



Global Plan

Conceptualising a strategy to enter a new market with our chocolates and brand.

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Introduction

Canadian chocolatier with a rich history.

- Purdy's chocolatier is a retail operator and a confectionery manufacturer of chocolate-based products in Canada.
- Produces different types of chocolate and confectioneries which are distributed to all its retail locations.
- Use of the highest quality and fresh ingredients in the manufacturing.
- Purdy's sources its premium quality ingredients from farmers and choose the local option when possible.
- Product differentiation plays a significant role for the company success.



Expand to US

NOT just a tasty concept; it's huge business

- However, the chocolate market has gotten saturated due to the growing competition. The number of new market entrants is extremely high.
- United States is the largest importer and exporter of Chocolates in world
- The North America chocolate market size was valued at USD 39.4 billion in 2021 and is expected to expand at a compound annual growth rate (CAGR) of 4.3% from 2022 to 2026.
- In May 2022 United States' Chocolate exports accounted up to \$149M and imports accounted up to \$294M.
- Chocolate and other cocoa-based confections are a common Valentine's Day custom in the United States.



GLOBAL CHOCOLATE MILK MARKET 2022-2026



Objective

This is the bigger goal we want to achieve, and conquer the US market.

LEGACY

Today, it's been more than 110 years since Richard Purdy opened his first chocolate shop.

BRAND

Purdy's is unquestionably Canada's chocolatier

ESTABLISHED

Tasty treats are enjoyed in over 75 shops across

Purdy's mission is to continue with the company's legacy of manufacturing quality, sustainability, and the family tradition.

The company vision is about ordinary people doing extraordinary things.

Establish Purdy's retail shops and generate brand value in three largest cities of US with expected growth of 30% in next 5 years.



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Entry Mode Strategy



Wholly-Owned Subsidy



The best-suited mode of entry for Purdy's Chocolates is establishing **wholly-owned subsidies** in three largest cities (**New York, Los Angeles & Chicago**) of United States. To aid the market penetration and connecting with locals, Purdy's will choose the **in-line store spaces leasing option** offered by **Simons Group** who provides built-out and move-in ready stores in largest **shopping malls** of US. . They provide property management, and marketing professionals to establish and help with important knowledge about local conditions and facilitate acceptance by government officials and consumers in a new market. The leasing is in line with Purdy's strategy to boost consumer's footfall at stores.

Why?

Purdy's mission specifies that the firm must keep total control over the operations and teach the personnel in order to leave a legacy of manufacturing excellence, sustainability, and family tradition. Purdy's has also been a chocolate company for over 100 years, has some brand awareness in the United States, and exports its products through internet outlets.

Entry Mode Strategy

Partnership Recommendations



Cargill

In USA, we will need cocoa to make the chocolates. Keeping this mind, our first partner will be Cargill. They have a strong brand reputation in USA as they are helping several different businesses with sustainable supply of cocoa.

XPO logistics

This is a logistics company in USA. They have become the third largest trucking company in the world after FedEx and UPS. In USA, they have a strong presence in almost every corner of the country which will allow us to have good reach and distribution network.

Simon Property Group

Simon Property Group, Inc. is the largest shopping mall operator in the US. Simon is a real estate investment trust engaged in the ownership of premier shopping, dining, entertainment and mixed-use destinations

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International Product Strategy



Existing Core Products

- The company produces a variety of chocolates encompassing caramels, truffles, Vegan, hazel nut hedgehogs, and molded-filled chocolates.
- The milk chocolate bar comprises sugar, cocoa, unsweetened chocolate, rice powder, vanilla flavor, butter, and lecithin.
- Equally, the vegan chocolate bars are plant-based. Made from sustainable cocoa.

New Core Product



One specially designed product to promote us as a Canadian chocolatier in US markets.

Existing Packaging



The boxed chocolates are the perfect gifts as they are packed well, making them more presentable for consumers throughout the year.

The **molded bars** are sold at a lower cost, are plastic wrapped, and are smaller sized. They dominate gift personal consumption.

New Packaging

Core Product
Packaging



One specially designed product to promote us as a Canadian chocolatier in US markets.

