

ILLINOIS

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Desde 1933

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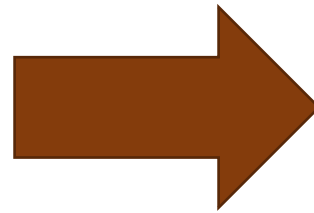


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INTRODUCTION

PRODUCT

The product we chose for commercialization in the US is NOT the normal milkshakes Cacaolat is known for, instead these brownies. 10 brownies that together sum 350g of pure pleasure and which would skip such a mature market like the milkshake market in Illinois.



INTRODUCTION

ILLINOIS

MACRO ANALYSIS

- Democratic political preference – high **tariffs**
- **78% of the wages** are in **Chicago**, with a consolidated middle class
- *Carpe Diem* philosophy
- **65% of the population** live in **Chicago**, with a higher presence for woman
- Good antitrust, intellectual property protection and **rightful competition**

MICRO ANALYSIS

- Lots of **small different Brands**, not a one player control and expensive
- Conditions stablish by the **distributor**, few players which control most of the market
- **Few barriers** which could attract others who see Cacaolat success
- There are lots of **snacks** which can substitute this product

SWOT

STRENGTHS

- The product offers an incredible **price quality**
- High **loyalty** of the consumers
- **Standardization** of the product to the market
- Low costs

OPPORTUNITIES

- The increase in consumption of lactose free products, vegan, low fat, can allow Cacaolat position itself as something **healthy** and indulgent for kids.
- Lots of **concentration** in a city, easy to reach a high % of the market with less investment.

WEAKNESSES

- Illinois buy 1 a week, something which is different to the usual business model of Cacaolat
- Lots of different cultural which makes it difficult to target
- Higher presence of tariffs due to a democratic party

THREATS

- More tariffs due to a higher presence of democratic
- Easy market to enter which could drive more competitors and lower the prices<

SEGMENTATION

TARGET

Main target:

Youngsters and Kids (5 to 21 years)
25% of population

The kids is the main target in most of the markets for Cacaolat, something which Cacaolat could use in its favor to position the brand. On the other hand, **kids are usually the ones pushing the mothers for the purchase** of these products once a week, the average frequency American families go to the supermarket.



SEGMENTATION

POSITIONING

Competitors are:

- Expensive
- Less units
- More artificial
- Towards fat instead of quality

Consumers

- Towards more natural and less fat products
- FSCG which are more impulsive to buy, more quantity and less costs

Brownie which is:

- Cheap
- Lots of units
- Natural (No colorants)
- Brand new from the traditional industry

STRATEGY & OBJECTIVES

STRATEGY, OBJECTIVES & KPI

The objectives and the strategy will follow the usual format of Cacaolat, familiar campaigns and targeting in the main media for kids. As we said before, the kids are the ones who convince the mothers to buy the brownies, not the other way around

STRATEGY

Stablish as a familiar brand which is mandatory to buy each week

Differentiate from the other producers through not being exclusive

OBJECTIVES

Be the cheapest brownie in each of the distributors we sell

Reach a constant weekly selling that varies around 5% maximum

KPI

Cheaper than the rest of the sellers

Combine flavor and quality in the same product

Transform the brownie industry by being a non-exclusive FCGS

MODE OF ENTRY

DISTRIBUTION

The distributors usually ask for a margin of 30%, having an effect on the price, however, is the easiest way to have a direct impact and positioning with such a product like the one we are selling.

Distributors:

- **Walmart** (4 in the area of Chicago)
- **Mariano Fresh Market** (1 every 1.2 miles)
- **H Mart** (Most popular for kids)



MODE OF ENTRY

BROKER

Good for entering gradually the market. USA is a special market. Lots of companies fail to introduce their products or business models. Because of it, a Broker could be a perfect gradually investment

Brokers:

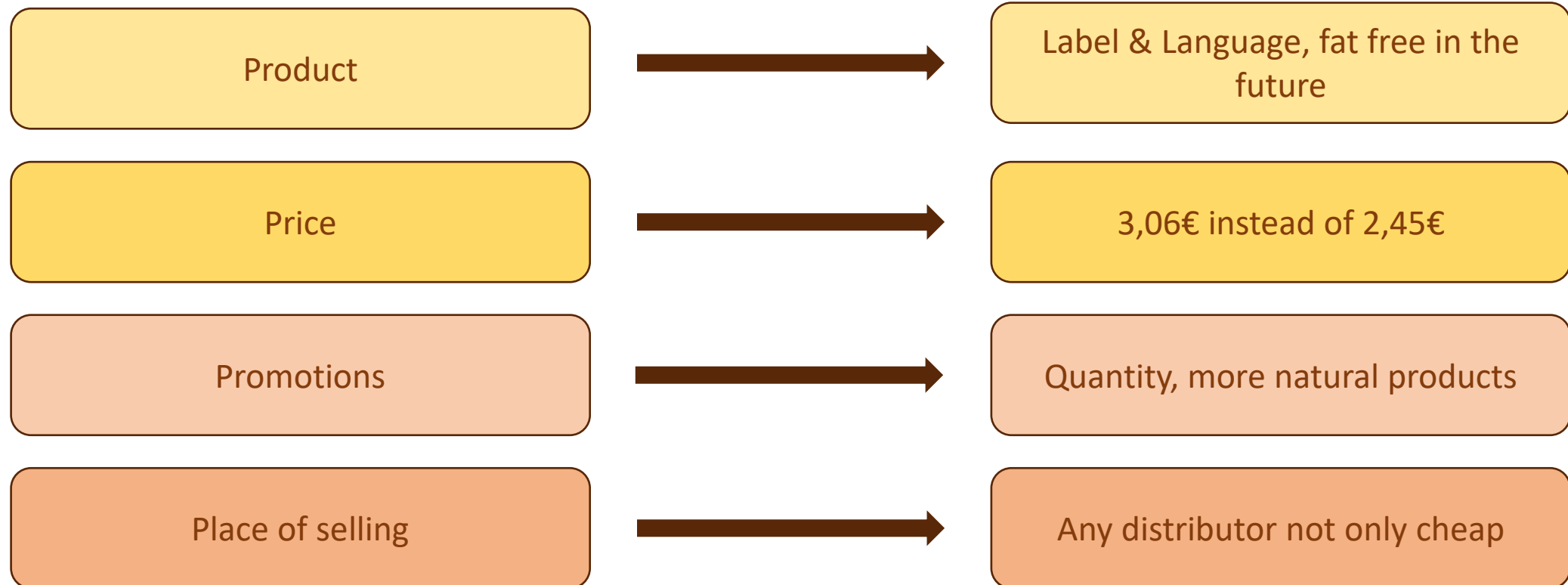
- **Knows the market**, look for an American one
- **Less bargaining power**, easy for us to establish our conditions
- **Direct feedback**, if our product doesn't work, he we tell us, and the loss won't be as big as other modes of entry



