

Ghirardelli New Market Opportunity

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Sofie Graham

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Introduction

In order for businesses to be successful in this fragile economy, they must always be seeking out new market opportunities that might lead to extra revenue sources. By studying and speaking to their current customers and potential customers, companies can gain an understanding of their wants and needs, which in turn can lead them to discover these new opportunities.

In this paper we analyze San Francisco's most prominent chocolate company, identify a potential new market opportunity for this company and discuss recommendations to develop and promote this new opportunity. We also discuss the research methods undertaken to gather information that may support our proposal. We also conduct an analysis of the company's current strengths and weaknesses to understand what we can leverage going forward with the proposal. Finally, we outline a marketing strategy that utilizes all of our findings to target an appropriate market for our new market opportunity.

Company

The company we have decided to look at for our new market opportunity project is Ghirardelli.

Ghirardelli is a chocolate company that is based in San Francisco dealing in high quality chocolate products. They currently hold a 2.3% market share in the US chocolate industry, and are the number one supplier of premium chocolate chips with a 13% market share in baking chocolate (Pacyniak 2011).

Products

Ghirardelli produces a broad range of chocolate products in a variety of flavors. Their key products are:

- **Chocolate Squares** – These come in a multitude of different flavors and can be bought in premade packs or purchased individually.

- **Chocolate Bars** – Larger than the squares, these bars of chocolate come in a smaller variety of flavors than the squares, but are the same quality of chocolate.
- **Baking Products** – Includes chocolate chips, brownie mixes, baking chocolate and dessert sauces
- **Hot Beverages** – Including frappés, mochas and Hot Chocolates.



Ghirardelli Squares (Fay 2012)

Pricing

Ghirardelli's signature squares can be bought for just \$1, whilst their deluxe baskets can be upwards of \$200. There is a range of products in between these values with their bars usually retailing at around \$4 and their beverages around \$5.

Place

Ghirardelli has a couple of stores in San Francisco, where they sell both chocolates and beverages. Their key store is on Market Street, but Ghirardelli chocolates and baking products can also be bought at many stores around the country, including Walgreens, Walmart and Target.

Promotion

Ghirardelli have a few channels which they promote their products through including television commercials, a website and social channels such as facebook. They also promote specific flavors in store when customers come in.

Positioning

Ghirardelli has been positioned as 'America's Premium Chocolate Company' (Manning-Schaffel 2005).

However, when we spoke to sales representatives in the Ghirardelli store, they stressed that Ghirardelli was not a 'luxury' chocolate, simply a high quality premium chocolate. It is also famed for being founded in San Francisco, and is often seen as a tourist's brand.

Target Market

Being premium in nature, Ghirardelli attracts a more refined customer base than chocolate in general, so the consumers tend to be adults as opposed to children. Its stores are set up in a café style, encouraging customers to browse leisurely or take a seat and spend some time in the store consuming products. By visiting the store we were able to study some of these customers.

Key Segments

- **Tourists** – Ghirardelli is a traditional San Franciscan gift
- **Professionals** – The café style stores make perfect casual meeting places
- **Couples** – Premium chocolate is a common gift amongst couples

Customer Behavior

When studying customers who buy Ghirardelli, we noticed that the majority of people bought the chocolate as a gift for someone else. The intended consumers were usually people in other states or countries who would receive the chocolate as a gift.

Customer Decision Process

Problem Recognition – Ghirardelli addresses the need to purchase a San Franciscan gift for a loved one, the need for a high quality treat for one's self and the need for a place to stop and relax or meet other people.

Information Search – Previous customers usually have a favorite flavor of Ghirardelli Square and returning customers often recall these flavors in their memory when deciding to purchase chocolate. Ghirardelli is also one of the most prominent brands in San Francisco, as such tourists hear about it before they even arrive in San Francisco, whether from friends and family or from advertisements.

Evaluation of Alternatives – Its premium nature, and its 'San Franciscanness', make Ghirardelli stand out against other chocolate brands as the perfect gift to bring home. The price is also very reasonable for a premium variety, with gift packs of squares costing around \$15, whilst competitors such as Godiva charge around \$50 (Godiva 2013).