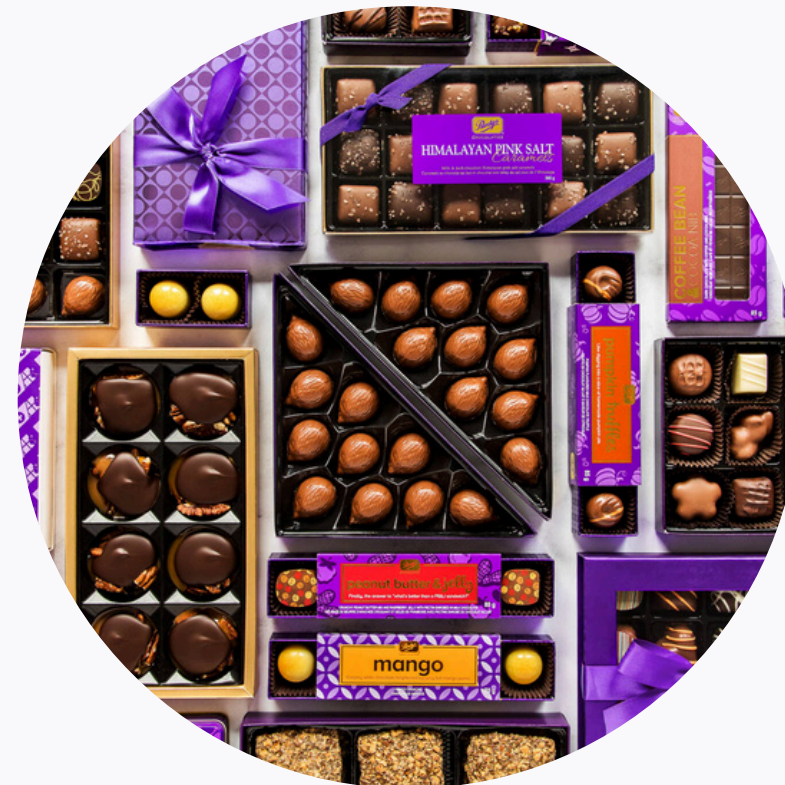
Existing Auxiliary dimensions

- Purple colour boxing for most of the chocolates.
- The seasonal chocolates are tailored with specific messages like Merry Christmas.
- About Purdy's, Ingredients and contact information with governmental labelling requirements would also be included at the back.

Core Products

packaging

Auxiliary



New Auxiliary dimensions

- Core : Salted Caramel Chocolates
- Packaging : Square box with dimensions 21x21x5 cm and cavity dimensions 4.5x4.5x5 cm. 16 Pcs.
- Auxiliary : Red colour with a maple leaf on top. About Purdy's, Ingredients and contact information with governmental labelling requirements would also be included at the back.



One specially designed product to promote us as a Canadian chocolatier in US markets.

Quality Dimensions



FEATURES

Purdy's chocolates have cocoa solids amount more than 70% making it a speciality item. Has Vegan chocolates for health-conscious consumers.



DURABILITY

Chocolates are best stored between 20–22°. Can be consumed within 3–4 weeks or 6 months if stored in freezer as per US climate. Col-storage facilities restored.



AESTHETICS

The company chocolates touch every taste bud, as customers experience the gentle notes of the sour, bitter, sweet, umami, and salt.



CONFORMITY

It has been in business for over 100 years and complies with every U.S. Food and Drug Administration guidelines.



RELIABILITY

Imports cocoa from Columbia, Mexico, Western Africa, and other countries with similar climates.

Market/Product matrix

Purdy's chocolatier intends to penetrate existing markets through the innovation of different flavors so **product development**.

They have started adding comfort chocolates such as cookie dough, bacon, and cereal.

Increase the accessibility of its chocolates in the global market by making the products readily available .

Focus on **new vegan product-line** for health-conscious consumers.



