars (not our core product).
- Free shipping with a lower threshold of R140.00 (-R10 vs Lindt, the SIC competitor).
- Gifts like coffee mugs and chocolate containers on purchases above R300.00 for loyal members and special activities.

This however, will mainly apply to the mass production items rather than the high-end range of the assortment offered.

Related to this, please see the following table for comparative pricing within the target market.

Company	Brand/Line	Ecommerce	Personalization	Free shipping?	Promised delivery	WW shipping	100g bar	Amazon	MeLi
CacauShow	LaCreme	Y	Y	R12.99	2D	N	R17.90	N	N
Lacta		N	N	-	N/A	N	R2.0	Y	Y
Garoto	ao Leite	Indirect	N	-	1D	N	R4.85	Y	Y
Kopenhagen	Tablete	Y	N	R15.70	1D	N	R26.90	N	Y
Dengo		Y	N	Y (+R180)	1D	N	R25.90	N	N
CAU	CAU	Y	N	-	2D	N	R44.00	N	N
Lugano	Lugano	Y	N	R21.16	5D	N	R17.90	N	N
Prawer	Prawer	Y	N	-	3D	N	R29.90	N	N
Caracol	Caracol	Y	N	R18.00	5D	N	R31.41	N	N
Lindt	Excellence	Y	N	Y (+R150)	2D	Y	R34.90	Y	Y

Place:

Conveniently located, São Paulo offers developed infrastructure and amenities that anyone can wish for. The demography is more suitable for the business endeavour and highly receptive for the core product. Production capability and capacity are present. Resources are available with minimum supply chain interruption risk. Most of all, the

target consumer is found in this market location with an extremely high density.

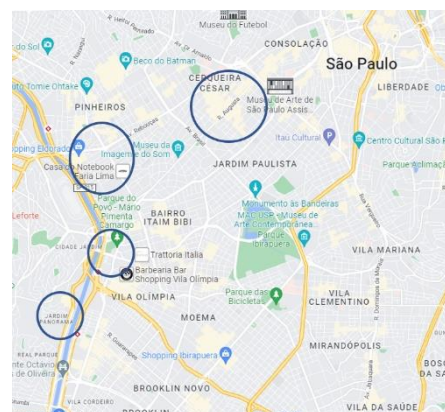
Promotion

To Be is all about the chocolate experience and, it wants to take it to the next level. To Be will focus on customers, offering premium chocolates with sustainable and traceable resources and engagement in loyalty programmes. At a later stage, offers will be reflected in partnership with exclusive gifts platforms like giftblooms.com.

The promotion strategy is built on 3 different channels, with the following options:

Offline Phase I - Sampling. - to grow brand awareness and to introduce products to the targeted market, To Be will offer free samples in two location types:

- Luxury shopping venues, like JK Iguatemi, D&D Decoracao & Design Center, Av Magalhaes de Castro and Av Brg Faria Lima.
- Local gourmet coffee shops, like Café Cultura, Café du Centre and Sofa Café, with a total of 98 possible locations.



Offline Phase II - Partnerships. – To Be will develop partnerships with local coffee shops in order to introduce products at their locations. Among the targeted partners are Café Cultura, Café du Centre and Sofa Café from the previous phase.

Online – Direct. – In order to build a strong direct sales channel, To Be will invest in web marketing campaigns on Google, Instagram and Facebook, driving traffic to the point-of-sale website. To furthermore increase conversion and start brand awareness, To Be will offer introductory promotions.



Online – Ecommerce. – Once moving towards mass production, and to increase the reach across all states and also to introduce the brand in other markets, like Canada, United States and Mexico, To

Be will then sell through Amazon and Mercado Libre, with brand stores and extra exposure through paid ads.

To Be - Promotional Benefits
Free 2D shipping on orders +R200.00 (\$40 USD) + gift
Free Worldwide shipping on orders +R500.00 (\$100 USD)
Free personalization
Traceability of the cacao - fair trading.

