

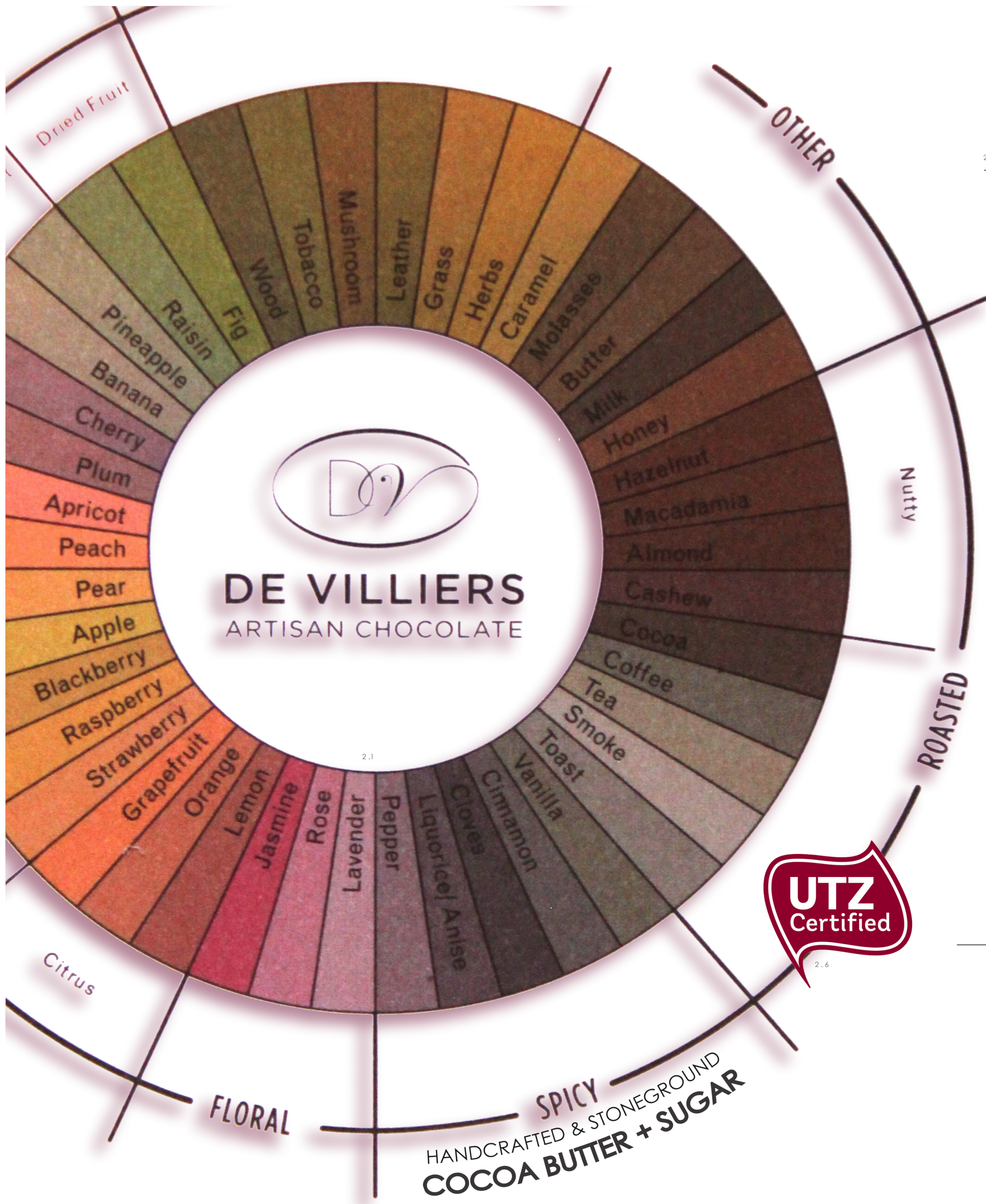
This chapter involves a brief discussion revolving around the brand, its structure and essence in order to gain an understanding and body of content that we can analyze in the next chapter.

