

# **Global Marketing Plan**

## **Part B: Report**

**Name:**

**ID:**

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## **1. Introduction**

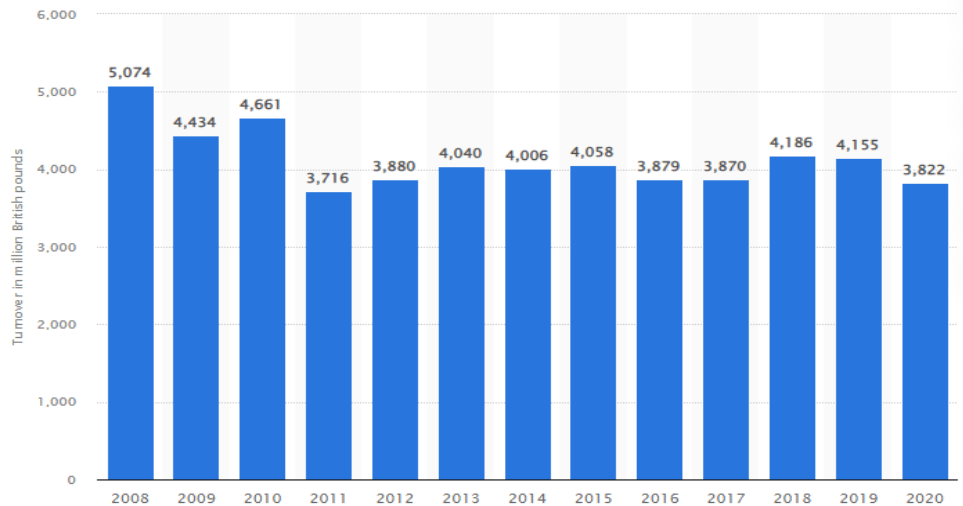
The following study will depict the global marketing plan in the context of a UK-based SME such as Aphrodite chocolates. Considering this, the business objectives of the SME have been evaluated to align the marketing plan effectively. According to the study, the most popular physical product of the company is its artisan chocolates such as Blueberry Truffle. The company is targeting its global marketing in the countries such as UK and Brazil and aligning with this fact, the STP analysis and extended marketing mix through 7P's of marketing will be evaluated in this study. Lastly, the promotional marketing mix cost will be evaluated regarding the formulation of

## **2. Analysis of the business objective of the SME**

As per the data of Aphrodite about-us (2022), its main objectives are to provide handmade chocolate to UK customers and improve its organisational condition for future operation. Aphrodite's main objective further includes handmade chocolate quality improvement through human intervention and improves the SME position in the UK and other countries mainly such as Brazil. Their product such as Blueberry Truffle is very famous in the UK and it further improved the health of the customers very effectively. As per the data of Aphrodite about-us (2022), as the SME sectors are very popular in the UK hence it is clear that Aphrodite made their decisions for the development of the organisational context and make the necessary changes for the development of the internal performance of employees.

## **3. Analysis of the target country for marketing**

Marcucci *et al.* (2021) opined that Brazil is very highly influential in chocolate manufacturing and chocolate consumption. Hence, it is clear that Brazil is more competitive than the other countries. Brazil has the maximum consumer in the present day and Aphrodite plays a crucial role in the development of the UK chocolate market. Dias *et al.*, (2022) opined that Aphrodite chocolate is very popular in the UK, as Brazil is the leading chocolate producer, and has the maximum consumer hence, the company Aphrodite can target Brazil for business globalisation.



