

iscte

INSTITUTO
UNIVERSITÁRIO
DE LISBOA

Montaraz Marketing Plan-Creating an online butchery

Bernardo Saldanha Baptista Pereira

Master of Science in Business Administration

Supervisor:

Professor Luís Martins, Invited professor ISCTE Business School, Department of Marketing, Strategy and Operations;

October, 2020



**BUSINESS
SCHOOL**

Department of Marketing, Strategy and Operations;

Montaraz Marketing Plan-Creating an online butchery

Bernardo Saldanha Baptista Pereira

Master of Science in Business Administration

Supervisor:

Professor Luís Martins, Invited professor ISCTE Business School, Department of Marketing, Strategy and Operations;

October, 2020

Marketing Plan- Creating an online butchery

Acknowledgements

First of all, I would like to thank my tutor, Professor Luís Martins, not only for the indispensable help provided during the making of this thesis but also for the always vigorous and great lectures taught.

Secondly, I would obviously like to thank Montaraz, for the information and trust, especially to mister Paulo Capela for the enthusiasm and motivation.

I also would like to thank my family and fiancée for the motivation and support during the entire work.

Marketing Plan- Creating an online butchery

Abstract

Nowadays, the vast majority of people use Internet on a daily-basis. Some companies are now created online and live entirely on the internet, sometimes without any physical spaces. This represents a strong business potential that should not be ignored by managers. With the growing relevance of the online commerce (e-commerce) it is an interesting challenge to include this strand in business and marketing plans.

Online shopping has increased vastly the most recent years and has changed many business sectors. The food business is no exception to this. People are now relying more on buying food online from sources they trust and can ensure reliability. E-commerce has also provided companies to establish business relationships among them, like in the HORECA businesses.

This Strategic Marketing Plan is a result of a master thesis and it is for a meat processing black pig company. The aim is to develop the only online black pig dedicated butchery in Portugal, having a solid and traditional company already well sustained in the market. Given that the company has most of its sales coming from big retailers, would be a challenge to develop an online sales channel both to the final customer but to other businesses as well.

Key words:

1. Marketing Plan
2. E-commerce
3. Black Pig
4. Internet

Marketing Plan- Creating an online butchery

Resumo

Actualmente, a grande maioria das pessoas usa a Internet diariamente. Algumas empresas são agora criadas online e existem somente na Internet, por vezes, sem qualquer espaço físico. Este facto representa um potencial de negócio que não deve ser ignorado pelos gestores. Com a crescente relevância do comércio online (e-commerce) é um desafio interessante a forma incluir esta vertente nos planos de negócio e de marketing.

As compras online têm tido um rápido crescimento nos anos mais recentes, mudando a forma de operar em negócios espalhados por vários sectores. O sector alimentício não é excepção. Os consumidores compram agora mais no mercado online quando conhecem a origem dos produtos e sabem que esta garante confiança. O e-commerce permitiu também que as empresas se relacionassem entre si, como por exemplo, no caso do sector da hotelaria.

Este plano estratégico de Marketing é o resultado de uma tese de mestrado e visará uma empresa transformadora de carne de porco preto. O objectivo é criar a única empresa com um talho online somente dedicado ao porco preto em Portugal, tendo, no entanto, uma estrutura sólida bem fomentada no mercado. A maioria das vendas da empresa acontece através de grandes retalhistas, será, portanto, um desafio interessante o desenvolvimento canal de vendas online para o cliente final como, também, para outras empresas.

Palavras-Chave:

1. Plano de Marketing
2. E-commerce
3. Porco preto
4. Internet

Marketing Plan- Creating an online butchery

INDEX

GLOSSARY.....	iv
TABLES INDEX.....	v
CHARTS INDEX.....	v
FIGURES INDEX.....	vi
1 Executive summary	1
2 Definition of the problem context	2
3 Literature Review.....	3
3.1 Digital Marketing	3
3.1.1 Digital Marketing Strategy.....	4
3.1.2 Digital Marketing Performance Management.....	5
3.2 E-Commerce	6
3.2.1 Social commerce	8
3.3 Local Products Marketing	8
3.3.1 Food Marketing.....	9
3.3.2 Food Tourism	10
3.4 Specialized Retail.....	11
4 Conceptual Framework of Reference.....	14
5 External and Internal Analysis	17
5.1 External Analysis	17
5.1.1 Pestel Analysis	17
5.1.1.1.1 Political and Legal factors.....	17
5.1.1.1.2 Economical Factors.....	18
5.1.1.1.3 Social and Cultural Factors	19
5.1.1.1.4 Technological factors	20
5.1.1.1.5 Environmental Factors	21
5.2 Market	22
5.2.1 The black Alentejano pig	22