This chapter will discuss the location of the current store, its current customer base, its draw card factors, its products, its taste philosophy, in-store experiences, how the company benefits the surrounding community and the direction that the company is moving in.

Following this, a S.W.O.T. analysis is undertaken against the brand, a simple tool that allowed me to find the strengths and pitfalls of the current store in order to move forward successfully.

2

Company Profile



THE MEANING OF "ARTISANAL,"

as it relates to food and drink, refers to products that are made on a **SMALL SCALE**, mostly **BY HAND**, that **REFLECT THE PERSONALITY AND PASSION OF THE MAKER**, made with **HIGH QUALITY INGREDIENTS** that can be traced back to the source and that reflect the nuances of the origin.

In the chocolate world artisanal chocolate makers differentiate themselves by making chocolate "from BEAN to BAR". This means that the complete chocolate making process occurs in one facility, from the roasting of the beans to the finished product.

LAUNCHED : 2010

ONE OF ONLY A FEW MICRO-BATCH CHOCOLATE FACTORIES IN THE WORLD CREATING ARTISAN CHOCOLATE WITH DISTINCT FLAVOURS

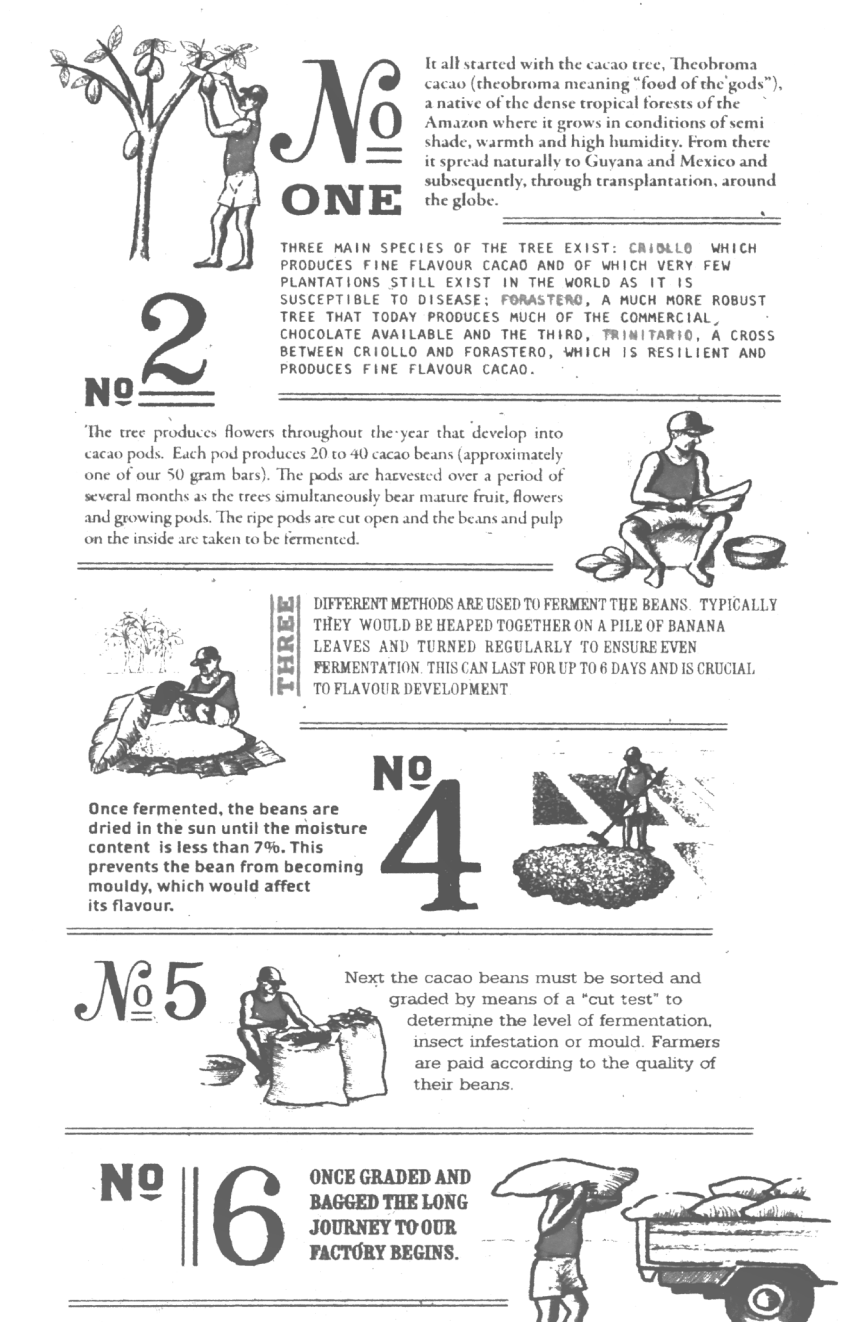
THE TASTE / FLAVOUR OF THE CHOCOLATE IS BASED ON THE BEAN ITSELF AND ITS LOCATION, WHICH DETERMINES THE FLAVOUR OF THE BEAN