(Example: Promotional Benefits)

In order to have a faster distribution and to have an extra channel of marketing, To Be will use delivery platforms like, Uber Eats, Rappi and Didi, to deliver our products smoothly into the hands of valued customer and consumers as and when needed.

Based at the founding outlet, the above-detailed strategic promotional activities will grow into the wider served communities. At the base, growing with success, events will include and further bind the loyal and committed consumer as well as the dedicated customer and potentially interested individuals. Team-building for the corporate environment will also be involved as the brand develops. Such activities will be all around the core product chocolate, as a medium but also as a reward, with the bigger aspects of health, nature conservation, sustainability and building a better community always being the main driver.

People

Main market target are the people in the market. Focus here is on the young professionals aged 24-44 who aspire to be successful and rich as quickly as possible, while living a comfortable and luxurious lifestyle with their peers, reflecting their status in society with brands like To Be.

Marketing Plan - Part 5

Financial Projection

In order to enable a successful execution of this marketing plan, this financing plan has been developed.

For the first year, in contrast to the following years, a different concept will be applied. The first-year funding for the marketing plan will derive from the start-up capital as well as from personal investment into the operation. It is to be considered that the first year, if not even longer, may be without any profit, as it is common for new start-up businesses with a solid investment into production capabilities and infrastructure. This start-up is no less different. With some extensive investment into tools and machinery, as well as potentially into the infrastructure (e.g. space), as well as into potential supply stock and storage thereof, the initial cost will take up a vast chunk of the available investment amount. However, since it is a start-up, some resources, like for example time, are free and available. Additionally to this, the time will be put to good use and combined with the spare time activities in a smart way to make it the key to success.

This strategy will help reducing operational costs, increasing the marketing budget for the first year. The growth strategy leverages the human resources provided within the family members and will allow a sustained and progressive growth, aligned with the revenue projections.

As with every start-up that is or is intended to develop into a sustainable and profitable family business, the family will join forces and invest mainly their own time, yet more so even their own interest and abilities. The founder's wife's sister is a student of a business major with marketing elective at a leading university in São Paulo. Hence, she will use this opportunity as an internship and project, while contributing her excellent knowledge motivated by her interest. Since it saves valuable money, it nevertheless gives back value to her and the company. Also, she will be "paid" in chocolate products, which in turn she can make to money by selling / promoting to her friends, which will grow the customer base and spread word, and build a reputation.

Not going deeper into the start-up capital and its use, which is rather part of a business plan, of which this marketing plan may form a solid part, the focus here is on how to finance the marketing.

Business operations and strategies generally aim at high production to address the cost issue. Cost is the part of resources, especially money, which is required to produce the product at heart of the business operation and to sell it. Bringing it to the market is part of it. Since every business activity comes with the intention to make profit, a high

revenue (turnover) with low cost is the goal. While a high turnover resulting in high revenue will probably not be achievable in the early stages of the business, it is therefore more likely that cost need to be kept low. Also, the initial investment into this business, wants to find return from operation.

At this stage, many businesses will want to keep production and operation cost, as part of the overall cost, low. To Be, nevertheless, will go another way. Given that chocolate can be stored well for a considerable time, and given that high production will lower the cost per unit, a balanced production running at optimal capacity is aimed at.

Overall cost are generally made up by fixed cost and variable cost. While fixed cost will not change based on production of units, variable cost will. With increasing production, the portion of variable cost will increase, and thereby increase the overall cost.

This often scares an entrepreneur in the start-up environment. Yet, one aspect is crucial to be looked at: While the part of variable cost will increase and the overall cost will unavoidably increase, the cost per unit that is produced will considerably decrease. Not to forget, the purchasing cost for supply will also decrease per unit with the increasing quantity of purchase.

Now how does this work for To Be?

