

Case study of cowgirl chocolate

[Food & Diet](#), [Chocolate](#)



This paper is an essay with reference to the case study of the Cowgirl chocolate company. This presents the main background of the business enterprise and its way of commerce management. It discusses the negative aspects of running the company accompanied by the steps or actions to be taken or executed, in the point of view of a consultant of the owner of the company.

As an overview of the company, according to Lawrence, Morris, Geiger, and the North American Case Research Association (2002), Cowgirl chocolate was launched and recognized in 1997, based in Moscow, Idaho, and they produce only one of its kind hot and piquant chocolate products, with Marilyn Lyschir and his husband as the owner of the business enterprise (490).

They initially crop up with the thought for cayenne mixed chocolate goods from the ideas of their close friends and relatives. Created from a patron's response, their company appeared to be called as Cowgirl Chocolates, with the slogan " Sissies Stay Away" (492). The concept of their company had a good impact to some customers but it also did not acquire the interests of other people.

Cowgirl Chocolates puts up for vending thousands of pounds of highly spiced and non-peppery, subtle and dark chocolate foodstuffs, including special sauces. The business accepted orders from each state in the United States, as well as in Europe and other parts of the globe.

With simple ingredients like sugar, whole milk powder, cocoa butter, canola oil, lecithin, cayenne pepper, natural peppermint flavor and other components, the company produced various kinds of chocolate products.

Those chocolate goods include four flavors of truffles in a stylish container which gives the customers a tang of every chocolate variety such as chocolate, mint, lime-tequila, espresso, and orange (493). These chocolate products are saccharine and fine at the outset nibble, with a thrill of the idea of a physically powerful cowgirl.

Their shipping of Cowgirl chocolates is varied. A quantity of is shipped throughout the year yet other products are shipped seasonally due to some factors like recurrent warmth or holiday periods.

Cowgirl Chocolates also comes with different packages. The packages are of usually presentable types, especially for gift-giving purposes. Some are in half pound cylinders with the label of the company. Others are in sampler carriers or in drawstring muslin baggage that provides clientele a tang of the Cowgirl chocolate's varieties.

With the intention of assuaging the public who have a preference for chocolate products exclusive of spice, the company has embarked on, just recently, creating " mild-mannered" milk chocolate and dark chocolate truffles.

What went wrong?

However, despite the effort of Cowgirl Chocolate Company to satisfy the tastes of people, the interests of individuals still greatly vary. Even though there are patrons of their products, it seems that their former customers are the main clients of their business enterprise. Only a small portion of new clients are said to be increasing their sales and those people are merely ordering on little amounts.

Additionally, the company of Cowgirl Chocolates are said to be not taking note of every single detail of cost since in the case, it is stated that the time allotted for making sauces and their labor efforts were not taken into account.

Into the bargain, their Internet site, which is claimed to be the main advertising agent of the Cowgirl Chocolate Company, is just plain. Only ordering procedures with little captions of business profile, and other information can be viewed.

Aside from the aforesaid negligence in another case, the company has lots of business spillovers, which means that they give away several of their products without control and hence without financial record. Marilyn as a result have come to look that in the end of the company's financial plan that they tended to overlook their giveaway products, appearing to give more what they should just give.

Increasing the profit

To increase the Cowgirl Chocolate Company profit, the company must avoid faults in the manufacturing area. Since it is indicated in the case that the manufacturing process takes a large part of the operating cost to sustain the production of Cowgirl chocolates, the business enterprise must initially make sure that the procedure will run smoothly. Together with that, Marilyn and his husband may carry out a primary canvassing of materials. They may come across with items of equal quality inputs for the manufacturing and packaging of their product at a lower cost. Or yet, they may get to buy some of better quality inputs at the same price as they are currently using.

Their product which is the Cowgirl Chocolate Spicy Lime Tequila Truffle Bar must be sold throughout the whole year since it is one of the best-loved flavors with a remarkable combination of dark chocolate, icy lime and a tip-off of zing. Other products must also be produced in a yearly basis same as the other best sellers, but with a restriction of whether there occurs some constraints in shipping and handling.