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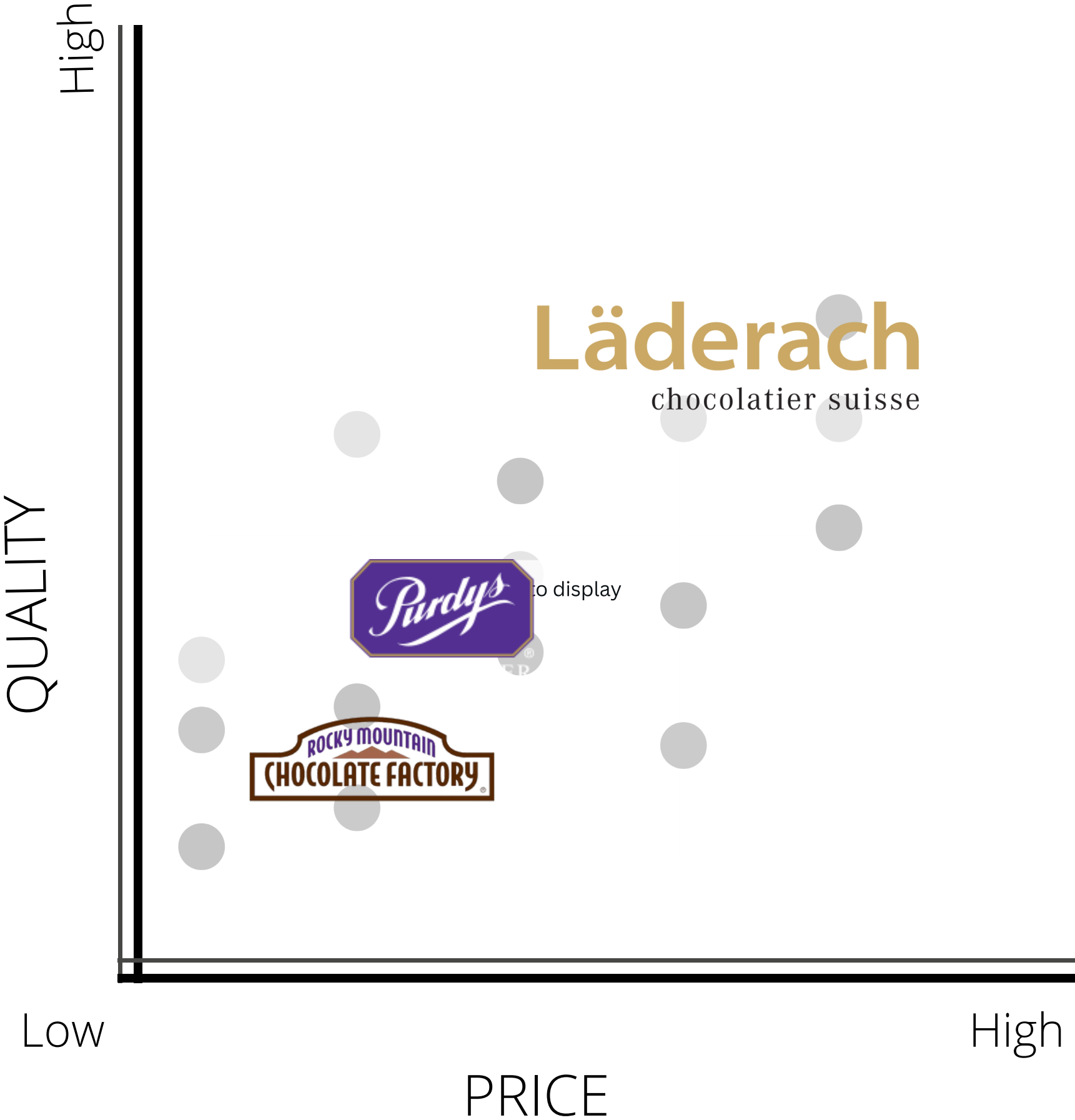
International Pricing Strategy

**These bundles
of joy ship FREE**



Price Perceptual Map

	Purdy's	Rocky Mountain	Läderach
Price (USD) (Per Item)	\$5 – \$55	\$3.25 – \$45	\$2 – \$81.99
Quantity	1 – 25	1 – 17	1 – 36
Flavours	70% Dark Choc Assorted Choc Caramel Choc Gold Choc Truffle White Chocolate Vegan Chocolate Ice–Creams	Milk Choc Dark Choc Truffles Caramels	Milk choc Dark choc Nuts White choc Vegan Fruity Alcohol



Pricing Strategy



5 out of 6 (Highly Recommend)

Purdy's chocolatier intends to employ a **competitive pricing strategy**. Competitive pricing includes the company strategically choosing price points for the chocolates based on competitor pricing in the chocolate market instead of basing the product's prices mainly relying on the business costs and the targeted profit margins .