Chocolate is an experience. Therefore, chocolate must be experienced. And for this, chocolate is needed. Promotion, P number 4 of 5P, requires experience of the product, chocolate. And this chocolate is produced, right from the beginning. Holding a storage capacity and a considerable shelf-life, this chocolate will go to provide several functions. On the one hand, a stock capacity is built. On the other hand, promotional material is created. The older stock will go into promotion, the newer stock will go into the warehouse for sales. Production capacity will be made full use of, all along the line for the business operation to be cost efficient.

While the kick-off may take some time, the warehouse stock will be immediately ready to fulfill a sudden increase in demand, and with ongoing production at capacity level, it shall be a buffer to bridge the time of production until sales.

Since the family is well established in the circles of São Paulo, with a functioning network, this will be brought to good use as well. Their social networks are well developed. From private to professional connections, all is there. The younger ones have a well-developed private life with great circle of friends. Now all of this is of high value for the business.

Social networks, online (virtual) and offline are the new currency in business. And of this, the family has, with good access to it. Therefore, as a family, for the family business, everyone puts in an extra effort to promote the business accordingly, while following their spare time daily activity of surfing the internet.

When going out, the same applies. Frequenting the trendy spots of São Paulo, everyone brings some chocolate with them in a cooling container, just like a professional salesman would. The difference is- they are known and trusted and fully loyal and convinced themselves of the product.

Being known to the management and owners of the locations, and having a good relationship with them, it is easy to provide samples at the till, or entry table, which hardly any good business would be able to refuse.

This business has two (2) customer pathways: Business to Business (B2B) and Business to Consumer (B2C). A business customer will buy the product in order to sell it with profit (either to another business or to the consumer), or to enhance its own service, whereas the consumer is the practical end-user of the product. With the B2B path looking at maximizing profit for the partner customer, which is nevertheless based on the consumer (end-user), the B2C path reaches the consumer directly. Hence, they have a different nature, though keeping the same target in sight. The marketing strategies here will target the same consumer and see the business partner customer as a valuable intermediary to extend the reach into the target market.

The main sales channels are the following:

1. Direct: To Be's website and social media will be the top prioritized sales channels due to its profitability (with no 3rd party sales fees) and favouring loyalty programs. In order to drive the most relevant traffic, investment on SEO and web-marketing on main search engines (Google, Yahoo, etc) as well as marketing campaign on Instagram and Facebook.

Having analyzed the competitors' websites and their presence across mentioned marketplaces, the main opportunities that could represent potential USP's on this main sales channel are identified. The results are in the table below.

Company	Brand/Line	Website	Ecommerce	Personalization	Free shipping?	Promised delivery	WW shipping	100g bar	Amazon	MeLi
CacauShow	LaCreme	https://www.cacaushow.com.br	Y	Y	R12.99	2D	N	R17.90	N	N
Lacta		https://www.lacta.com.br	N	N	-	N/A	N	R2.0	Y	Y
Garoto	ao Leite	https://www.garoto.com.br	Indirect	N	-	1D	N	R4.85	Y	Y
Kopenhagen	Tablete	https://www.kopenhagen.com.br	Y	N	R15.70	1D	N	R26.90	N	Y
Dengo		https://dengo.com/	Y	N	Y (+R180)	1D	N	R25.90	N	N
CAU	CAU	br/collections/barras-de-chocolate	Y	N	-	2D	N	R44.00	N	N
Lugano	Lugano	lugano.com.br/chocolate	Y	N	R21.16	5D	N	R17.90	N	N
Prawer	Prawer	prawer.com.br/granel	Y	N	-	3D	N	R29.90	N	N
Caracol	Caracol	loja.caracol/chocolates	Y	N	R18.00	5D	N	R31.41	N	N
Lindt	Excellence	m.br/catalog/category/v	Y	N	Y (+R150)	2D	Y	R34.90	Y	Y

2. Marketplaces: Using online websites, like Amazon and Mercado Libre among others, with an increased audience. These channels have an extra cost of 12-15% due to selling fees, plus sponsored ads. These ads are cost-per-click based and will remain active for a minimum period of 6 months after the launch in order to position the brand store on each marketplace.
3. Distributors: Using established businesses such as coffee shops and gourmet stores to distribute our products. Even though this can become a valuable sales stream, the main trade-off is the distribution model, that requires a stock investment with no immediate cash flow. In order to identify the best locations and companies for this strategy, family members will run sampling campaigns, monitoring the conversion rate of each location.