Kind of marketing mix to be used

The Cowgirl chocolates company must prepare a preliminary cost and benefit analysis. It is highly recommended for big businesses like the Cowgirl Chocolate Company that is possessed by Marilyn and his husband to get a good economic analysts or statisticians to conduct a primary study or review in venturing on their business. That business breakdown will be used as an indicator whether things for the company are feasible in continuing their business and in undertaking other projects related to their chocolate products.

After the analysis, if things turn out to be favorable for the company with a sufficient source of budget for trying to improve and expand the business, the owners may continue to execute their plans. In another perspective at hand, since her special sauce is as well liked by a lot of people, she may venture in making a deal with Montana to produce the sauce and make the market for the special sauce to be of a larger scale.

And in speaking of company partners, Cowgirl Chocolate Company must also strengthen the bond with the Seattle Company since that company holds apparently an established name and has strong marketing connections, as

well as strengthening the bond with the Kitchen Market in New York City for the same reason.

In a big business like this case in point, outlays are crucial. The company must take note of all costs. As stated in the case that Cowgirl Company has an underestimation of their costs and an overestimation of their revenues, the owners must now hire more efficient accountants for their business and record all dealings and transactions done by the company. A pertinent example appearing in the side of their shipping is the Cowgirl Chocolate Truffle Bars, which are rich and smooth European chocolate truffle bars with a spicy kick that comes with different flavors. It is discussed in the case that they comprise no shipping costs. They must indeed entail to have the shipping costs since that costs will be absorbed by the company if they will not charged the costs to the customers even though it can be taken as a promo.

Kind of position strategy to be used

A good kind of position strategy would be to continue the best seller of their products. Furthermore, the company must continue internet advertisements since those were indicated to increase the company's sales. They can also include their attained awards on their public notice. They must also enhance the website presentation. Marilyn and his husband do not need to hire webmasters, they can create their own creative web presence which will capture the attention of not just buyers, but people who have just dropped by to see the site, and eventually be persuaded to buy their products due to the enticing web design.

They must also have an effort to encourage buyers to buy their retail products. Although their wholesale kind of strategy is effective and successful to have a bulk of the sales, they are still not that profitable in a sense.

Marilyn's idea for a number of new products, such as a dessert cookbook is also worth pursuing. It may somehow help in the company's profit-making since many people are purchasers of cookbooks. Since it is evident that the company is really in need of fund to sustain their company and new project lines, Cowgirl chocolate company must venture into their product-related stuffs. Having the heart to do what they would want to pursue, it can be observed that in the near future, they will tend to gain bigger revenues with proper business management.

Channel of distribution

The products must be mainly distributed to areas which capture the taste of direct buyers which is placed in Co-ops. The company may also make an effort to place the products to high-end retailers such as Coldwater Creek and Dean ; Delucca since many people go there (496). However, they should not just concentrate on that area if they were likely to yearn for wide-ranging market for their products. They may expand to places where people have a mediocre regard for their chocolate products.

In view of the fact that they place orders in America and Europe, they may also extend the market of their product to Asian countries since Asian people are claimed to be lovers of hot and spicy foods which in turn, those people may have high regard to hot and spicy delicacies.

Kind of customer targeting

Alongside the place of marketing center of attention, the products must be mainly distributed to areas which capture the taste of direct buyers. But their company may not merely enclose their market production on places with favor or affection to their product. They may even enter the market of the not-so-favored people on their chocolates. They may introduce them with a different kind and twist of their chocolate products.

Kind of marketing campaign

With the awards that they have received, either in the annual FieryFoodcontests sponsored by Chile Pepper magazine or the Scovie Award, people will tend to have a perception that their products are of good quality (497).

They can also include their attained awards on their advertisements. They can include those grants on their product labels or they may have advertisements with health concerns like calcium for women and more manly like for men when they get to eat their chocolate products.

Reference:

Lawrence, John L., Morris, Linda J. Geiger, Joseph J. ; the North American Case Research

Association (2002). Cowgirl Chocolates. Case Research Journal, volume 22, issue 1, 488-500.