**Figure 1: Turnover of Chocolate until 2020 in the UK**

(Source: Statista, 2022)

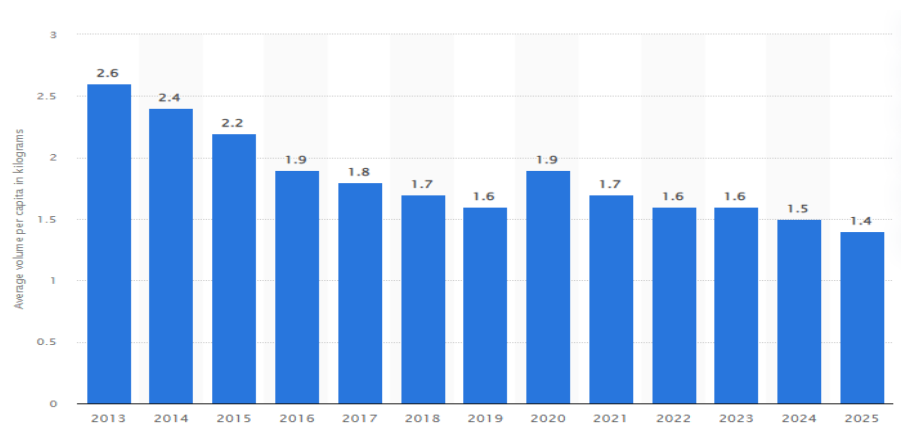
As per the Statista (2022), in 2020 UK chocolate factories generated a turnover of around 3.8 Billion British Pound. This signifies the effectiveness of the chocolate factory in the UK and provides various opportunities for further innovation in Brazil. As per the report of Market Data Forecast (2022), Brazil is the leading player in chocolate production and they developed many strategies for the development of Brazil's market. According to the Association of Chocolate Industry of Brazil, around 88% of consumers prefer high-quality chocolate for their internal satisfaction. They also predicted that the Brazilian chocolate market is expected to grow by 26% by 2025 due to the gradual increase in the consumption of chocolate. Bastos *et al.*, (2019) depicted that the Brazilian food and chocolate industry is growing fast in Brazil and hence, it can be said that Aphrodite chocolate can target its operations in Brazil.

#### **4. Evaluation of the market segments in the target country**

##### **Segmentation**

##### *Geographic*

As per the Industry Reports (2022), the growing chocolate market in the world improved chocolate production and consumption. As the Brazil and UK are improving in chocolate production, hence their geographical area is very popular in chocolate production. The leading chocolate production in both countries helps them to innovate for future operations. As per the report of Statista (2021), chocolate consumption decreases in Brazil rapidly and this highly affected Brazil's economy. Hence, it is clear that Aphrodite can target Brazil for the generation of revenue due to the low consumption of Brazilian chocolate.



**Figure 2: Chocolate Consumption in Brazil**

(Source: Statista, 2021)

### *Demographic*

As per the data reported by Market Data Forecast (2022), most teenagers between 18-40 years of the UK and Brazil prefer high-quality dark chocolate. This symbolises the effectiveness of the demographic segmentation for the UK and Brazil. Moreover, the economic condition of both the countries is very superior and they prefer chocolates wholeheartedly.

### *Psychographic*

Montagna *et al.* (2019) stated that chocolate is very helpful for mental health and in both the countries such as UK and Brazil, chocolate production and the consumption increasing rapidly. Consumers prefer mainly dark chocolate to gain energy in the body and do their duty effectively. The mental changes and preferences change the outlay of the production and improve the market of chocolate very enormously. The different chocolate flavour in UK and Brazil makes their market opportunities effectively and provide psychometric perception for the consumers' satisfaction.

### **Targeting**

As per the data reported by Market Data Forecast (2022), most chocolate factories prefer to target customers' preferences based on their reality in consuming chocolates. Aphrodite is a popular organisation in the UK and this SME try to develop their targeting approaches for the development of the organisation. Through free samples, online advertisements and chocolate factories' production ratio can help to generate revenue and improve customer quality effectively. As the Brazil and UK are very high-income countries and economically developed, hence they should target high and low middle-income customers for their expansion of business.

### **Positioning**

Montagna *et al.*, (2019) opined that Aphrodite should take the maximum revenue minimum cost strategy for the development of the global business. The Brazil and UK, both countries highly prefer chocolates hence, it is clear that both countries are highly influential in revenue generation. As the company Aphrodite is entering the Brazilian market hence, it should take a minimum value approach for the development of the operations and improve the organisational standard.