RUN BY HUSBAND AND WIFE TEAM, PIETER AND CONELL DE VILLIERS

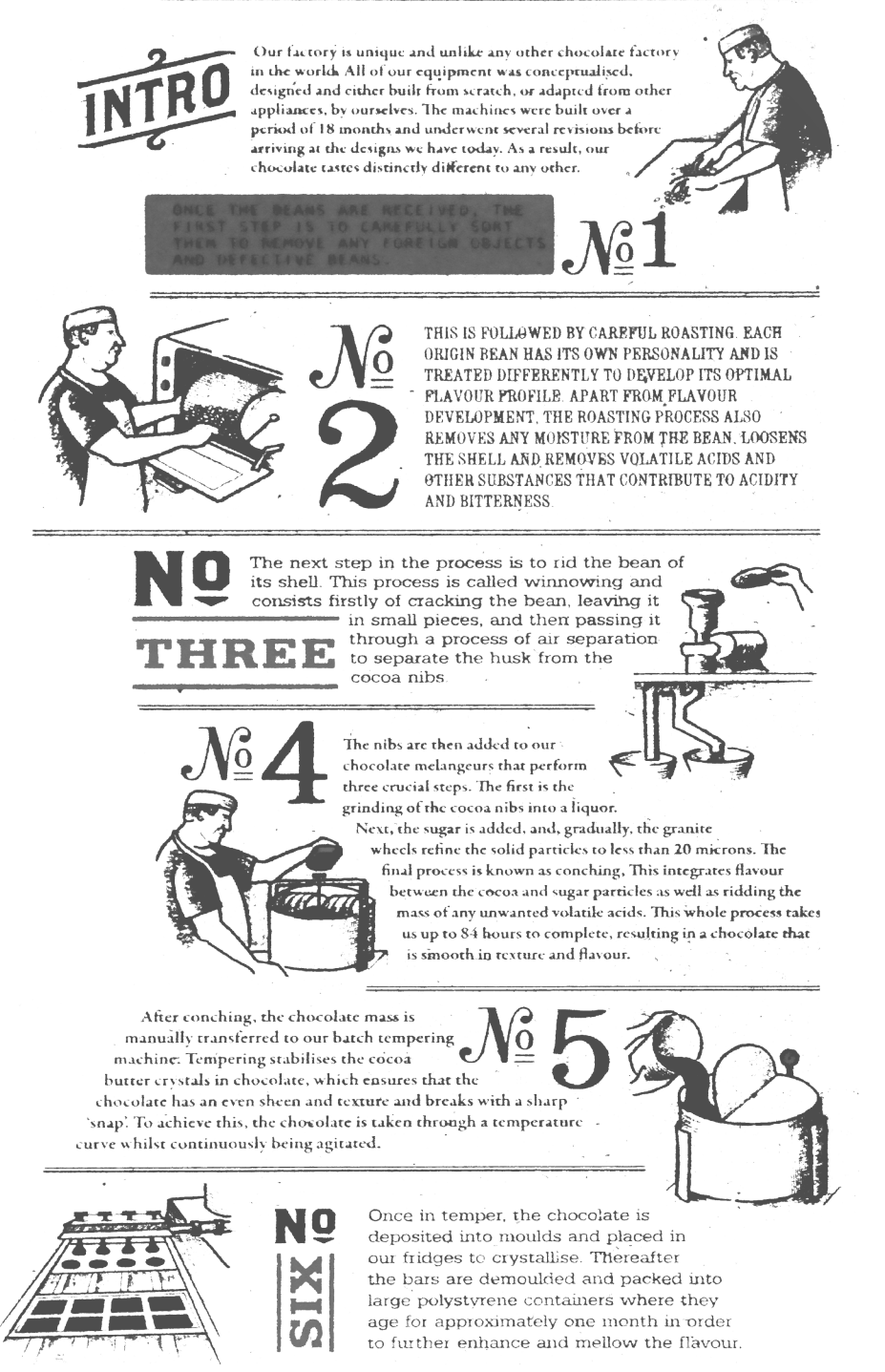


CHOCOLATE MANUFACTURING PROCESS

TREE TO FACTORY



BEAN TO BAR



PRODUCTS

RETAIL FACTORY STORE



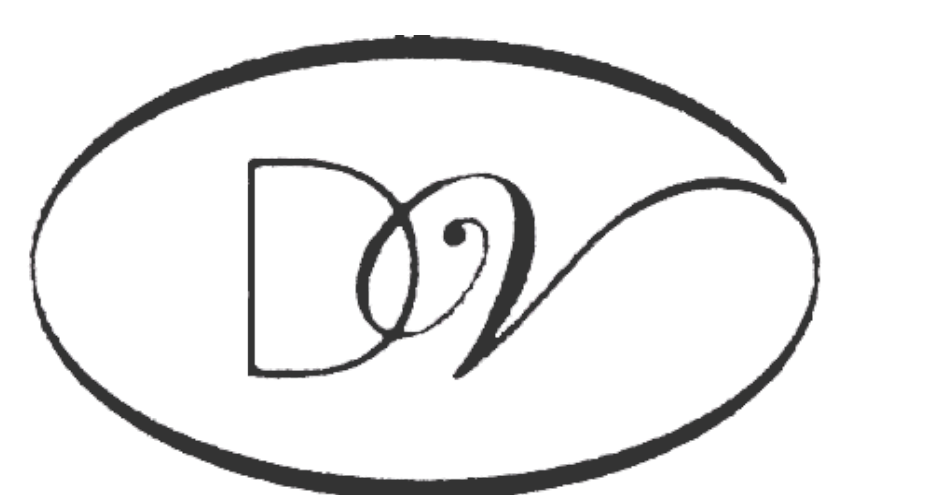
HEALTH BENEFITS

- Dietary Fibre
- Antioxidants
- Beauty Compounds
- Detoxifying
- Increase in Energy
- Increase in Blood flow
- Magnesium
- Serotonine
- Immunity
- Fertility
- Insulin Management

TASTING PROCESS

- Chocolate should have a blemish free surface. The colour of the chocolate should be a deep dark brown.
- Chocolate should make a loud "SNAP" when broken.
- The chocolate needs to be melted between the fingers. It should be smooth to the touch.
- Smell your fingers - they should have a nice aroma, and they should not smell overly sweet.
- Place the chocolate on your tongue. Before chewing, note the flavors of the chocolate. Then, note the aftertaste, after swallowing.

ALCOHOL PAIRING



DE VILLIERS
ARTISAN CHOCOLATE
BEAN TO BAR
Stone Ground Hand Crafted
GROWN & CRAFTED IN AFRICA

2.1 Company Profile

De Villiers Artisan Chocolate is South Africa's first bean to bar micro-batch chocolate maker (De Villiers 1, 2015), established by Cornell and Piet de Villiers in 2010.

