

Ben and jerry's homemade ice cream

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In February 1995, Bob Holland became CEO of Ben & Jerry's Homemade Ice Cream, Inc. A few years earlier, the ice cream market began to suffer due to a trend toward healthy eating. As a result, Ben & Jerry's growth slowed, and its stock prices dropped. Therefore, in June 1994, Ben Cohen resigned as CEO. Competition is a big factor for Ben & Jerry's. " Haagen-Dazs began aggressively attacking Ben & Jerry's in a fight for market share" (Collis, 4). The company was the largest and oldest in the superpremium ice cream segment.

It developed mix-in ice cream while introducing a new frozen yogurt line as well as a fat-free sorbet line. Breyer's became a threat to the superpremium ice cream market because their products were less expensive. Ben & Jerry's face challenges like any other company. One concern was that its mix-in flavors were costly and difficult to produce. " Mix-in" flavors consisted of candy bars, cookies, nuts, or fruit that were added to a chocolate or vanilla base.

Many of their flavors, like Chunky Monkey and Cherry Garcia, " contain numerous and large chunks of added ingredients" (Collis, 3). Ben & Jerry's social mission is " to operate the company in a way that actively recognizes the central role that business plays in the structure of society by instigating innovative ways to improve the quality of life of a broad community" (Collis, 18). It should not abandon its mission. Bob Holland should remain enthusiastic and innovative.

In 1994, Ben & Jerry's had a total of forty-four flavors. " The introduction of new products stretched the firm's capabilities" (Collis, 6). Production planning, purchasing, and inventory management all impacted the

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company's gross margins. Ben & Jerry's could create limited edition products to boost sales; holidays would be an excellent time to promote them. Also, any products that aren't big sellers can be discontinued. Ben & Jerry's should stand for quality and excellence for its superpremium products.

It gained an early reputation "for the unconventional 'mix-in' flavors" (Collis, 1). It was founded by two friends and became an immediate success. Several small companies, like Steve's Homemade Ice Cream and Shamitoff Foods, flourished briefly before falling or died altogether (Collis, 3). By 1995, Ben & Jerry's was the number two maker of superpremium ice cream in the U. S with a market share of 43 percent; it was 30 percent in 1990 (Collis, 6). Haagen-Dazs was number one in addition to being the oldest and largest brand.

There were many other small companies that ranked behind Ben & Jerry's. It should continue to be innovative and follow the current trends. Many fast food restaurants now serve salads to keep up with the healthy eating trends. Many cola products are now low in carbohydrates. Ben & Jerry's should not abandon its mission, but should continue to adjust as necessary with the trends. Reference Collis, David J. Ben & Jerry's Homemade Ice Cream Inc. : A Period of Transition. Harvard Business School. May 19, 2005.