Marketing Plan- Creating an online butchery

5.2.2 The Black Pig Market	23
5.2.3 Competitors	24
5.3 Internal Analysis	28
5.3.1 SWOT	28
5.3.1.1 Strengths.....	28
5.3.1.2 Weaknesses	29
5.3.1.3 Opportunities.....	30
5.3.1.4 Threats.....	30
5.4 Critical Success Factor.....	32
6 Plan Objectives	33
6.1 Segmentation and Targeting	34
6.2 Positioning.....	35
7 Marketing-Mix	37
7.1 Product (Service).....	37
7.2 Price.....	38
7.3 Place	39
7.4 Promotion.....	40
7.5 Physical Evidence	42
7.6 Process.....	43
7.7 People.....	44
8 Implementation time table and financial evaluation	45
8.1 Sales Forecast.....	46
9 Project Conclusions.....	50
10 Project Limitations.....	51
11 References	52
12 Annexes	57
Annex I- Literature review.....	57
Annex. II- Competitors	57
Annex. III- Montaraz	58
Annex IV- Customer survey	59

Marketing Plan- Creating an online butchery

Glossary

ACEPI-Associação da Economia Digital: Portuguese ONG created in 2000 that has cooperated with the Portuguese State.

B2B- Business-to-Business: where one business makes a commercial transaction with another one.

B2C- Business-to-Consumer: commerce between a business and an individual consumer.

B2E- Business-to-employee: Producing goods or service inside a company providing services or goods to its employees.

C2B- Consumer to Business: a business model in which consumers (individuals) create value and businesses consume that value.

C2C- Consumer to Consumer: a business model, whereby customers can trade with each other, typically, in an online environment.

EU- European Union.

EC- European Commission.

FPAS- Portuguese Federation of pig farmers.

GDP- Gross Domestic Product.

HORECA- Hotels, Restaurants and Caffles.

INE- Instituto Nacional de Estatística (Statistics Portugal).

KPI- Key Performace Indicator

PT- Portugal.

SEO- Search Engine Optimization

Marketing Plan- Creating an online butchery

TABLES INDEX

Table 1- Conceptual Framework of Reference.....	16
Table 2- Comparison between EU and Portugal of the real GDP growth rate.....	20
Table 3- Inflation comparison between EU and Portugal.....	21
Table 4- Montaraz Swot Analysis.....	34
Table 5- Segmentation criteria and target.....	37
Table 6- Differentiation from competitors.....	40
Table 7- List of Activities.....	42
Table 8- Cost of the activities.....	44
Table 9- Implementation Time Table.....	47
Table 10- Montaraz´s sales by year (in millions of euros).....	48
Table 11- Montaraz´s 5 year sales, MKT and ratio forecast.....	48
Table 12- Montaraz´s 5 year online sales projection.....	49
Table 13- Montaraz´s online marketing budget % allocated.....	49
Table 14- Montaraz´s online marketing/online sales % ratio.....	50

CHARTS INDEX

Customer survey charts index

Chart 1- Montaraz' sales evolution before and after online sales.....	51
Chart 2- Gender.....	59
Chart 3- Age.....	60
Chart 4- Meat consumption.....	60
Chart 5- Black pig meat consumption.....	61
Chart 6- Price.....	62
Chart 7- Montaraz awareness.....	62

Marketing Plan- Creating an online butchery

FIGURES INDEX

Figure 1- Synthesis scheme of the literature review.....	18
Figure 2- Casa do Porco Preto logo	26
Figure 3- Miguel & Miguel logo.....	28
Figure 4- Salsicharia Estremocense logo.....	29
Figure 5- Sketch of Montaraz´s website after adding the sales dedicated zone.....	40
Figure 6- SOSTAC ® synthesis scheme.....	57
Figure 7- Casa do Porco Preto package exemple.....	57
Figure 8- Miguel & Miguel package exemple.....	57
Figure 9- SEL package exemple.....	58
Figure 10- Montaraz package example.....	58
Figure 11- IAPMEI-PME líder´20 attributed to Montaraz.....	59

Marketing Plan- Creating an online butchery

1 Executive summary

The main goal for this project is to create an online butchery solely dedicated to black pig. The company chosen to develop the project is called Montaraz and it is the market leader in the black/Iberian pig meat processing sector.