Initially, pricing same as competitors and then gradually increase considering the price elasticity.

Customers are more likely to remain inclined to brand and increase their brand loyalty thus enabling the company in maintaining the market share.



3 out of 6

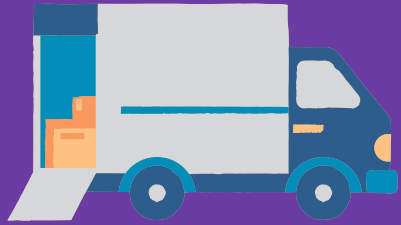
Another method that can be used is **DEMAND/SUPPLY-BASED PRICING** which involves setting the product's price based on increase/decrease in demand of product.

- Candy is one of the most inelastic food categories, across all incomes.
- Despite the increase in health consciousness among consumers, chocolate and other confectioneries are still in high demand
- The new pricing methods for cocoa could cause candy makers to hike their prices

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International Place of Distribution Strategy





For international channel it has been decided to choose distribution, through for example trucks or trains.



Selective type of distribution strategy because we want to differentiate Purdy's from daily-shopping chocolates.



It will be distributed at selected locations and only top 3 cities of US.



Direct marketing is the right way to go as we will use pull strategy promoting the launch online and then driving the traffic to in-stores at biggest malls of US.





Choosing a contractual channel partner is a right way to go since it is easier to complete the task by hiring a good reliable exporter/ distributor.

The advantages Purdy's can gain from this partnership with real-estate management companies like Simon Group is the following:

- The company can take less time to oversee every single operation.
- The company can focus more on operations other than distribution processes.



3

International Promotion Strategy



Advertising Objectives

This is the bigger goal we want to achieve, and conquer the US market.

Brand Awareness:

Purdy's holding a long history and success to it, it would not be a difficult process to create and promote this brand to new country like USA

Product differentiation:

One of the main objectives is to make know familiar of the unique products available at Purdy's and also special packages they own for different occasion

Value for money:

Our objective is to make people realize that the quality of product is much superior and up to the standard of what the people is spending for it.



“ Advertising Message

We promise we deliver
fresh.



Advertising Support

Purdy's has a In-House **Marketing & Merchandising** department which handles brand management, content creation, marketing and advertising, sales analysis, creative design and visual merchandising.



Sources of advertising

Traditional media advertising

Newspapers: Providing the leaflets related to our product and promotions within the leading news papers.

Magazine: Sharing the history and success of Purdy's from previous within a popular magazine.



Digital Marketing

Being online on the internet is fastest way to reach wide range of global customers and give more detailed information on the choice of product available with us. Also this is a low cost way and preferable option for most of the customers these days

Direct Mail: Direct mail mainly focusing on big scale business groups within the market and letting them of the different packages available for various occasions and celebrations.



Consumer Promotion Plan:

Samples: Providing samples for limited time to the people visiting the stores and also delivering samples to large business firms could be a great way of promoting the product and in return getting business from them