## 5. Analysis of the way of achieving the business objectives of the SME

- To develop the operating income of Aphrodite Chocolate in the Brazilian market by 5% within five years.
- To improve the market share with the help of sustainable operations in the UK and Brazil by 30% and 20% in the next five financial years respectively
- To increase sales of Blueberry - Truffle chocolate in the Brazilian and the UK market by 15% within 2022-2027.

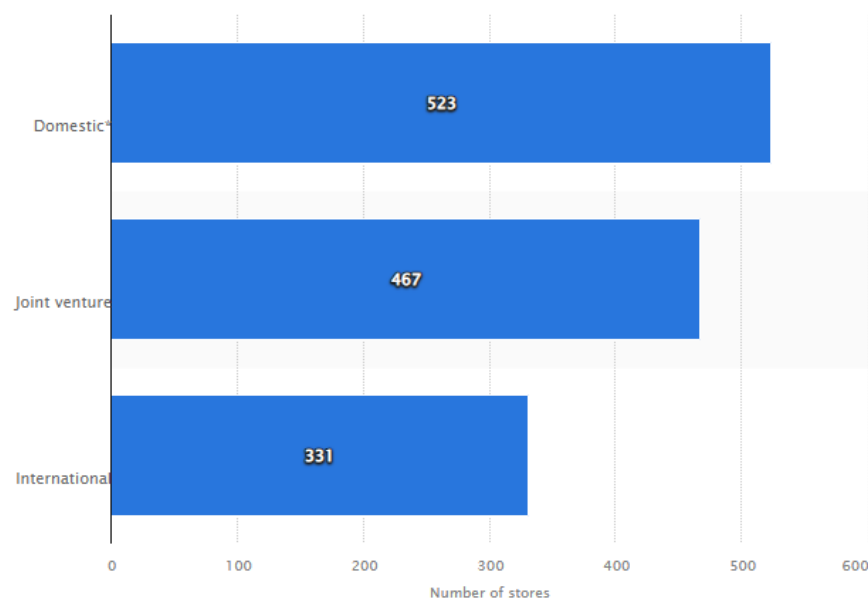
As Aphrodite chocolate especially Blueberry – Truffle is very famous in the UK and Brazil hence, they decided to increase operating income. Reducing the cost of goods, inventory management and boosting staff productivity can improve the operating income by around 5%. In order to improve the market share in the Brazil and UK, Aphrodite must take sustainability practices such as environmental operations, limited natural resources, and value-based operations can expand their market share by around 30% and 20% in the UK and Brazil respectively. Most of the consumers in the Brazil and UK prefer high-level chocolate and for that reason, they should place free samples and indicate the quality of the Blueberry-Truffle, in this way Aphrodite chocolate can improve the operations at their demanded level.

## 6. Discussion of the entry mode selection regarding the product in the new market

Entry mode selection	Analysis
Exporting	As per the opinion of Tofiq, Qadir and Mohammed (2021), exporting is the direct mode of selling strategy of goods and products in the target market and it can be considered the easiest mode of marketing entry selection as well. There are two modes of exporting strategies such as direct and indirect modes and direct modes of exporting involve the costs from the marketing expenses respectively.

<b>Franchising</b>	The franchising strategy is considered the selling of intellectual property rights with a franchiser in a target market (Lozada, Hunter and Kritz, 2022). In this strategy, costs and royalties are sold by the franchisee in the target market for better engagement of its product and service in that market effectively.
<b>Licensing</b>	According to Power and Reid (2021), the licensing strategy is quite similar to franchising; however, the intellectual property is based on tangible resources respectively. This strategy requires very little investment and can provide a huge return on investments in the target market for achieving a competitive advantage respectively.
<b>Joint venture</b>	Kier, McMullen and Kuratko (2021) further opined that the joint venture strategy was established by two conjoint businesses among which, one of the owners is from a local business regarding the foreign company. Through this strategy, the local knowledge regarding the foreign market can be evaluated so that proper decisions can be made regarding the market in the target country effectively.