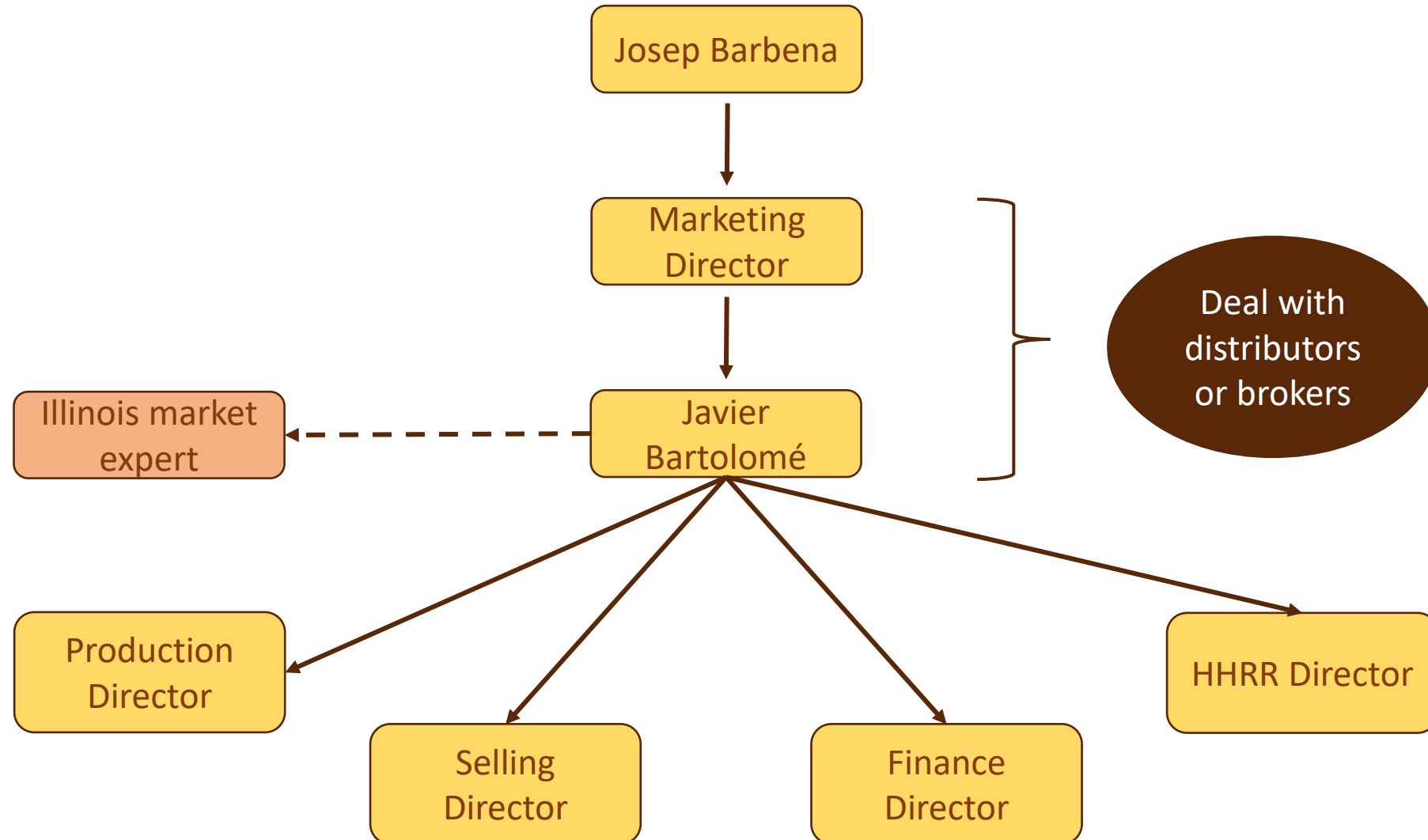
4P'S

STANDARDIZATION OR ADAPTATION

In such a different country like USA and, especially Illinois, with so many different cultures, adapting to all the different characteristics is impossible. On top of that, the objective of being cheaper than the rest, in the end, calls for less cost, which can be brought with standardization. We will only adapt:



I.M. STRUCTURE



CONCLUSIONS



Basically, the brownies of Cacaolat must follow these steps:

- Non-expensive brownies
- Available anywhere, using distributors or brokers
- Standardizing as maximum as possible
- Targeting kids
- Focusing on Chicago
- Hire and rely with an American expert which understands and works hand in hand with Javier Bartolomé when entering the market