Montaraz is on the black pig processing market since 2001 but it was in the past decade, as a result of an organizational and capital restructuring, that the results started to be truly satisfying. The vast knowledge of the executive and directive board, which has been studying the Iberian species their entire life, has succeeded to bring some national and international attention to the Portuguese black pig and to its processing methods. Montaraz has won all the flavor prizes year after year becoming the most awarded black pig meat processing in Portugal. In 2020, the company has been distinguished with PME- lider certificate by IAPMEI, the Portuguese agency for competitiveness and innovation.

Although Montaraz's sales have been increasing each year in the last ten years, Internet has changed the way businesses interact with stakeholders, not only marketing wise but also in terms of sales. E-commerce plays a big role and it is something that the company looked to improve in the near future. Due to this fact, Montaraz looks forward to diversify sales income channels and selling online it is a number one priority. This project is the result of that desire by given to the online sales section special highlight in the strategic marketing plan.

Across this marketing plan an external analysis was made with the intention of cataloging the black pig processing market and its competitors. Operations wise a course of marketing actions were develop to ensure that the company raises its market awareness, which are specified in the marketing-mix containing product, price, place, promotion, physical evidence, process and people. Special attention was given to the website, creating an online sales chart to the final consumer but to other businesses as well, like restaurants or hotels.

The ambitious goal for this project is to increase sales via the website, the online sales. With a lower price better quality strategy, when compared to competition, the objective is that by 2023 the e-commerce sales account for 30% of the total sales of the company.

2 Definition of the problem context

Montaraz is the Portuguese market leader company dedicated to meat processing of Black Pig, a specific species from the Iberian Peninsula. It is located in Alentejo, Portugal, the capital of black pig.

The company is present in most of the big retailers in Portugal, including, Jumbo, Pingo Doce, Lidl, El Corte Ingles, and Continente. In fact, 90% of its sales share comes from these clients. It can be found in-store as Montaraz (as a brand itself) or as a white-label with different names differing from each retailer.

The main issue concerning Montaraz is their low percentage of sales coming from modern funnels. In nowadays market, regardless of the product/ service, traditional funnels alone are proving not to be sustainable in the long run. According to the company's vision, as well as its short-run strategy, innovation is a number one priority to ensure sustainable growth.

This project has the objective of diversifying sources of sales for Montaraz. In line with the company, it would be important to create a solid online sales channel able to address nowadays market needs. In order to produce the desired outcome, a Marketing plan will be drafted bearing the company's short-run strategy. The main purpose of this strategic and organizational plan is to create an online butchery, the first in the country only dedicated to premium black pig meat.

In conclusion, the project intends to diversify and modernize the company and shape it to the fast-moving market, but maintaining its mission and vision intact. Since it deals with traditional and local products it is important to keep their mysticism and long history and use that as an advantage and leverage.

3 Literature Review

3.1 Digital Marketing

The evolution in technology brought not only changes to the market but also to the marketing research as an academic subject. According to Wymbs (2011), the American Marketing Association has changed the Marketing definition twice over the last years. The Internet added new dynamics and opportunities for companies to interact with their audience; however, consumer behavior has changed as well. Nonetheless, Jayawardhena et al. (2007) consider that *“purchase orientations in both the traditional world and on the internet are largely similar”* and *“both academics and businesses should treat the internet as an additional channel of distribution and an extension to existing traditional activities brought about by advances in technology”*. (Jayawardhena et al. 2007:522). In response to the advance in technology and its effect on Marketing as a subject, an inter-discipline as emerged as Digital Marketing. Among other definitions, Armstrong and Kotler (2009) describe it as *“a form of direct marketing which links consumers with sellers electronically using interactive technologies like emails, websites, online forums and newsgroups, interactive television, mobile communications, etcetera.”*

Knowing the growing academic and business importance given to digital marketing, a *millennial* company has to adapt and build a strategy involving it in order to obtain or keep a sustainable competitive advantage among the competition. According to a study conducted by Tiago and Veríssimo (2014), Portuguese firm's drive their digital efforts mostly because of the external competitive pressure. The firm's external environment plays a big role in determining actions towards online and digital measures. Still, according to this study (Tiago and Veríssimo, 2014), the vast majority of firms use digital marketing to brand building purposes, knowledge enhancement and improvement in communication flows. There is also a growing concern related to the update or creation of social media, apart, from the type of business product or service.

Marketing Plan- Creating an online butchery

3.1.1 Digital Marketing Strategy

For a company to be online effective, a strategy must be traced, followed and adjusted throughout time. The digital marketing strategy is the first step towards a prudent resource allocation. Chaffey and Ellis-Chadwick (2016) state that digital marketing strategy supplies the company with a consistent direction and, most importantly, it must be integrated within the marketing activities and the overall business objectives. A digital marketing strategy also traces which paths should not be followed and which tactics cannot be implemented. As part of the strategy formulation, one of its main purposes is to build a sustainable competitive advantage that supports marketing objectives (Chaffey and Elis-Chadwick, 2016).