**Table 1: Analysis of entry mode selection**

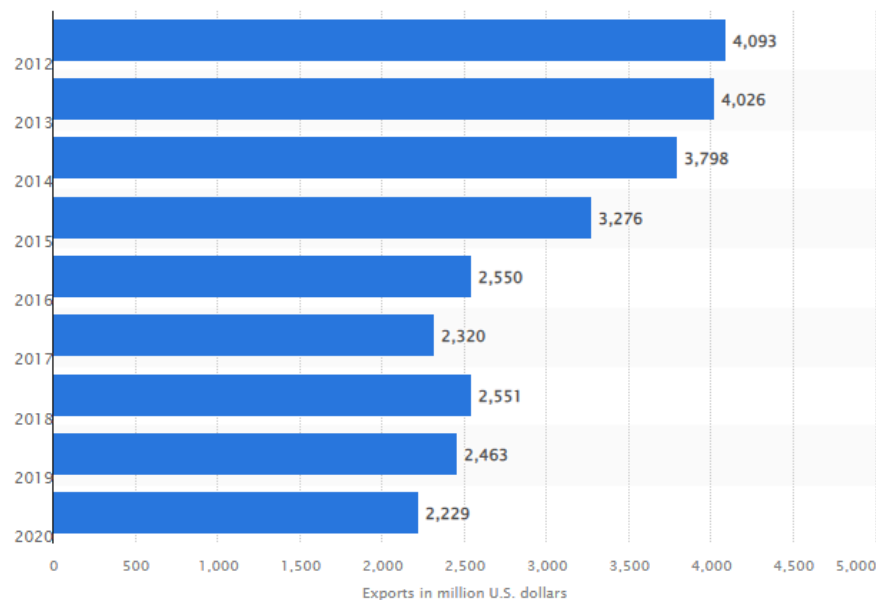




**Figure 3: Growth of joint venture strategy globally**

(Source: Smith, 2021)

As per the report of Smith (2021), the growth of joint venture strategy worldwide is increasing. The report has further stated that the number of joint ventures practised by SME stores is approximately 467 in 2020 respectively. Concerning this, an SME such as Aphrodite chocolates can develop a joint venture strategy in the Brazilian market to enter with an effective cost strategy. Additionally, they can achieve a lot of information related to the target market region and thereby can make an effective market entry strategy in that country.



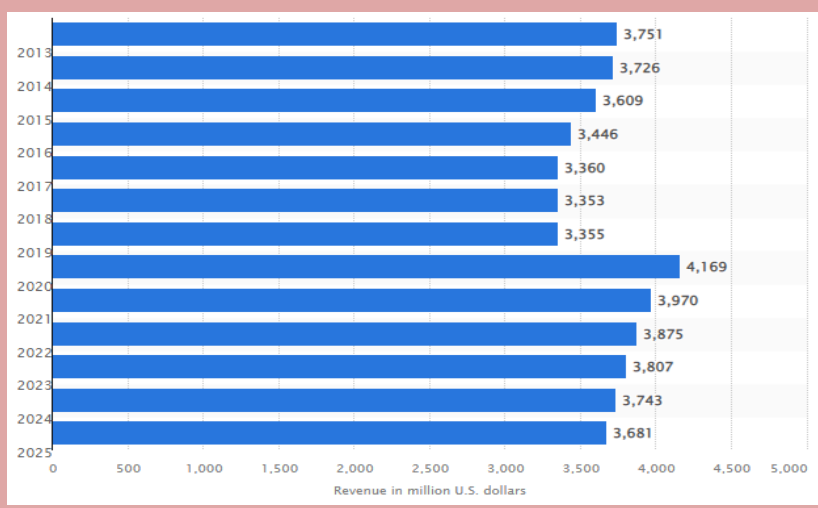
**Figure 4: Impact of the pandemic on direct exporting**

(Source: Sabanoglu, 2021)

Moreover, the company can enter through a direct exporting strategy in the Brazilian market so that they can make their entry with a cost-effective method. However, Sabanoglu (2021) opined that due to the impact of the pandemic, the direct exporting of products from the UK to Brazil has been decreasing by \$2.23bn approximately.