Based in Paarl, Western Cape, the factory shop is part of a larger farm based artisan village owned by Spice Route Wines. The farm is the base of various artisan projects including a winery, brewery, glass blowing factory and a number of dining options including the DV Cottage Café. The campus sits on a hill overlooking the wine farm and DV Chocolate sits at the hill's apex.

Cape Town is a popular tourist destination for both South African and international travelers and the venue and its stores cater to the beer-loving locals, hungry students and all tourists often whom have specific travelling requirements. DV Chocolate is particularly popular with these customers as the products are distinctly South African without being the cliché bead products. It is also seen as an easy gift which is easy to transport overseas.

The brand's popularity also lies in the novelty that there are very few micro-batch bean-to-bar chocolate manufacturers in the world, with even fewer boasting a distinct a taste as DV Chocolate who prides itself on being the only African chocolate made by Africans using African beans (De Villiers 2, 2015) – i.e. a truly African product. This is especially important as very little chocolate is made on the continent, despite most of the world's cocoa being farmed in Africa, and even fewer of these factories are owned or run by Africans themselves. The bean-to-bar process which classifies and characterizes the brand as artisanal product is largely visible in the factory store, showcasing how each element is made or controlled by hand in order to create a truly unique slab.

This exclusivity in taste is best showcased in the chocolate itself, particularly in their flagship Single Origins range. The flavors of this range are taken from the bean itself and its original locale, as the location of the bean determines its flavor. For example, cocoa beans cultivated in Jamaica actually smell and taste like rum. The flavours here are natural and the chocolate contains no additives, flavorants, soya, milk or nuts which makes it a healthy and delicious snack. The other flavours are characterized in the recognizable flavor wheel, a very prominent element in the current store interior, educational experiences and packaging.

In addition to the Single Origins range, DV Chocolate also produces the Café range, the African Collection and the Sweet Handcrafted range, as well as the original 1st batch range, some of which are sold as both slabs and in tasting packs for convenience. In addition to these collections DV Chocolate has a wide range of truffles that are made on site and a growing collection of coffees and drinking chocolates available for purchase. The brand has also recently ventured into selling other confectionary items such like nougat and granola bars and promotional holiday items.

With the focus on the actual bean, it should be noted that DV Chocolate is UTZ certified. This certification is the equivalent of the Fairtrade organization for the cocoa, tea and coffee industries, and aims to guarantee better, more sustainable farming practices and fair wages for those in the trade, as well as combating child labor and other human rights abuses while providing aid to those in need (Utz Kapeh, 2015).

In the same vein, DV Chocolate also aims to be socially responsible as can be seen in their creation of employment opportunities in the local communities, and their commitment to selling products made by the local community in store. The brand even employed African artist, Marien Freddy Nsomy (De Villiers 2, 2015) to create artwork for their African Collection range, thus supporting African artwork across the continent. They also feel responsible for the education of their customers and the friendly staff know the product and process back to front.

The education of the customer is a very large part of the brand both in store and online, as is evident in their experiential tours and inherent in their packaging. There are currently three chocolate experiences on offer: the Chocolate and Confectionary Tasting experience where the customer is allowed to taste a small, set variety of chocolate on show; the Single Origins Chocolate Experience where groups of customers are given an informative presentation explaining the bean-to-bar process, the idea behind Single Origins range and then lead through the tasting of the range with an explanation of each flavor; and lastly the Chocolate Truffle Workshop where booked groups can learn how to make their own truffles and then take their creations home with them. Online, the brand explores which alcoholic beverages can be paired to specific chocolate tastes; the health benefits of eating dark chocolate instead of milk chocolate; the history of chocolate from the Aztecs to the present day; the manufacturing bean-to-bar process; and the proper way to taste quality chocolate.