The digital strategy is also relevant when considering the different value and significance of each customer touchpoint. Chaffey and Elis-Chadwick (2016:179) define it as: *“communications channels with which companies interact directly with prospects and customers. Traditional touchpoints include face-to-face (in-store or with sales representatives), phone and mail. Digital touchpoints include web services, email and, potentially, mobile phone.”* Different businesses imply different customer touchpoints. Depending on the product or service of a company, some strategies may highlight more traditional touchpoints where other companies may perform the opposite. The main goal is understanding that there are no established formulas and each business must set its touchpoints in consonance with its marketing needs. By mapping the different existing touchpoints and their importance for the digital strategy, companies can define tactics and act accordingly in the short-term.

In order to produce a digital marketing strategy, Chaffey and PR Smith (2008) propose a planning framework method called SOSTAC ® (annex I), a registered trademark of PR Smith. Each letter stands for a topic that leads to a question: **Situation analysis** (where are we now?), **objectives** (where do we want to be?), **strategy** (how do we get there?), **tactics** (which tactical tools do we use to implement strategy?), **actions** (which action plans are required to implement strategy?), and **control** (how do we manage the strategy process?). These are different steps of the planning; however, they are not separate from each other and should be revisited and changed. Its interaction defines the changes and each step gives feedback to the earlier and next stages (Chaffey and PR Smith: 2008).

Marketing Plan- Creating an online butchery

3.1.2 Digital Marketing Performance Management

Chaffey and Smith (2008) consider that good marketers build in control systems early on the strategic processes by selecting and evaluating several Key Performance Indicators. Farris *et al.* (2010:20) add the importance of the financial responsibility by underlining that “*today, marketers must understand their addressable markets quantitatively. They must measure new opportunities and the investment needed to realize them. Marketers must quantify the value of products, customers, and distribution channels (...). Increasingly, marketers are held accountable for the financial ramifications of their decisions.*” Chaffey and Ellis-Chadwick (2016) define this quantitative strand mentioned by Farris *et al.* (2010) like digital marketing metrics as being indicators of the effectiveness of the measures across channels in order to meet business, consumer and marketing objectives. There are quantitative and qualitative performance indicators.

O’Sullivan and Abela (2007:88) found out that the “*analysis of the primary and secondary data indicates that MPM [Marketing Performance Management] ability has a positive impact on firm performance*”, “*firms with a strong MPM ability tend to outperform their competitors*” and finally, “*MPM ability has a positive influence on ROA [Return On Assets] and on stock returns*”. These findings account for the importance of performance management in marketing in a quantitative manner sustained by a different type of data.

In order to conclude, is also important to mention the contributions of the Performance Prism (Neely *et al.*, 2001), a successor measurement framework of the balanced scorecard yet inspired by the latter. This performance measurement framework, like the balanced scorecard, addresses financial and non-financial measures, however with importance given to challenges of the XXI century economy, like giving start-up companies the opportunity of creating a performance measurement framework that suits its unique needs. The Performance Prism is based upon five connected facets: Stakeholder Satisfaction, Strategies, Processes, Capabilities and Stakeholder Contribution (Neely *et al.*, 2001). The performance is measured asking questions from the point of view of each facet and then analyzed to see if matches the qualitative and quantitative objectives previously traced. This framework, along with other metrics, establishes connections between five distinctive facets which gives marketers valuable tools to analyze the digital marketing strategy and predict more accurately its efficiency on the short and long run.

Marketing Plan- Creating an online butchery

3.2 E-Commerce

As in Digital Marketing, there are clear advantages to companies that use E-commerce, instead of only the traditional channels. Like Peter Drucker predicted in 2002, “*E-commerce is to the Information Revolution what the railroad was to the Industrial Revolution—a totally new, totally unprecedented, totally unexpected development.*” (Drucker 2002:8).

Zheng Qin et al. make the advantages of E-commerce clear by saying that [E-commerce] “*breaks the boundary of time and space, alters the trade pattern, improves the circulation of merchandise, capital and information, and makes enterprises have an edge over others as well by reducing the cost of production effectively. In short, e-commerce has enabled the traditional business to achieve greater, faster, better and more economical results*”. (Zheng Qin et al. 2009:4) Rajgopal et al., (2003) address e-commerce advantages in detail, bringing up the importance of building networks online and the positive outcome that comes from it. The authors, with research based on several e-commerce companies, concluded that the increase in media visibility is obviously related to the web traffic and that the latter is directly connected with stock prices. Moreover, e-commerce and network advantages constitute an intangible asset not often showed in financial statements but directly influenced by it.