Purchase Decision - The price range makes it suitable not just for tourists, but also locals looking for a sweet treat. The primary Ghirardelli store is also located on the high street in San Francisco, making it easily accessible for most customers looking to purchase the products, and the store itself has a leisurely atmosphere, encouraging customers to browse and buy.

Consumption Behavior – In many instances, the customer and the consumer are two separate entities, so it is tricky to gauge the customer satisfaction with the purchase in these instances. However those that buy the chocolate for themselves seemed happy with the purchase, and several customers we noted were returning customers. We did however speak with one couple who were dissatisfied with the quality of the product considering the above average price tag.

Selling methods

Ghirardelli utilize several key selling methods to increase conversion of browsers to buyers in their stores.

Free Samples – Assistants within the store give away free samples of seasonal chocolate squares. Free samples have been proven to increase the likelihood of a customer buying a product, with roughly 35% of customers who sample a product converting to purchasers (Kreuzner 2008).

Café Style Atmosphere – Turning the store into a café with free Wi-Fi creates a relaxed atmosphere which encourages customers to spend more time and more money. The selection of beverages means that customers can constantly consume products while in the store. People who are primarily looking for a meeting place may select the store and purchase products simply because the store fits their primary need.

Pick and Mix – Although Ghirardelli has many pre-made gift packs, the vast selection of flavors of chocolate squares is arranged in a 'pick and mix' style in the center of the store. This allows customers to make the perfect chocolate pack for themselves, or as a gift, by picking exactly the amount and flavors they desire.

New Market Opportunity

After studying the customer and seller behaviors of Ghirardelli products we noted that Ghirardelli does not put as much emphasis on marketing their chocolate beverages as they do with their chocolate bars and squares. We believe that this is where a new market opportunity lies. Ghirardelli could be placing much more emphasis on their chocolate beverages, building them into a line of their own, akin to the company's signature chocolate squares. The hot beverage industry is a huge market, with coffee being

worth \$9 billion in the US alone (Time 2013) whilst the hot chocolate industry is worth \$840 million (Ibis 2013). We believe that the hot chocolate industry has the potential to grow and that Ghirardelli could be just the right company to facilitate its growth.

We noticed that locals who came into the store were more likely to be buying products for themselves, as opposed to tourists who purchase the products as gifts. These locals sometimes stayed a while to have a hot beverage with their purchase. By primarily targeting tourists, Ghirardelli is missing out on an opportunity to gain loyalty with the people who not only purchase their products, but consume them as well.

Primary Market Research

We used three key methods of primary research, each of which yielded useful information in relation to the new market opportunity we had defined.

Observation

We studied how customers, consumers and sellers participated in the purchasing process. Our key takeaways were as follows:

- Customers are drawn to specific flavors of Ghirardelli's squares.
- Customers spend time creating a selection for their pick and mix bag.



- Customers respond positively to the free samples, often engaging the assistant in conversation when trying the sample squares.
- Many customers buy just one beverage and then spend a long time sitting in the store either working on their laptops or chatting to a friend. *Customers (O'Neill, 2012)*

This research led us to understand the importance of flavor varieties to customers. Whilst this process was useful as it allowed us to observe customers without disturbing the flow of their purchase, it was sometimes hard to work out what they were thinking, which led us to the decision to interview some customers after we had observed them.

Personal Interviews

In the Ghirardelli store we stopped and spoke to several customers in various parts of the purchasing funnel. We spoke to customers browsing, those standing in line waiting to pay, and those who had already made a purchase or who were sat down drinking a Ghirardelli beverage. Some key takeaways were:

- Many customers explained that they were not buying the product for themselves, but rather as a gift for someone 'back home'.
- The majority of chocolate buyers were tourists, whilst the majority of beverage buyers were locals.
- Some customers had purchased a beverage expecting it to be high quality, like the squares, but were disappointed.

Although this was a rather intrusive research method, it was a great way to get qualitative data from real customers whilst the buying process was fresh in their minds. We were wary of course because

these customers were still in the Ghirardelli store, and so may not have wanted to openly criticize Ghirardelli. The discovery that beverage buyers were more likely to be local, affirmed our belief that we should be marketing beverages to San Franciscans as opposed to tourists.

