Godiva and businesses

Business

Many consumer-based businesses pattern their operation according to the rapidly changing trend of the marketplace. Economic experts perceive the market competition primarily varying on affordability and quality of products. Additionally a plus factor is the all-year round advertisements that remind the public consumers on the availability and latest product development. On the other hand, mass production and after sales services are the common marketing strategies towards gaining a competitive edge.

The consumer leverage of firms that market highly-perishablefoodproducts are specifically different from other businesses that generally engages in consumable product marketing. Like chocolate manufacturers, the shelf-lifetechnologythrough packaging the product quality and meeting the right market are critical components in competition. Thus, targeting the precise consumer market with specific consumers could be a niche to do and sustain business.

This paper will discuss and examine the business venture of Godiva Chocolatier, relating its organizational components in a diverse market and consumerism. Godiva's brief historical background Founded in 1920 by Belgian businessman Joseph Draps, Godiva emerged as a chocolate factory from Brussels, Belgium in memory of Lady Godiva (1040-1070). For almost 88 years, Godiva Chocolatier is famous in its customized-handcrafted chocolate confectioning for retail and wholesale marketing.

Various types of European customers have talked about Godiva's products and spread throughout Americas and Asian continents. In 1974, Godiva was sold to Campbell Soup Company and concentrated its business operation in the US, Western Europe and Japan, maintaining the old factory in Brussels as its general sales office. Based on Godiva Chocolatier web site, the customized craftsmanship in chocolate manufacturing has made Godiva's branching out in over 80 countries from, to include the most recent store in Dubai (1).

Overall, 450 stores are presently available worldwide which offers electronic (Internet and mobile) purchasing (2). The world chocolate consumption and supply This section of the paper discusses the chocolate consumption in various countries of the world and its impact to Godiva. According to the World Atlas of Chocolate (2008), attributed to chocolate consumption is the social and economic status of consumers, in which only the consumers from developed and highly-industrialized countries are the ones capable of consuming the volume of supply (1).

Based on the 1980-1989 data on " chocolate consumption average yearly growth", top consumers belong from 10 highly developed and rich countries, of which 7 out of 10 countries are leading consumers, as illustrated in the graph below (2): Source: World Atlas of Chocolate (2008) Meanwhile, the Datamonitor (2008) electronic data publisher has published the top 10 leading chocolate manufacturers with its 2007 revenues, as cited in the table below:

Top 10 Leading Chocolate Manufacturers 2007 Annual Revenue (in USD $-Million) 1.

Mars, Inc. 2. Nestle SA 3. Ferrero S. p. A. 4. Cadbury Schweppes plc 5. The Hershey Company 6. Kraft Foods, Inc. 7. Chocoladefabriken Lindt & Sprungli

AG 8. Lotte Group 9. Meiji Seika Kaisha, Ltd. 10. Russell Stover Candies Inc. 8, 514 8, 125. 5 5, 899. 3 4, 271. 7 3, 710 3, 072. 5 2, 600. 8 1, 508. 9 734. 3 575 Source: Datamonitor (2008) The above shown and discussed data indicates that world chocolate consumption could be only limited in highly developed and rich countries and leading competitors may isolate Godiva's venture.

The market areas [where consumption is high] may not be a significant " competitiveenvironment", as otherwise Godiva can increase the market share. The 2007 data on revenue may correlate to the " 2006 Quantity, Value (in USD), Per capita consumption (in lbs.), and Per capita consumption (in USD)", as illustrated below: Source: Swivel. Com (2007) Refocusing market, redefining product and consumers The current trend of " compacted" marketing in Europe and the US must be critically assessed by Godiva in order to refocus its market. Read also why

manufacturers encouraged consumerism.

While Japan and Asian countries could be a potential one, Godiva must also redefine its product according to the " capable means" of consumers. Meaning, the segments of retail market could be considered by its quantity, considering the fact that lower spending is prevalent in most undeveloped and developing countries where chocolate consumption is reduced. By " repackaging" the strategic marketing for retail consumers, could be Godiva's potential marketing venture in countries where lower consumption is indicated.

Another consideration of Godiva's strategic marketing could engage in franchising, wherein " surplus" products is a high-time approach to retail marketing, although the franchisees can engage in wholesale marketing as they may capably institutionalize (put into shops) the product-market. The classification of surplus goods could be those products that may relevantly unable to saturate the European, US and Japanese markets but potentially be marketed in retail market areas, like in Asian countries where retail consumers can acquire by their quantified numbers. International marketing

Godiva's international marketing has adopted a new twist in " Product Packaging and Pricing Policy" [as the " 4 P's"] to enabling the global venture. A distribution channel is created in order to link the business at the overall marketing segments [according to social and economic] of consumers. This approach could increase the " market areas" through a quantified purchase, relatively a retail-marketing approach. However, a " wholesale" product packaging is still non-competitive with present packaging of a leading chocolate manufacturer, like Hershey's who engage in " per-pack" basis targeting the individual costumer.

In the electroniccase studydiscussion, entitled: " The Godiva Europe Company Case Study", three major problems has been presented significant to international marketing, such as (1)failureto achieve a market share, (2) inability to saturate the market, and (3) non-competitive price (1). Thus, outlines Godiva's " organizational weakness" to position in the market, to cite as follows: • Godiva has failed in establishing " branded products" allover the countries; • The factory in Belgium is not completely optimized or maximized in terms of utilizing the capacity of production;

• The US-based factory has to some extent produced limited and selective chocolate varieties which are non-substantially competitive with the competitors' brands;

• The advertisements on so-called " high seasonality consumption and freshness" seemed ineffectively pick-up by most of consumers;

• Promotion of " manual labor" attributed to craftsmanship defeats efficient mechanized production, supply and sales targets;

• The franchising contracts with Godiva international and national hurdle the price standardization;

• The retailing or distribution-networking fails to define theprimary and secondarymarkets to enable saturation;

• The sales outlet in Belgium confronts " devalued-brand" due meager promotion.

Promotional campaign The par elegance of a luxurious Godiva chocolate is one of the merits of a quality-handcrafted product. However, the pitfall or drawback of the " promotional line" could only be a " detachment of social classes", in which the " par excellence" could be " out-of-reach" products by the lower segments of consumers.

In a layman's interpretation, the lavishly high-class standard of promotion for a product and its packaging presentation may only draw hesitation or inhibition, from which " psycho-consumerism" encourages the idea of mass production that is translated with affordability for all kinds of consumers. At this point of promotional campaign, the Godiva Europe Company Case Study has found that promotional or advertising strategies must be “ product-focused and consumer-oriented”.

It may be analyzed that having the strategies is to primarily link the product to a targeted market and familiarize the types of consumers, such as (1) promotion of a “ social market” that defines the majority of customers from the middle and lower social classes; (2) presentation of a quality and affordable product within the “ all-occasion” purchases, (3) standardized wholesale and retail pricing, discounting and rebates to distribution-market-network, and (4) optimal mechanized production and utilization of factories to increase rate of supply and market share.

Findings and conclusion It is found that Godiva Chocolatier is considered an icon in chocolate manufacturing. It has built a landmark in its 88 years of luxurious chocolate product craftsmanship. However, the rapid changing trend of consumer-market components remains a 21st century challenge of Godiva to renew its blissful-decades of business venture. It may be then concluded that Godiva can further subsist its international marketing by reaching out the quantified volume of customers, supplanting the traditional segmentation of its products in the marketplace.

Thus, mass production will regain its competitive edge in the industry and market.

Works Cited

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