It is important to clarify that exist several forms of e-commerce that are classified depending on the type of transaction and nature of the transacting member. Turban et al. (2018) divide E-commerce transactions into nine categories, which are: B2B, B2C, C2B, Intrabusiness E-Commerce, B2E, Drop-shipping, C2C, Collaborative Commerce and e-Government. Given Montaraz’s business case it is important to describe the first two categories (B2B and B2C). B2B describes the transactions happening between and among business partners or organizations; it represents the vast majority of E-commerce percentage, today. B2C represents transactions of products or services occurring between businesses and individual shoppers. It can be also called e-tailing (Turban et al. 2018). Business-to-business accounts for the vast majority of e-commerce transactions around the world. Barnes-Vieyra and Claycomb (2001) describes four possible sources of competitive advantages, which are the lower intermediation costs, lower purchasing costs, and logistic efforts, improved information and supply chain synchronization, and improved market share given the lower costs. Willis (2004) by analyzing the impact of e-commerce on the United States economy deduces that the benefits are mutual in business to consumer’s transactions. Both customer and businesses see their costs and time reduced, and so, the productivity is also increased.

Marketing Plan- Creating an online butchery

Furthermore, the price-setting behavior changes which produce a trend for lower inflation and better competition. Arizugo *et al.*, (2006) anticipated the way it could lead e-commerce to expand was the diffusion of the internet from developed to developing countries and from large and international companies to small and medium enterprises.

After explaining some advantages of e-commerce, it is important to state some cons and disadvantages. Most of the authors consider that there are limitations to e-commerce, however, most of them, tend to disappear in the near future, given the advance in technology and the trust increase from consumers, businesses or governments. Nevertheless, Niranjanamurthy *et al.* (2013) make a competent analysis of E-commerce where explains the main limitations and cons to it. Among several points, it is important to highlight security issues as one of the actual limitations. Most e-commerce users must share credit card data and that represents a threat to security and, consequently, lack of trust. However, Ettredge and Richardson (2001) could not gather enough data to conclude that the reduced cost of capital coming from e-commerce would exceed the costs of addressing the controllable risks. From the consumer point of view, the authors consider that security issues and the inability to experience the product before the actual purchase is the most relevant limitations, but as said before, the trend is to people increase trust in e-commerce since online transactions are getting safer each day.

In order to manage the results and outcomes of e-commerce in a company, DeLone & McLean (2004), applied their information system success model to e-commerce. The latter refers to a model with six correlated dimensions that measure information system success, which is: system quality, information quality, service quality, use, user satisfaction, and net benefits. In the application to the e-commerce environment, the authors used the same six dimensions but updated the traits within each dimension. For example, in order to measure the net benefits in e-commerce, according to this application of the model, companies must analyze and balance the positive and negative impacts of e-commerce on every stakeholder and the role of the company in the society. The objective of this updated model is to create a matrix involving the six dimensions and evaluating what a company is doing well in each dimension and what can be improved e-commerce wise.

Marketing Plan- Creating an online butchery

3.2.1 Social commerce

A recent branch in e-commerce and web studies is the social trend and how it applies to the day-to-day marketing and electronic commerce practices. Kim and Srivastava (2007) consider that the act of buying something is often influenced by someone close, a friend, an influencer or even a business partner, but definitely not a stranger. Web 2.0 is the apogee of social networks and the building of collective intelligence. This influencing process when buying something has caught the attention of many companies and marketing professionals. What is currently known as e-commerce is shifting each day towards social commerce. Parise and Guinan (2008) set a definition of social commerce to be a collaborative and creative approach used in the web marketplaces, where the Web 2.0 tools are aligned with the strand of users adding value by sharing content. According to Huang and Benyoucef (2013), the main differences between e-commerce and social commerce are business goals, customer connection, and system interaction. In other words, the main business goal shifted from the constant improvement the way to buy (the improvement of the system itself) to the networking, towards a social goal. The focus on shopping is secondary. In social commerce, the process, instead of individual, is collective and influenced by your network which is normally defined by common traits and characteristics.

In conclusion, social commerce is, nowadays, commonly used by big companies and social media is completely widespread among them. However, the use of Web 2.0 tools is not exclusive to international companies; small and medium enterprises are using it as well and exploring this social online marketplace trend. As Lee *et al.* predicted in 2008 the benefits to small businesses are great and yet to be exploited. The more information from business to client and business to distribution improves operations and marketing strategies. In a nutshell, according to Lee *et al.* (2008), small business tends to be more profitable and improve market share by adopting web 2.0 tools and, by extension, social commerce.