Survey

We created a survey using Survey Monkey, but rather than distributing it online we felt that it was crucial to get out and gather the thoughts of local San Franciscans. Each team member went out with the survey on their iPad, stopping locals in the streets and asking them about their hot chocolate habits. Those interviewed were chosen on a completely random basis. These are the results from a random sample of 35 respondents from the San Francisco population:

- Over half of all respondents drink hot chocolate at least once a month.
- The most common price that customers were willing to pay for a hot chocolate was \$3-\$4, but many were willing to pay over \$5.
- Over 60% of respondents would be interested in a Starbucks-like experience that dealt with a range of flavored hot chocolates instead of coffee.
- Surprisingly only 45% of respondents preferred coffee over hot chocolate.
- Only 40% of respondents knew that Ghirardelli sold hot chocolate.
- Many people stated that they actually preferred hot chocolate to coffee, but for perceived health reasons, lack of availability, and lack of variety, they consumed coffee more often.
- Some prefer coffee simply because it contains caffeine and they want a kick.

The simple question format made responding to the questions easy, with most surveys taking less than two minutes to complete. This method was extremely effective in gathering relevant information from locals, and was probably the most effective primary research method we used to discover more about

the general San Franciscan population's relationship with hot chocolate. This was the most informative primary research method as it allowed us to gauge a reasonable price for our new market opportunity, and it also revealed that there is potentially a huge gap in the market for hot chocolate, considering it is almost on par with coffee with regards popularity. We were also surprised to note that some respondents actually prefer hot chocolate to coffee, but simply consumed coffee more often as it was more convenient.

Secondary Market Research

We did some online research to understand where Ghirardelli stands today within the market, and to discover any current trends relating to hot chocolate that we could perhaps utilize in our new market opportunity. We looked at blogs, news articles, business reports and other hot chocolate retailers to name a few.

News Articles

We scoured the net to find any relevant news articles relating to our new market opportunity. Below are some key takeaways from stories we read:

- Consuming just two cups of hot chocolate a day may help elderly adults who are experiencing impaired blood flow to have healthier brains and improved thinking skills (Godles 2013).
- The antioxidant concentration in hot cocoa is almost twice as strong as red wine, and more antioxidants are released when it is heated (Breyer 2012).
- Drinking Hot Chocolate can prevent Alzheimer's (McDermott 2013).

After searching through various channels we quickly discovered that hot chocolate wasn't exactly a hot topic for news articles. We were surprised to discover that the articles were focused on the health benefits of hot chocolate, which is something we could leverage in our new marketing opportunity.

Blogs

We found that hot chocolate was a much more common subject in blogs than in news sources. Primarily people were discussing new recipes for interesting hot chocolates, but again the health benefits came into play from a number of blog sites. Below are some key points:

- The concept of artisan flavored chocolates/hot chocolates is on the rise, featuring herb infused chocolate, chilies, bee pollen and a range of other flavors (Condiment 2012).
- Cocoa and chocolate can cut your rate of heart disease, and cut the death rate of heart-attack survivors (Burgett 2013).
- Chocolate increases the production of the neurotransmitter serotonin, which can boost a consumer's mood (Schreibman 2010).

It was much harder to find facts within blogs as they were primarily opinion based. Whilst this is useful to understand the individual's views on hot chocolate, it does not give us a broad perspective on the general public's view of hot chocolate. What most stood out in these articles was the idea that hot chocolate drinkers were keen to experiment with flavors. This is relevant because Ghirardelli specializes in unique flavors for their chocolate squares, so it may be possible for this methodology to be translated to their beverages.

Market Research Papers

We were keen to find studies and papers which showed some concrete facts that we could use to develop our new market opportunity. Below are some facts we discovered:

- Cocoa's antioxidant concentration was two to three times stronger than that of green tea and four to five times stronger than that of black tea (Friedlander 2003).
- Revenue generated from hot chocolate in the US is \$840 million (Ibis World 2013).
- Ghirardelli culls out about 35 percent of their cocoa beans because they don't meet its high standards (Sparkman 2010).

Whilst the data in these studies is more refined than blog posts and news articles, it was very challenging to find full papers online. We often had to resort to articles summarizing the papers, or 'free-snippets' that were available to the public. Again we note that health benefits seem to stand out, but we also noted that hot chocolate has the potential to be a lucrative business, which is good news for our new market opportunity.