Sales will be channeled through the online platform and kept under control, maintained by the brother of the founder's wife, who happens to be versed in Information Technology and run it as a sideline with his own business. This will be linked to all other online platforms as well as any other website which place a link. Therefore, all marketplaces will be connected to the in-stock management system, using an integrator. This will update each channel's stock on real time, improving its accuracy and avoiding order cancellations. Stock management will be run by a family member.

Now looking at the figures, it is undoubted that clear figures are merely speculative and unreasonable, if not even unrealistic, in a business plan financing part, as well as in this marketing financing part. Nevertheless, based on average findings across the industries, there are some good indicators that can be applied.

For the second year and following, these guidelines shall apply: About 10% (+/- 2%) of the revenue shall be budgeted for the marketing activities, provided that some portion of profit is maintained. For profit, a sound amount of about 10% of the revenue shall be aimed at. The remaining 80% of the revenue are expected to be absorbed by operating cost. The about 10% of the revenue which form the marketing budget then are considered as 100% of the marketing budget and will be allocated to the main activities as per the following tables (Appendix 1).

Appendix 1

Marketing Plan Summary and Budget (1/2)								
Revenue				Y1	Y2	Y3	Y4	Y5
Gross Income				100%	100%	100%	100%	100%
Net Income				-	-	-	-	-
Profit				0%	10%	10%	10%	10%
Marketing Budget				10%	10%	10%	10%	10%

Marketing Plan Summary and Budget (2/2)								
Strategies	Goal	Tactics:	Trackable?	Y1	Y2	Y3	Y4	Y5
Sales Tools:	Fulfillment for activities	Website Hosting	Yes	11%	11%	11%	11%	11%
		Website Design, Development, QR code, SEO	Yes	5%	1%	1%	1%	1%
		Business Card Design and Print (with QR code)	Yes	3%	1%	1%	1%	1%
		Brochure (with QR code)	Yes	10%	5%	5%	5%	5%
Internet Marketing	Demand Generation	Google Adwords	Yes	8%	10%	10%	10%	10%
		Yahoo Search	Yes	1%	1%	1%	1%	1%
		Directory Listings	Yes	3%	3%	3%	3%	3%
		Email Campaigns	Yes	5%	8%	8%	8%	8%
		Blog	Yes	2%	2%	2%	2%	2%
PR	Create Awareness and Visibility	Hire PR Specialist	Yes	0%	0%	1%	1%	1%
		Write Promotional Material	No	10%	10%	10%	10%	10%
		Get Speaking Opportunities	Yes	0%	1%	1%	1%	1%
Advertising	Create Awareness and Visibility	List of publications that would reach target (with QR code)	Yes	15%	15%	15%	15%	15%
Events	Create Awareness and Visibility	Tradeshows that reach target	Yes	0%	3%	3%	3%	3%
Direct Marketing	Demand Generation		Yes	20%	20%	20%	20%	20%
Word of Mouth	Create Awareness and Visibility	Chamber membership, other networking events	Yes	7%	9%	8%	8%	8%
Total Budget:				100%	100%	100%	100%	100%

Marketing Plan - Part 6

Implementation Plan and Metrics

Implementation Plan

Building up a company with a brand and have it successfully and firmly standing in the market, an implementation of the marketing strategies is required according to the marketing plan, and those need to be aligned with these strategic goals of the business overall. The marketing plan will help the business to shape the market for the future. The first thing to do is to execute the marketing plan strategically.