3.3 Local Products Marketing

When discussing local food, the term “local” may not find a single definition among several authors and academic papers. “Local” maybe 100 kilometers, the European continent, a country or even a neighborhood. “Local” may be used as a political jargon or as a marketing

Marketing Plan- Creating an online butchery

strategy keyword. In order to set a departure point, Hand and Martinez (2010) describe local food as related to a certain geographical region where its production is close to the consumer. Although it may seem trivial, local products have a strong correlation with consumer behaviors or perceptions. A study conducted by Roininen *et al.* (2005), based on laddering and word association, showed that the vast majority of the participants considers local food as a familiar term. Among the most used expressions, “knowing what they’re getting” and “trustworthiness”, were the main associations made with term local foods. According to Roininen *et al.* (2005), local food is related to leveraging local economy, freshness, and shorter food miles, which is something important from the consumer point of view. On the opposite, intensive production, created a majority of negative associations.

The study showed the importance of the terms and their associations, which is something important from a marketer point of view. However, there are deeper conclusions that can be extracted. In fact, the term local food, more specifically, the black pig, is something also associated with culture, given its uniqueness. Consumers tend to feel attached to this type of products, being, not only a matter of the inherent qualities of the product but a positive perception of the term “local”. Muchnik *et al.* (2005) consider that identity adds extra value to well-known products, from the consumer view, because of their tradition, giving buckwheat or black pigs as examples of that. The authors also refer that this symbolism and identification with the products increase the consumers’ willingness to pay a premium amount.

Another strand concerning local products is its social functions. Local food consumers are willing to pay more for a local product because they regard it as being helpful to the community, apart from the extra perceived quality. People buy local to support the farmer/producer effort and so, helping the local community and ensure the endurance of the traditional methods and practices. Aprile *et al.* (2015) studied purchasing and consuming habits. From the inquiry performed, among the participants, more than 70% preferred local products. The study also enforces the social strand about local food since more than 50% of respondents agreed that buying local foods would help the local farmers’ economy.

3.3.1 Food Marketing

Among a huge number of competitors producing and selling food, the food marketing strategy it is a determinant factor to distinguish a company or a product from its

Marketing Plan- Creating an online butchery

competition. Ilbery et al. (2005) analyzed part of the food industry in Europe and North America based on a model containing three Ps, standing for product, place, and process. The authors discovered that when it comes to food these are the most important vectors that companies use when tracing their food marketing strategies. Among the conclusions, Ilbery *et al.* (2005) found out that in Europe the strategies focus on a local and specific place and tradition with a strong territorial development focus but also given some importance to the product itself not only its origins. In North America, the product is yet not that emphasized, since place and process are the most highlighted and most strategies base upon.

Most recently, the trend for food marketing has also been the so-called functional foods, where nutrition appear closely tied up. According to Siró et al. (2008), consumer acceptance for this type of products has been widely recognized as an opportunity to grow and appeared to be the trend that would shape the market in the next few years. Nevertheless, the authors warn that the label functional has to be contextualized within the origin fo a product in order to produce desire and more importantly, the sensory importance of food cannot be neglected. To attract customers functional food must have a taste that still creates pleasure if not, would not be anything else rather than a food supplement.

Chandon & Wansink (2012) analyzed the marketing ads and promotions and reached some important conclusions and possible solutions to food marketing and its associations with public health. Firstly, something that marketers did very well it was the labeling, pricing, and packaging in this type of food products. Marketers also successfully created the need for customers to acquire these products massively. However, as analyzed by Chandon & Wansink (2012), what most marketers did was emphasizing volume by all means. Promotions and cheaper for bigger campaigns have led food marketing to be compared to the new tobacco industry in terms of consequences to health and increase of childhood obesity. In conclusion, as proposed by the authors, the packages must contain all the information about its components, and, most importantly, the basic idea of quantity and volume should be replaced with something that indicates uniqueness but to be eaten responsibly and with parents' supervision, if it is the case.