Chocolate Manufacturers

We scouted other chocolate manufacturers, as well as Ghirardelli's own information to get a grasp of some key factors that are relevant to chocolate retailers:

- The average American consumes more than 10 pounds of chocolate every year (Morkes 2013).
- 'Brewed Hot Chocolate' can contain 0 fat, 0 sugar and only 20 calories, aiding in weight loss and providing the body with antioxidants (Choffy 2013).
- Ghirardelli are one of very few American manufacturers that control the making of chocolate starting from the cocoa bean through to finished products (Ghirardelli 2012).
- Ghirardelli are America's longest operating chocolate manufacturers (Ghirardelli 2012).

Most chocolate companies give very little away on their websites, so it was hard to gain information from these sources. Even on the Ghirardelli website we struggled to find useful information we could use in the development of our recommendations. Again, some health benefits surfaced.

Sofie Graham
MIM

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • High brand recognition • Large range of products • Tourists love it • Store is in good strategic location • Expertise in art of chocolate making • Ghirardelli control the supply chain from cocoa bean right down to consumer purchase 	<ul style="list-style-type: none"> • Lack of hot chocolate flavor and quality • Lack of cafés throughout the city • Not known for its hot chocolate • Weak marketing practices • Lack of caffeine infused drinks for those who want a kick in the morning • Primarily focused on the product, not the experience
Opportunities	Threats
<ul style="list-style-type: none"> • Hot chocolate market has a similar potential as the coffee market • Lack of caffeine infused hot chocolate or low calorie options in the current market • Weather in San Fran is 'cool' for most of the year • San Francisco has new tourists all the time • Ghirardelli has a new store in Disney, could be leveraged to promote new products • US is the second largest consumer of chocolate, yet they aren't serviced in the beverage market • Hot chocolate can be promoted as a healthy alternative to coffee 	<ul style="list-style-type: none"> • Starbucks already has control over the majority of the hot beverage market • Ghirardelli is seen as a tourists brand, we need to make sure locals embrace it too • Changing people's drinking habits from coffee to chocolate will be challenging • Competitors like Starbucks might copy our products • Hot chocolate is a hard sell in summer

Our Recommendation

Having analyzed our current consumers, our potential consumers and our business SWOT, we are proposing that Ghirardelli launch a new line of chocolate beverages in a brand new range of cafés around San Francisco. With the rise of artisan flavored chocolates (Condiment 2012) we feel that this is the perfect product line for Ghirardelli to develop. Current customers already have a favorite square flavor, so why not offer them a drink to go along with it? Ghirardelli will create a range of uniquely

flavored chocolate beverages that no other cafés offer, and promote these as part of a healthy daily lifestyle.

New Value proposition

Ghirardelli offers a range of uniquely flavored chocolate beverages for those who enjoy variety and quality. Our cafés have a comfortable, homely feel like nowhere else, and all of our products are made from real cocoa beans that we source ourselves. Ghirardelli cafés are the Starbucks of the hot chocolate world; we have all the advantages of coffee, but offer more health benefits.

Wake up to a chocolaty morning and have a sweet day!

Target Market

We are aiming to target some new segments with the launch of our new hot chocolate cafés. No longer is Ghirardelli just tourist-centric, we now cater specifically to locals with our new products:

- **Locals** – Hot chocolate consumers looking for a place to meet friends.
- **Professionals** – Grabbing a hot drink on their way to work or during their breaks.
- **Shoppers** – Looking for a place to take a break from shopping and the weather.
- **Foodies** – Interested in trying new flavors and varieties of hot chocolate unseen anywhere else.
- **Health Conscious** – Those who want a healthier alternative to coffee.
- **Tourists** – We still offer a unique taste of San Francisco.

Personas

- **Tom Fields**
- **Age:** 29
- **Occupation:** Financial Manager in local business
- **Income:** \$75,000
- **Profile:** Tom is married to his career and rushes to work early in the morning to get a head-start on the day. On his way to work Tom usually grabs a coffee because the caffeine wakes him up. However this is often the only thing Tom consumes in the morning, and he wishes there were more flavors to choose from. Tom spends a lot of time on his iPhone and laptop and usually checks in on his social media throughout the day.