As described in Part 1, there are three basic goals listed for the business which are valid for its entire lifetime, and will not change. In order to achieve these goals, an alignment with strategic goals of the business is made, with scientific results from market research on the target customers, competitors, characteristics of the target markets, the overall target audience, under consideration of the buyer persona, as well as on how to reach all of those through the marketing strategies. As furthermore detailed in Part 3, young professionals of the age range 24-44 are considered to be the main customers. These target consumers hold all directly relevant attributes of our aim. They are ambitious, successful, adventurous, with related purchasing power, purchasing interest, and purchasing desire which our marketing campaigns will access in order to develop the subsequent action of purchase. With our business strategies remaining constant, our marketing strategies shall adapt according to the business development status of our brand To Be, a brand to be.

Especially once the operations outreach the local community of São Paulo, and develop a foothold in the greater area of Brazilian cities and beyond, the marketing strategies

will be adjusted and changed as, when and where necessary, remaining though in line with the business strategies and objectives. Holding access to the material of our core product, it will be easy to provide shape and other factors in the form of a 100% tailor-made consumer product. The original and introduction shape of the core product is a miniature replication of a Champagne Orange, just made out of chocolate, packed in specifically designed and copyright-protected wrapping with the colours of chocolate, orange, black and gold, which stand for its mystic origin, nature and effect. The standard box will represent nothing less, holding up to a maximum of 5 items in correlating design and colours. Boxes with mixed or randomly assorted items will be available for the entertainment of the consumer. During promotion times, there will be “blind date” boxes with chocolate, containing the known types, complemented by a totally new type as a free gift. Nevertheless, chocolate can be shaped into whatever the customer wishes for, any size and shape can be created. In differentiation to the competitors, To Be will present itself as the cradle of its products, underlined by exciting stories which explain the origin of each product and stimulate imagination and fantasies of probably any consumer in the target market. Main philosophy always followed is that of highest quality with the story of mystic romance in the form of chocolate, breaking away from the standards present in the market to fully customizable responses answering to the personal desires of each consumer.

In order to measure the success of the marketing plan, key performance indicator will be developed and applied. In the early stages, the marketing strategies are shaped by the core business team. As the business grows, there is chance for a marketing team establishment through the sister. The marketing budget is adjusted accordingly, so that the marketing strategies can be executed, often simultaneously to achieve the best possible outcome.

Given that a marketing plan is a set of processes, a clear timeline to keep the work under

control with project management tools, may be advisable. To achieve this, first of all, realistic and right expectations need to be formulated. Hereby it is of utmost importance to consider the possible or even intended “snowball effect”. Every campaign or activity will not only have a current effect but also reach into the future through the market. A frequent review of the marketing plan needs to be performed under different aspects. Available as well as necessary resources have to be correctly identified and made use of. Project management and planning tools like Kanban board, Gantt chart, real-time dashboards will come in very handy and allow for efficient use of every resource, including time and human resource, which are highly limited and of high value likewise. Communication of the plan, the execution of the strategies related to business and marketing and the progress together with success and failure within regular staff communications guarantees that everyone at any time is fully informed and has the opportunity to contribute to the best of their abilities for a successful business and brand development. For the “real thing”, these tools will be used. However, at this stage, it would be simply speculative to create any of these charts, boards or timelines as they need to be realistic and based on current market data. Speculative tool content may be nice to look at, yet is far from reality. Such data and figures therefore would now only distort the overall image and even cause frustration and disappointment when they should be used, yet do not conform with the market at that time. Hence, they are not included in this marketing plan. Once the marketing strategies become a topic, all knowledge and information from this marketing plan will flow into the conceptualization of those, and then be used appropriately. Strategies and results are documented and form supportive parts of the development and creation of workflow which in turn is the base for actionable tasks. Here, again, the reasonable management of the marketing project at hand and measurement of results are in the focus of the driving forces within the business operations. Timelines and tasks are clearly defined, adjusted according to market changes, and part of the communication. Streamlining the brand and shaping a legacy, milestones are created, success and failure are tracked,

based on frequent monitoring and open for necessary adaption. Success will be celebrated and reflect into the business in the form of creative incentives for any stakeholder on any level, including consumers.