Lastly, DV Chocolate is a rapidly expanding enterprise both on the farmstead and across South Africa. On the site of the factory store, DV Chocolate has just added a new tasting room to the existing Cape Dutch building in addition to the new ice-cream bar and café extension. Off site, specific ranges of the chocolate are now being sold at select Woolworths stores in addition to airport souvenir shops and Spice Wine Route affiliate stores.

2.2 Initial Swot Analysis

2.2.1 Strengths

- » Only chocolate made in Africa, by Africans and using African beans
- » Thus seen as a distinctly South African product – an ideal tourism gift which is true to South Africa while still be easy to transport overseas.
- » Unique approach to chocolate flavours
- » Highly specialized chocolate – there are only a few micro-batch factories in the world.
- » Artisan product with niche customer base.
- » Chocolate is an inexpensive luxury (Morris, 2012).
- » Unique approach to manufacturing the chocolate.
- » Established tasting programs in-store currently.
- » Tourism accommodated with the supply of air-travel friendly packaging solutions, ensuring product arrives overseas intact.
- » Company can be seen as very honest or transparent - the entire process, from bean to bar, is available for the customer's scrutiny.
- » They are UTZ approved and chocolate manufacturing and any other processes can be viewed by the customer in store.

2.2.2 Weaknesses

- » Currently only one showroom based in Paarl, a secluded tourist town in the Western Cape, South Africa.
- » The brand is seen as one of many on an artisan campus, rather than the main attraction.
- » Current showroom interiors do not reflect the luxuriousness of the product.
- » The quality of the interior reflects negatively on the brand - the store is seen as home-made rather than hand-made
- » Current showroom is crowded and difficult to navigate.
- » Marketing and the expansion of the brand is still in its infancy and thus the brand hasn't yet built a wide audience yet.
- » The truffles are not advertised as strongly as the bars, but they appear to be the more popular option in terms of sales.
- » Gifting options are very limited, and do not link to alcoholic beverage concepts as advertised online.
- » No attention has been paid to the wine-pairing aspect of the chocolate advertised online. The on-site winery is responsible for this.
- » There is an inconsistency in the look and feel of the brand between different spaces, image and graphics.

2.2.3 Opportunities

- » Dark chocolate is becoming more popular as a healthy alternative to milk chocolate. There is the opportunity to emphasize the health benefits in store.
- » There is the opportunity for the focus of the brand store to include the wine-pairing aspect of the business.
- » There is the opportunity to expand a retail store into a chocolate cafe environment.
- » There is the opportunity to expand the popularity of their coffee and hot chocolate ranges by providing beverages on-tap in store.
- » There is the opportunity to expand the gifting element of the business to create a signature style of gifting that becomes synonymous with the brand.
- » There is the opportunity for local job creation.
- » There is the opportunity for skills development
- » There is the opportunity to expand the brand on a number of different retail levels, from in store to a store centered around experience
- » There is the opportunity to educate the consumer about chocolate, its tasting, processes and health benefits
- » There is the opportunity to refocus the brand and establish it as a luxury African product, a quality that is reflected through its store design.

2.2.4 Threats

- » Artisan products don't market or promote themselves well. Products are often seen as home-made, rather than hand-made. This makes the product seem less luxurious.
- » The practice of artisan chocolate is not well known or well promoted and thus the public needs to be educated on what 'artisan' means and what the process entails.
- » There is the threat that the economy crashes and chocolate becomes too expensive as a luxury commodity.
- » There may be a shortage of cocoa beans by 2020 due to the fickleness of the plant; excessive and increasing demand; urbanization; disease and climatic factors (Ford, et al., 2014).

2.2.5 Differentiation Factors

- » The tasting element - DV Chocolate focuses on the tasting course of the Single Origin range in store, and a less expensive version of tasting a wider range of chocolates at a dedicated station.
- » DV Chocolate also has a specific tasting method described online but not yet incorporated into store.
- » Online, DV Chocolate describes pairing wine to chocolate (not the other way around) but this has not yet been realized in store.
- » All of these aspects are further opportunities that the company can use to differentiate themselves in the experience store.
- » DV Chocolate is the only African chocolate, made by Africans using African beans.

