

Case study on marketing

Business, Company



Roger's Chocolate

External analysis

Most commonly chocolates come in dark, white and milky varieties and cocoa contributes to the brown color that they have. A past research indicated that moderate eating of chocolate can lower the blood pressure of a person. Chocolates have continually become some of the most popular flavors and food types in the world. Chocolate gifts that are molded in different types of shapes are very popular on certain holidays such as chocolate eggs and bunnies on Easter holidays, chocolate coins on Santa Claus, Hanukkah and on Christmas and the most common is valentines where chocolate shaped in hearts are given to loved ones.

The Roger's Company was founded by Charles Rogers in the year 1885. The Rogers' Chocolates is located in Victoria, British Columbia and is said to be the oldest chocolate company in Canada and the second oldest chocolate company in British Columbia. After the death of Charles Rogers, his wife took over the company till late 1920s the time when she sold the company to a customer and since that time, the chocolate company has been sold three times. The main products of Roger's Chocolates were the high-quality chocolates, hand wrapped chocolates and Victoria Creams. Rogers' Chocolates also produced special items like the brittles, orange peel, no sugar added chocolates and chocolate covered ginger.

Rogers' had around 110 non-unionized production and retail employees of which 35 of the employees were in the sector of production while the rest were in retail. Twenty more employees were working seasonally in the two

sectors over the Christmas season. Production of chocolates was labor intensive for the reason that most of the chocolates were made by hands and also hand packed. Forecasting of demands in Roger's had proven to be a problem because of the seasonality in the sales and a one month forecast in sales enabled Roger's to tackle the ups and downs in the patterns of sales by means of healthy inventories.

Competitor analysis

The competitors in the chocolate industry in Canada comprised of strong regional brands in addition to some few larger players. The Godiva which was backed by Nestle took the chocolate business with a bang with high price points, glitzy packaging and a very widespread distribution to retailers. The quality of Godiva's products was not higher than that of Roger's though it had been able to acquire higher price points of about 15% for the standard products due to its strength in advertising, packaging and distribution. Another competitor was the Bernard Callebaut which was regarded as a premium producer of chocolate that had started to grow in the same locations as those of Rogers'.

It had 32 stores with most of them across the West, four were in the United States and two others were located in Ontario. The packaging of Callebaut was superior with gold and copper boxes that had an ability to be customized for its customers at the store and it also had a great seasonal display. Purdy's was a chocolate company located in Vancouver and had been in existence for 120 years and had its success in a variety of its products such as the hedgehogs. Purdy had more than 50 locations with

almost all of them being located in malls. Purdy's came out strongly in group purchases and corporate gifts and had proceeded to offer 20% to 25% discounts on high volume purchases. Other competitors of Rogers' included, Laura Secord and the Rocky Mountain Chocolate Company.

Industry analysis

Different manufacturers of chocolate develop their blends based on proportions that are varied and also use different constituents. The plain dark chocolates do contain a minimum of 70% cocoa (butter and solids), while milk chocolates have up to 50% of cocoa. The high-quality chocolates only contain 35% of cocoa. The producers of the small batch, high quality chocolates argue that production of chocolates in huge amounts lead to reduction in the quality of chocolate. In the year 2007, the Manufacturers of Chocolate Association in the U. S. did lobby the Food and Drug Administration to modify the legal definition of the term chocolates so as to allow them to partially substitute hydrogenated vegetable oils for the cocoa in addition to use of milk substitutes and artificial sweeteners. As of now, the United States Food and Drug Administration doesn't permit a product to be called "chocolate" if that particular product has any of the ingredients.

The chocolate industry has had a steady growth of \$50 billion every year in the world business which is centered on the consumption and sale of chocolate and prevalent in five of the seven continents. The Big Chocolate as commonly referred to is basically an oligopoly between some major international companies which are located in Europe and in the United States. The companies in the United States like the Hershey's and the Mars

alone make \$13 billion in one year for sales in chocolate and they do account for almost two thirds of the United States manufactures. Nevertheless, Europe does account for 45% of chocolate revenue in the world.

Work Cited

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