Henceforth, an SME such as Aphrodite chocolates can utilise a joint venture strategy alongside partially focusing on a direct exporting strategy for entering the Brazilian market.

## 7. Evaluation of extended global marketing mix for competition and generation of customer value

Aspects	Analysis																												
Product	 <table border="1"> <thead> <tr> <th>Year</th> <th>Revenue (million U.S. dollars)</th> </tr> </thead> <tbody> <tr><td>2013</td><td>3,751</td></tr> <tr><td>2014</td><td>3,726</td></tr> <tr><td>2015</td><td>3,609</td></tr> <tr><td>2016</td><td>3,446</td></tr> <tr><td>2017</td><td>3,360</td></tr> <tr><td>2018</td><td>3,353</td></tr> <tr><td>2019</td><td>3,355</td></tr> <tr><td>2020</td><td>4,169</td></tr> <tr><td>2021</td><td>3,970</td></tr> <tr><td>2022</td><td>3,875</td></tr> <tr><td>2023</td><td>3,807</td></tr> <tr><td>2024</td><td>3,743</td></tr> <tr><td>2025</td><td>3,681</td></tr> </tbody> </table> <p><b>Figure 5: Chocolate market growth in Brazil</b></p> <p>(Source: Statista, 2021)</p> <p>An SME such as Aphrodite chocolates mainly produces the artisan chocolates such as Blueberry-Truffle chocolates. With the help of proper market research and through partnership strategy, the company can place their product in the Brazilian market. As reported by Statista (2021), the Brazilian market is quite saturated regarding chocolate; however, due to the impact of the pandemic, the growth of the chocolate market is decreasing. Thus, by introducing artisan chocolate to the target market, the company can gain a huge consumer base and thereby enhance its competitive advantage respectively.</p>	Year	Revenue (million U.S. dollars)	2013	3,751	2014	3,726	2015	3,609	2016	3,446	2017	3,360	2018	3,353	2019	3,355	2020	4,169	2021	3,970	2022	3,875	2023	3,807	2024	3,743	2025	3,681
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Price	<p>As per the opinion of Purohit, Paul and Mishra (2021), price is the revenue-generating element in the marketing mix elements and regarding an SME, market research is an important element and considering the knowledge about the target market, the company need to develop their pricing strategy respectively. An SME such as Aphrodite chocolates needs to develop an affordable pricing strategy for providing a quality product at an affordable cost, which will ensure effective consumer engagement in the target market respectively.</p>								
Place	<p>As per the opinion of Hanaysha (2021), a proper placement strategy will help to interact with the consumers regarding their requirements, orders and other aspects, which can ensure the effective engagement of the consumers with the company effectively. An organisation such as Aphrodite chocolates can place their product through a local store and interact with the consumers with the online social platform. (Statista, 2022) has further stated that the rate of revenue from the platform-to-consumer in the food sector of the Brazilian market has been reached \$688 in 2022 and considering this, the company can generate online delivery services for gaining more consumer engagement in Brazil effectively.</p>								
Promotion	<div data-bbox="462 1136 1328 1522"> <table border="1"> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>ADVERTISING SPENDING IN LATIN AMERICA</td> <td>26.98bn USD</td> </tr> <tr> <td>ADVERTISING SPENDING IN BRAZIL</td> <td>11.89bn USD</td> </tr> <tr> <td>LEADING ADVERTISER IN BRAZIL</td> <td>Unilever</td> </tr> </tbody> </table> </div> <p><b>Figure 6: Advertisement promotion in the Brazil market</b></p> <p>(Source: Statista, 2021)</p> <p>This aspect of the marketing mix is considered the communication with the consumers so that effective consumer engagement can be formulated. There are</p>	Category	Value	ADVERTISING SPENDING IN LATIN AMERICA	26.98bn USD	ADVERTISING SPENDING IN BRAZIL	11.89bn USD	LEADING ADVERTISER IN BRAZIL	Unilever
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	different types of promotional approaches such as advertising, awareness through social media such as Facebook, Instagram, content blogging and so on (Purohit, Paul and Mishra, 2021). Further, Statista (2021) stated that advertising strategy for the promotional purpose has been enhanced in Brazil and the companies of this country have spent approximately \$11.89bn regarding advertising promotional strategy. Considering this, an SME such as Aphrodite chocolates can utilise an advertising strategy for promoting their product in Brazilian and the UK.
Physical evidence	The physical evidence provides the tangible resources of the company and it can be particularly important for making a high consumer base in the target market. The physical evidence can be present in the form of the company logo, a company website that would maintain innovative and quality products, online reviews, staff uniforms and so on regarding the SME such as Aphrodite chocolates (Gustavo <i>et al.</i> , 2021). Considering this, the company can develop their online websites, quality menu and special logo on their delivery product packaging so that the consumers can contrast them in comparison with their competitors in the target market.
People	According to Hanaysha (2021), the people aspect of the marketing mix can be considered as the company's employees, who are at the frontline to deal with the consumers to recognise their requirements and needs for satisfying them. Additionally, the people's knowledge regarding the company's product and service can further improve the operation of the company effectively. Considering this, an SME such as Aphrodite chocolates can implement efficient training for their employees for better development. Further, they would provide quality artisan chocolate such as Blueberry Truffle prepared by skilled chocolatiers for gaining better consumer attraction regarding their long-term business growth in the Brazilian and UK market.
Process	The last and most important aspect of the marketing mix is the process of the company that would help to locate their product towards their target market respectively. Von Janda, Polthier and Kuester (2021) stated that all companies prefer an efficient, smooth and consumer-friendly processing style for ensuring positive feedback from the consumer. Considering this, while practising their