2.3 Conclusion

In conclusion, the De Villiers Chocolate brand has a lot to offer both the designer and the customer, although the brand experiences are often packaged incorrectly, leaving a dissatisfied or confused customer and stunted brand awareness.

Thus the programs in the roll out strategy will centre around packaging both the current and new experiences as individual experiences that could form a whole additional experience, as shown in Experience Room in Chapter 6.

This reprogramming and repackaging of the experiences may result in a more positive experience for the customer and will therefore build brand loyalty, which will in turn increase sales and profits.

Figure 2 Embedded Captions:

- Figure 2.1 DV Chocolate taste wheel. Taken from the DV Chocolate Packaging, 2015. Edited by Author
- Figure 2.2 Indicative icons edited by Author. Original images taken from - Left to Right: GE, 2015; Yudin, 2015; iconsforlife.com, 2012; Yupiramos, 2015; Yupiramos, 2015; Yuliaglam, 2015
- Figure 2.3 Definition of Artisanal, taken from photograph of signboard in store. Photograph by L. Noble, 2015 and edited by Author.
- Figure 2.4 Data taken from www.dvchocolate.co.za
- Figure 2.5 Collage indicating location - Top to Bottom: Spice Route Wines, 2015; Value Rental, 2015
- Figure 2.6 UTZ Logo. Image taken from: www.utzcertified.org
- Figure 2.7 DV Chocolate African Collection Packaging. Images taken from: www.dvchocolate.co.za
- Figure 2.8 DV Chocolate Single Origins Collection Packaging Variation. Images taken from: www.dvchocolate.co.za
- Figure 2.9 DV Chocolate Single Origins Collection Packaging Variation. Images taken from: www.dvchocolate.co.za
- Figure 2.10 DV Chocolate Cafe Collection Packaging. Images taken from: www.dvchocolate.co.za
- Figure 2.11 DV Chocolate Tasting Pack Packaging. Images taken from: www.dvchocolate.co.za
- Figure 2.12 DV Chocolate Café Logo, gelato and cake available on offer in store Images taken from De Villiers 1, 2015
- Figure 2.13 DV Chocolate 1st Batch Packaging. Edited photograph by Author, 2015.
- Figure 2.14 DV Chocolate Cafe Coffee and Cocoa Collection Packaging. Images taken from: www.dvchocolate.co.za
- Figure 2.15 DV Chocolate new ranges of product. Photographs by L. Noble, 2015 and edited by Author.
- Figure 2.16 DV Chocolate truffles and truffle packaging available on offer in store Images taken from De Villiers 1, 2015
- Figure 2.17 Collage of photographs of the current DV Chocolate Factory Store in Paarl, Western Cape. Photographs by L. Noble, 2015
- Figure 2.18 Graphics of the DV Chocolate manufacturing process found on wall graphics and printables. Graphics taken and adapted from scans of the printables done by Author, 2015.
- Figure 2.19 Graphics illustrating the DV Chocolate Tasting Process. Images taken from- Top to Bottom: Degio, 2015; Barbulat, 2015; Perjus, 2014; ClipArt ETC, 2015; Clipgid, 2015
- Figure 2.20 Graphics illustrating the types of alcohol the chocolate is paired with. Images taken from - Left to Right: iconsforlife.com, 2012; Fredweiss, 2013; Saibo, 2014
- Figure 2.21 Graphic symbolising the DV Chocolate's African heritage. Graphic edited by Author from a photograph of the DV Chocolate packaging taken by Author, 2015
- Figure 2.22 DV Chocolate Logo. Image taken from: www.dvchocolate.co.za
- Figure 2.23 Graphic symbolising the DV Chocolate's Bean To Bar character. Graphic edited by Author from a photograph of the DV Chocolate packaging taken by Author, 2015