The target markets overall are already exposed to one ingredient of the core product, chocolate. Ideally, the marketing plan has the power to create the call-to-action (CTA), prompting immediate response and sale, in its relevant, compelling and clearly defined message. Subsequently, To Be will present something completely new to the market. With its outstanding philosophy, a newly created taste to be established and experienced in the market of the future, the extraordinary and unique shape of the core product, together with a name and a story behind to be remembered, holding and sharing its mystic spirit through the sensation in its own form, away from anything the market has ever seen, To Be will be.

Metrics

Metrics in marketing are, simply said, numbers open for interpretation. One rule for businesses dealing with metrics is that they are not the answer to everything, yet merely a possible indicator. Nevertheless, some metrics can be helpful to justify expenditure, increase budget, or even to reflect some figures that may relate to the success of the business. Subsequently, management, as well as marketing, require flexibility, and the inclusion of other external factors in their decision-making. The metrics should follow somehow the marketing plan and marketing strategy, which are based on the business strategy. Metrics can help to develop or discover valuable opportunities based on the marketing plan, and the business reality. Marketing metrics will be used in any way to help the business strengthening its campaigns, convert customers, and increase the return on investment (ROI).

What are marketing metrics?

Marketers use figures to monitor, record and measure the progress of the business and the market, as well as the reaction of the market to the marketing campaigns over time. Here, it all depends on which software or platform is used to collect, analyze and possibly interpret those figures. Management needs to decide what matters, if anything at all, of those figures.

Generally, the key figures used are about gross revenue, market share and calculated intangible value (CIV). Metrics in marketing can provide support to management for informed decision making. Furthermore, channels can be identified and ranked according to their ROI. Figures provided by the metrics are also a good justification for expenditure and budget allocation. They also provide evidence for elevated lead conversions and subsequently prove increasing results. With the correct figures, the sales cycle is also identifiable. In modern times of the internet and relevant software applications, basically all internet marketing metrics can be or are collected automatically and may even come with a computer-based analysis. There are some goals that have to be identified by management, e.g. sales increase, revenue, profit, in order to give a clear guideline for the collection of the relevant metrics. The management will then decide, based on these goals, which metrics to focus on, in order to avoid wasting valuable time on time-consuming collection, review and analysis of data, since all of the data collected has to be placed with sense into the business operation environment and given a meaning that hopefully reflects reality for the future of the business. Any misinterpretation may result in costly mistakes and even failure of the business in future.

The most commonly used metrics for marketing are as follows:

- Cost per acquisition (CPA=campaign cost/number of conversions)
- Cost per lead (CPL=total amount spent on marketing/new leads acquired during

- time period) (quarterly or monthly)
- Customer lifetime value (CLV=average customer value*average customer life spent) (based on pricing model) (from first purchase to last purchase) (quality over quantity, customer retention campaign)
 - Click-through rate (high at 4%) (analysis online)
 - Bounce rate (analysis online)

 - Goal completion/conversion (acquiring customer) (analysis online)
 - Lead to customer conversion rate (benchmarking by software, 3-7%)
 - Multi-touch attribution (can be calculated)
 - Engaged time (analytic software)
 - Quality of inbound links (analyze)
 - Social media engagement (online analysis)
 - Unengaged subscribers (unresponsive subscribers) (analysis)
 - Website conversion rate (online analysis), return
 - MQL (marketing qualified lead) to SQL(sales qualified lead) ratio (SQL/MQL)
 - Internal metrics (gathered by staff)

Finally, it is advisable not to waste time on looking at numbers, but to let the staff do the work that they can do best, to trust them that they know what they are doing, and to afford intuition reasonable space within the process of understanding market development and outlook.

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