business in the new market of Brazil, an SME such as Aphrodite chocolates can make smother business operations regarding their supply chain and online delivery process so that efficient consumer engagement could be achieved and it would ensure high market growth in the Brazilian market and their home country effectively.

**Table 2: 7P's of the marketing mix**

#### **8. Estimation of the promotional element of the marketing mix through the formulation of the marketing budget**

Aphrodite chocolate is highly influential among youngsters and for this reason; the promotional part of the marketing mix should be extended due to changing the marketing promotional aspects. Silvia (2019) opined that digital advertisement in social media is creating massive responses from the people and it highlighted a gigantic response for future promotional aspects. As Blueberry-Truffle chocolate is very popular in the UK hence, they should take a digital advertisement approach for the promotion of chocolate in Brazil. The company's digital advertisement spending rate is presently 5.34 Billion British pounds and they are expected to grow around 20% in the next year. Free sampling needed to grow around GBP 2.34 Billion, which was previously GBP 2.11 Billion.

Digital advertisement needed more to operate sustainably and improve the promotional activities effectively. Personal selling must improve by around GBP 3.11 Billion, which was previously around GBP 3.05 Billion. In this situation, it can be said that the growing demand for chocolate in the UK and Brazil expands the ratio of allotment of funds for the Aphrodite organisation. This budget propounded the effective future operations in the Aphrodite Company and helps with further promotional activities. The increasing demand for chocolate in the UK and Brazil gave a better opportunity for Blueberry-Truffle marketing in emerging markets.

## **9. Conclusion**

The above discussion stated that the chocolate companies in UK and Brazil are highly benefitted, but due to the Covid-19 pandemic, they faced many problems in their operations. The above study further discussed the commodity of Aphrodite, which is called Blueberry-Truffle, which took as the global marketing element for the chocolate marketing development. The above study further focused on the business objectives and their segmentation for the development of the global market. This further analysed the SMART objectives and the selection of entry mode in the emerging country for further development. This study further analysed the marketing mix for the development of the marketing development. In a new country, these issues are highly influential for the development of an effective marketing plan. At last, this study has driven the overall budget for marketing promotion in the emerging country.

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