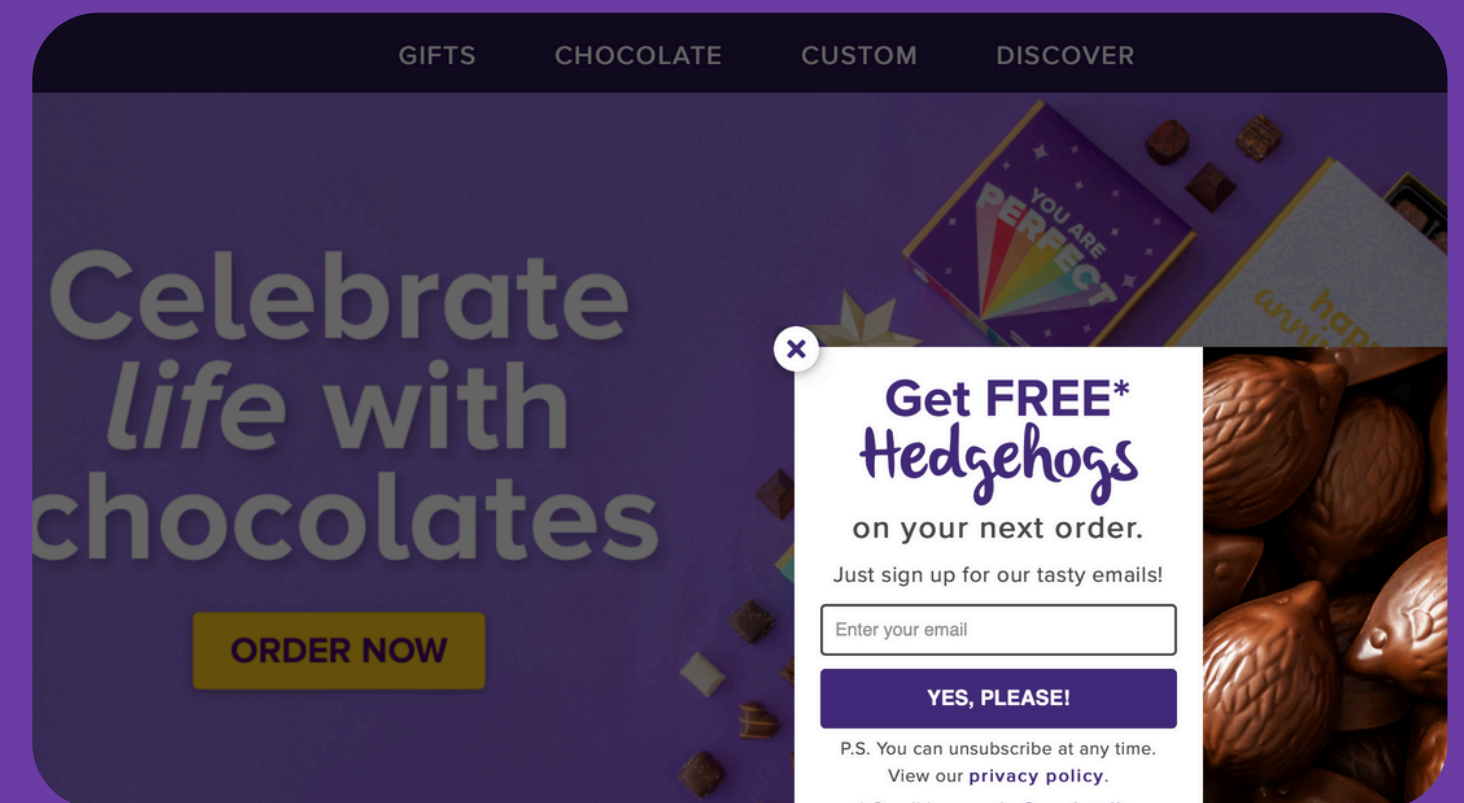
Loyalty Card: Providing Loyalty based cards to customers and offering them points based on their frequent transactions which could redeemable upon purchases could be one more promotion plan



Consumer Promotion Plan:

Special pricing: Reduced rates offered based on the quantity of chocolates purchased could be an extreme satisfaction for customers buying more as they get it for cheaper rates.

Coupons: Offering coupons to special customers such as schools and colleges where there is lot of teenagers could be a great way of promotion and creating awareness among families for that product.



Consumer Promotion Plan:

Contests: Contests on monthly basis to share their interests and experiences from customers could be a great way of attracting the people and at the same time helpful in receiving the feedback for improvements. Offering the prizes for winners such as trips or cash redemption could generate interest among buyers and will be a great way of bringing back again and again for purchase.



Purdy's Chocolates

August 4, 2022

Thank you!

Have a great day ahead.