- **Christine Moore**
- **Age:** 34
- **Occupation:** Housewife
- **Income:** Spending money from her husband
- **Profile:** Christine often goes out during the day to pick up the groceries and browse the local shops. She tends to spend hours away from home and often looks for a place to sit down and have a break during the day. She loves chocolate, but is also very health conscious, and very wary of her figure, so she tends to avoid it. However she is not a fan of coffee, and just wishes there was a sweeter alternative that didn't pile on the pounds. She spends a lot of time watching daytime TV, and makes phone call from her smart phone in the evenings.

- **Wolfgang Frick**
- **Age:** 48
- **Occupation:** CEO of a retailer based in Berlin
- **Income:** \$230,000
- **Profile:** Wolfgang spends a lot of time travelling on business, and San Francisco is one of his favorite places to go. Every time he visits he enjoys immersing himself in the San Franciscan experience, but he always makes time to Skype his wife and daughter when he is away. Due to the time difference, he is not usually in the hotel when he Skypes, so he is always looking for somewhere to stop and relax in the middle of town where he can talk to his loved ones. He has a blackberry and business laptop that he connects to Wi-Fi spots when possible,

Competitors

We had a look at the competition, and outlined the following companies that we need to be aware of going forward:

Starbucks

- Can be found on almost every street throughout San Francisco
- Has a range of primarily focused on coffee
- Only a couple of hot chocolate options, but they play these well during the festive seasons.
- Their cafe experience is enjoyed by many people, we are hoping to offer a similar, but more homely, experience

Recchiuti

- Offer premium hot chocolate
- Do not have a variety of flavors
- Are very expensive

Tout Sweet

- Mainly serve coffee
- More premium than Starbucks
- Only available in Macys
- Menu created by a celebrity chef

Godiva

- Only offer milk and dark hot chocolate
- Charge \$15 for a hot chocolate
- Specialize in individual chocolate balls

Although Starbucks cafés can be found all over San Francisco, they do not offer anywhere near the variety of chocolate beverages that we are proposing to offer. The other two competitors have a fantastic menu of desserts and chocolate, however neither has created a range of chocolate beverages that align with these tastes. We believe that our proposal is addressing a gap in the market that is not being serviced by these competitors.

The Four Ps

Products

Our new chocolate beverage line will include the following key products:

- **Signature Flavored Hot Chocolates** – In flavors mimicking those of the squares.
- **Exotic Hot Chocolates** – Premium flavors from around the world featuring interesting ingredients such as chilies and acai fruit.
- **Brewed Hot Chocolate** – Infused with caffeine to give consumers a kick in the morning.
- **Low Calorie** – Special dark cocoa hot chocolates with no added sugar.
- **Cold Chocolates** – Frappes, milk drinks and sundaes for those warmer weather days.

Pricing

After interviewing consumers we discovered that their ideal price point was between \$3 and \$4, but some consumers were willing to pay in excess of \$6 for a good quality cup. We would therefore like to offer our standard signature hot chocolates and cold chocolates for around \$3.75, whilst our more specialized beverages such as the brewed hot chocolates, exotic flavors and low calorie varieties will range from \$4 to \$7. Extra toppings or sauces may cost an extra 50c to \$1.

Place

We hope to open up several new Ghirardelli cafés in key areas of San Francisco. These cafés will be open from early in the morning, allowing people on their way to work to make a Ghirardelli chocolate drink part of their morning regime, similar to how coffee is viewed now. We will sell beverages 'to go' in disposable cups, so that consumers can enjoy their beverages anywhere.

Promotion

We are going to use a range of marketing channels to promote our new product line and cafés. Below we have outlined our key channels:

Social Media

- **Facebook** – Use localized Facebook advertising to target local San Franciscans, promote the flavor of the month and invite customers to join the conversation about the new product line so we can get direct feedback. Appeals to local San Franciscans.
- **Foursquare** – Encourage check-ins and give discounts to the ‘Mayor’ of each café, rewarding frequent customers for making Ghirardelli Café part of their daily routine. Appeals to working professionals and locals.
- **Instagram** – Encourage customers to share and hashtag photos of their Ghirardelli Café experience, increasing brand awareness and reach. Appeals to students and teen customers.
- **Pinterest** – This visual channel will be used to showcase photos of our new beverage line and we will encourage users to share these pictures. Appeals to women and shoppers.