3.3.2 Food Tourism

Nowadays, having food while traveling is not just a basic need. A growing number of people now travel with the purpose of searching and enjoying food from different countries and

Marketing Plan- Creating an online butchery

trying local products around their destination. Hall (2003) described the importance of food in tourism by highlighting its extreme link with the culture, a way of promoting a country and a strong asset that marketers should use when promoting countries or regions. Du Rand and Heath (2006) consider that food tourism is the most complete way of tourism and the most immersive, since being the only product using all human senses. From a marketing point of view, this benefits both destination marketers and local products businesses. Smiths (2009) explains the idea of chain reaction related to food tourism. People by feeling attracted to typical and local products encourage sustainable agriculture and, therefore, assist the local economy. Local food tourism gives the consumer an idea of overall sustainability, sustainable tourism. This perception is important when tracing marketing frameworks. From a marketing and business point of view, Henderson (2009) concluded that food and tourism sectors must be able to raise awareness of the contribution of food towards tourism and marketing. The author considers that there is more to be done by businesses on advertising food directed at tourists. Destination marketers must use food appreciation to highlight tourism resources, as well as, the sustainable strand of food tourism to formulate effective strategies. Moreover, Everett & Aitchison (2008) demonstrated that local food and its related industries are core to the formation of regional identities, supporting the theoretical studies that link food and identity, closely. The authors show that local food helps to create regional identities important to the development and regeneration of the environment and to strengthen local heritage and economic ties.

3.4 Specialized Retail

A specialized retailer represents a smaller format shop or merchandiser that sets the allocation of its resources into the selling of one product category (Baltas and Papastathopoulou, 2003). An example of this can be organic food specialized stores. This is the exact opposed model to supermarkets or hypermarkets, where customers go with a multi-purpose shopping idea. The latter format accounts for the majority of sales, given its convenience, location, product range, and simplicity in a world demanding for efficient time management since free time is a scarce resource for most people. (Leszczyc et al., 2004) In an empirical study conducted by Singh *et al* (2014) it was concluded that the three most determinant external motivation factors to the customer buying pattern were, in this particular order, the store atmospherics, the store layout, and design, and thirdly, the

Marketing Plan- Creating an online butchery

customer service. According to Jacobs et al. (2010), internal shopping motivations arise from the shopper's traits. These motives may be task-oriented, recreation-oriented or social recognition. In the study, the authors find out that concerning specialized retailers and more specifically, food retailers, customers tend to be more task-oriented.

Some specialized retailers find themselves into niche markets, which happens to be the case in some food businesses or fashions related retailers. Kotler (2003) describes some of the advantages of niche markets. Among them, the growth potential, the premium price that customers are willing to pay and the lack of competitors are the most important. Niche markets respond to a particular set of needs that only a particular set of customers do have. Parrish et al. (2006) sum it all by describing the niche market success factors as well as niche product success factors. Market wise, retailers must be sure of having a loyal customer base, because if a market is small, will attract competitors and the competitive advantage will arise from a sustainable and strong customers base. Market research is a very important success factor. Niche or specialized retailers must understand their customers' wants and needs to be successful. In terms of niche product success factors, the authors mention the importance of a specialized product. A unique product that appeals and it really differentiates from its competitors. Apart from the product uniqueness, specialized retailers have to market the product in an even more concise and sharp way, since the message of uniqueness has to pass into the paper to the consumers head. At last, the brand image has to be different from competitors as well, since overall customers pay close attention to brand image and most of the times this will be the first contact they might have with the brand. The perceived value should be emphasized since brand consciousness is a growing trend as well as the importance and resources spent into corporate social responsibility (McWilliams & Siegel, 2001).

An important issue discussed across this field of study is customer's loyalty to retailers since this being a warrant in terms of daily/monthly guaranteed sales, important to the sustainability of any business. Proof of this fact is the innumerable customer retention tactics and loyalty programs in different businesses in different departments. To sustain the importance of loyalty Knox & Denison (2000) analyzed its impact on retail revenue. The first interesting finding is that across completely different retail sectors there is a similar level of loyalty, for example, the gasoline, grocery or mixed retail all have loyalty levels close to 60%. However, the most important finding from this study is the importance of the first choice store. The authors came to the conclusion that in Britain, people tend to spend up to four times more on the first choice store than they do in the other ones. Because of this

Marketing Plan- Creating an online butchery

reason, in the UK loyal shoppers are the main focus of profit for retailers. Miranda *et al.* (2005) considered that it was difficult to predict and to accurately state what marketers should include in their market-mixes since according to the author's study loyalty to the first shop does not sit upon customer's satisfaction with the retailer. Instead, the study showed that frequent-buyer schemes, travel distance or customer assistance were more important when sticking with the first choice store. Nevertheless, some niche or premium products or very specialized and specific products may be treated in a different way.

