

MONTREAUX CASE REPORT

Consumer Behavior - Allie Blain

Montreaux Chocolate USA, acquired by Apollo Foods in 2011, is positioned for significant growth as it expands internationally. To be most profitable, the company must strategically determine its path forward from one of the following choices: continue testing, launch in select test markets, roll out regionally, or launch nationally. Andrea Torres, director of new product development, used existing data to evaluate these options. Key insights from previous testing revealed consumer attitudes, motivations, and trends.

In 2011, Apollo held second place globally with 15.4% market share but lacked strong U.S. presence. Trends showed demand for health-conscious options (dark chocolate benefits, low-calorie choices, portion control), packaging shifts to mainstream channels, and pricing adjustments. While Montreaux has many viable options, I would recommend a regional launch. The product is market-ready but should first gain traction locally to inform the company's strategy as they expand in more markets across the United States.

As a trend-aware brand, Montreaux recognized that its ideal consumer was both interested in and positioned to become a loyal fan of the new dark chocolate products. Following the BASES snapshot concept test, many strong options emerged, but the New Product Development team prioritized the dark chocolate with fruit concepts (one with 70% cocoa and one with 90%). While the testing revealed a variety of promising directions, the team needed to narrow their focus to decide which product to further develop.

Notably, the consumers in their target demographic are impacted by their perception of the product just as much as they are by their actual experience of the product. With this in mind, Montreaux should prioritize the less bitter chocolate option, while positioning the product as a health-conscious offering. Additionally, Montreaux also has the opportunity to package the product to emphasize the brand's "luxury" vibe, appealing to consumers whose perception of a nicer-looking product shapes their reality of how it tastes. I would also recommend upholding the branding Montreaux has already developed in the European market and therefore not changing the name or title of the product.

The company's approach to research was thorough and well thought out. If given the same task, I would hope my commitment to excellence would be just as strong. However, I recognize that the cost of this research was very high. With this in mind, I would choose to strategically prioritize relevant testing and test fewer products. They tested a wide variety, but I would focus on a smaller range to ensure concise results. Once a small variety proved successful in the market, I believe broader testing could then serve as an opportunity to expand.

Considering the results of the BASES II testing in 2012 (23% would definitely buy the product, 40% would probably buy the product), there is good reason to believe that there will be at least a somewhat profitable response. However, since this was not an overwhelmingly positive or confident analysis, I would recommend that they start this rollout regionally with checks and balances in place to ensure the product is ready to go nationally without a large risk of losing money.

Moving forward, I suggest Montreaux continue the launch with the selected chocolate varieties, positioning them toward trendy, health-conscious consumers in smaller markets in the

short term. Once success is defined and achieved there, a broader U.S. launch would be appropriate as a long term rollout strategy. This, additionally, will provide time for Apollo Foods to determine a production plan with more capacity than that of the R&D facility that has been used thus far. I assume that the supply needed for the regional rollout is within the capabilities of this plant.

With a competitor testing a similar product, Montreaux also gains a first-mover advantage by entering regional markets quickly. By rolling out the first two varieties in a regional market, Montreaux is able to stay at least one step ahead of their competitors. Starting with two varieties allows the brand to test the market's willingness to adopt a new product, and only after proving success should additional flavors and variations be considered.

Case Write Up Reflection

Allie Blain

To dive into this case, I first reviewed the questions outlined in the case writeup assignment to guide my reading. I wanted to approach the case with a clear understanding of what I needed to look for. As I read, I took notes, highlighted important statistics, and wrote down questions that I had while I read. Once I finished reading, I created a brief outline and then began writing my draft.

For this case, I used AI as a proofreading and revision tool. I submitted my draft along with the rubric from the syllabus and asked for feedback on how well my paper aligned with the requirements. Sometimes I struggle to ensure that everything I understand conceptually is expressed clearly in writing, so AI helped me identify areas where my ideas weren't fully developed on the page. I also asked it to highlight quotes from my own writing that addressed specific rubric points and case questions, which allowed me to refine and strengthen my analysis