Television

- Feature adverts on localized daytime spots encouraging people who might head out to shops to stop in and enjoy a beverage. Appeals to shoppers and locals.
- Feature new seasonal flavors in the run up to events such as Halloween on Christmas. Appeals to foodies and Christmas shoppers.

Print

- Feature advertisements in women’s magazines. Appeals to women and shoppers.
- Promote health benefits in health or fitness magazines. Appeals to health conscious.

- Advertise in local business magazines to encourage making hot chocolate part of the professional regime. Appeals to local working professionals.
- Flyers handed out at airports encourage visitors to try new beverages. Appeals to tourists.

Web

- Promote the new cafes on the Ghirardelli website and feature a new flavor each month to get chocolate fans excited. Appeals to foodies.
- Website will feature locations of cafés nearest to you. Appeals to locals.
- Advertise on Trip Advisor and similar sites. Appeals to tourists.

Email

- Collect emails in store and encourage people to sign up to a loyalty programs. Appeals to frequent visitors.
- Those signed up to receive emails receive discounts and special offers from time to time. Appeals to deal seekers.
- New flavors advertised in emails. Appeals to foodies.

Mobile

- Geolocation allows us to send deals to those nearby, encouraging them to come in. Appeals to locals and deal seekers.
- App that helps you to locate a store, preorder a beverage and pay before you even arrive. Appeals to working professionals in a rush.

Events

- Showcase the new products at the annual chocolate festival held in San Francisco. Appeals to foodies and chocolate lovers.

- Set up stalls at Christmas fairs to sell beverages and give away samples to get people in the festive spirit. Appeals to Christmas shoppers.
- Get involved with events such as Dreamforce to supply beverages to the hundreds of out-of-towners who flock to San Francisco for conferences. Appeals to working professionals and tourists.

Personnel Training

- Educate employees about the benefits of Ghirardelli, to promote a positive feeling around the brand for both staff and customers. Appeals to all visitors.
- Offer shares to employees so that they have a sense of pride within the company. Appeals to staff.

Loyalty Programs

- Offer frequent users a free beverage after they have visited ten times, encouraging frequent visitation. Appeals to locals, working professionals and shoppers.
- Those who are signed up will receive news about the latest flavors and will be able to vote on new upcoming flavors. Appeals to foodies and frequent visitors.

Although much of this marketing strategy is brand new, we have been very careful not to alienate any of Ghirardelli's current customer-base. We are still promoting Ghirardelli as a San Francisco experience, and are still offering the variety of flavors enjoyed by current consumers, but we are also appealing to local San Franciscans on most of our marketing channels.

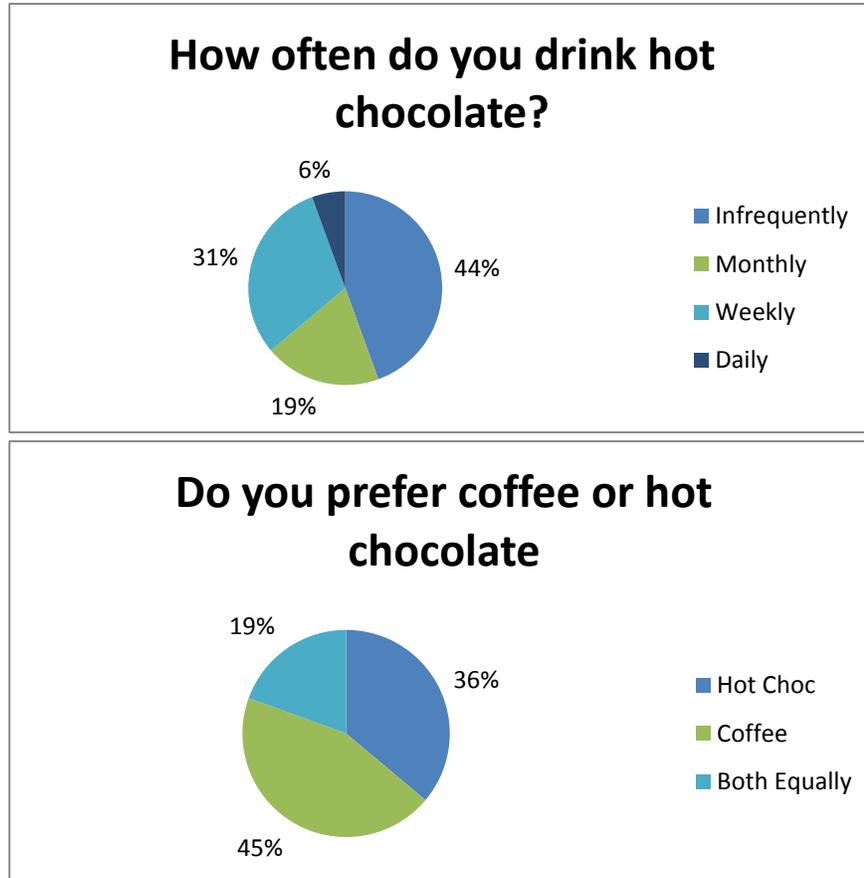
Conclusion

Having studied Ghirardelli's current customers, their buying habits and the companies selling activities, we have been able to identify a new market opportunity within the chocolate beverage market. We have undertaken research to test out whether expanding into the chocolate beverage market has any potential, and have been careful to target local San Franciscans as our respondents so that the data we gathered is relevant. The secondary research we gathered also supports our findings and enabled us to discover other benefits that we could leverage in promoting our new product line. We coupled this research with an analysis of Ghirardelli's current strengths and weaknesses to support our recommendations and to construct a marketing plan which catered to our proposed new target market, whilst being careful not to shun our current customers. The result, we believe, is a solid new market opportunity proposal with a strong outline for a marketing strategy going forward.

Throughout this project it has been clear that understanding the customer is crucial to the success of this business. There is a surprising wealth of information available for free to companies looking to discover new market opportunities, and it seems the best place to start is by getting out there and speaking to customers.

Appendix A

Survey Results from 35 Respondents



Reasons why people chose hot chocolate to coffee:

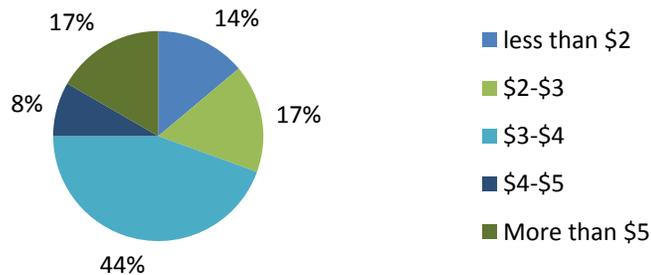
- 'Coffee is bad for teeth and heart.'
- 'Caffeine is bad for you, and it's addictive.'
- 'Mormons can't drink coffee.'
- 'Hot chocolate is more flavorful.'
- 'Coffee is an acquired taste but hot chocolate can be enjoyed by anyone.'
- 'Hot chocolate it a comforting drink.'
- 'Caffeine bothers me.'
- 'I love Ghirardelli hot chocolate.'
- 'Hot chocolate is sweet, unlike coffee which is too bitter.'

Reasons why people chose coffee to hot chocolate:

- 'Coffee wakes me up.'

- 'I only drink hot chocolate during winter.'
- 'Coffee is not as heavy, it is more refreshing.'
- 'Coffee is more of a pick me up in the morning, even though I do prefer hot chocolate.'
- 'I love hot chocolate, but it's naughty and has a lot of calories'
- 'There is too much sugar in hot chocolate'
- 'I don't like milk, so I don't like hot chocolate'
- 'Coffee tastes better, it is less sweet'
- 'I like hot chocolate, but there just isn't much variety'
- 'Chocolate is just for pleasure and boredom, coffee helps brain functions'

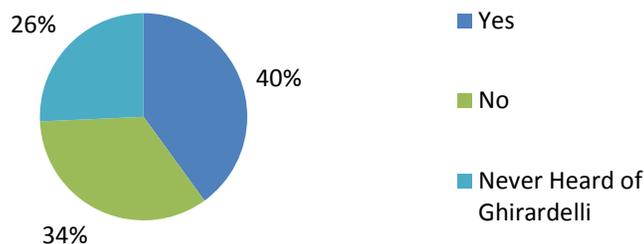
How much would you be willing to pay for a hot chocolate?



If there was a 'Starbucks' for hot chocolate, would you be interested?



Did you know that Ghirardelli sells hot chocolate?



Appendix B

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Appendix C

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