4 Conceptual Framework of Reference

Table 1-
Conceptual Framework of Reference

Theme	Description
Digital Marketing	<p>After using the definitions provided by different authors like Wymbs(2011), the American Marketing Association, Jayawardhena (2007) and Armstrong and Kotler (2009) it was important to understand the drive of millennial companies to start using digital marketing. Tiago and Veríssimo (2014) concluded that Portuguese companies due to peer pressure. Competition forces Portuguese companies to also use it, focusing on external reasons to motivate its use. The purpose is related to brand building, knowledge and increased and enhanced communication flows.</p> <p>Concerning strategy, Chaffey and Ellis-Chadwick (2016) consider that englobing digital marketing in the marketing plan it is a way to build competitive advantage and to better formulate an effective marketing strategy. A two way communication flow, since information it is spread to customers and customers also give feedback to the business. Touchpoints are increased and after having the situation mapped may allow defining marketing tactics accordingly. Chaffey and PR Smith (2008) develop a planning framework called SOSTAC proposing a list of questions that will allow to systematically building effective strategy digital marketing integrated.</p> <p>Lastly, it is important to manage the digital marketing performance in order to keep good practices and adjust not effective ones. Chaffey and Smith (2008) propose the selection and evaluation of KPIs addressing digital marketing. Farris <i>et al.</i> (2010) bring out the importance of marketers financial accountability, something Chaffey and Ellis-Chadwick (2016) defined as digital marketing metrics, giving both quantitative and qualitative performance indicators. To conclude, is also important to mention the contribution of O’Sullivan and Abela (2007) that study the importance of the marketing performance management in the companies and it return on assets, concluding that companies that closely look at marketing data and KPIs tend to outperform competition. The Performance Prism by Neely <i>et al.</i> (2001) it is the derivation of the balanced scorecard using different facets of a company to better determine its management performance.</p>
E-commerce	<p>Drucker (2002), Qin (2009) and Rajgopal <i>et al</i> (2003) very plainly state the advantages of e-commerce as being something that revolutionized commerce. Saving time and space, capital and information, costs and increased stock prices are some of the advantages found in the authors’ studies. Turban <i>et al.</i>(2018) divides the nine categories of e-commerce explaining its differences. Barnes-Vieira and Claycomb (2001) summarize the source of competitive advantages within four categories. Willis (2004) states that both client and businesses have profited with e-commerce along the years.</p>

Marketing Plan- Creating an online butchery

	<p>Nevertheless, it is also important to bring out the relevance of the cons to e-commerce. Niranjanamurthy <i>et al.</i> (2013) and Ettredge and Richardson (2001) stand out the security issues concerning customers when buying online. Data security and inability to experience the product before purchase are the bigger cons of e-commerce according to these authors; however they also believe that most of the cons have the trend to disappear given the evolution in technology and the increasing trust in online businesses.</p> <p>Authors like Kim and Srivastava (2007), Parise and Guinan (2008), Huang and Benyoucef (2013) and Lee <i>et al.</i> (2008) consider Web 2.0 as being something very important to e-commerce. Online community creation helps developing trust when buying products. Opinions from other online buyers help dealing with uncertainty. The objective is now not only the improvement of the process of selling, but the creation of a social space something collective that could simulate a physical market with people interaction, however online.</p>
<p>Local Products Marketing</p>	<p>After using Hand and Martinez (2010) and Roininen <i>et al.</i> (2005) definitions of local products it was concluded that local products may not be as easy to define or create a concise image of the term. Local can be used politically, socially or strategically since to most people it connects with other terms such as familiar, trust and security. Local food tends to be unique and associated with culture and identity. Some people are willing to pay more by knowing its source and production methods. Concerning marketing strategies, Ilbery <i>et al.</i> (2005) find out that in Europe place and tradition are given value but the product is also very emphasized while in America most local food marketing is only focused in place and not in the product itself. Hall (2003), Du Rand and Heath (2006) and Smiths (2009) develop studies concerning tourism and food and concluded the close relation between food and culture, therefore a strong importance of food to tourism. Having certain types of food related to certain regions helps developing those areas and small production.</p>
<p>Specialized Retail</p>	<p>Like Baltas and Papastathopoulou (2003) defined: As opposed to supermarkets and hypermarkets that sell a vast product range a specialized retailer focuses on a specific product or product range. Syngh <i>et al.</i> (2014) synthetizes the store characteristics that increase client satisfaction, being store atmospherics the most important subject, something specialized retailers can do easily then a big retailer filled with people all the time. Kotler (2003) considers that niche markets customers may pay premium prices for these products and there is some lack of competition, something advantageous for specialized retailers in niche markets. Parrish <i>et al.</i> (2006) nevertheless, considers that loyalty and trust must be something that must be wisely considered by specialized retailers since client database and target can be much shorter. According to Miranda <i>et al.</i> (2005) in opposition to big retailers when loyalty is normally related to the first store choice, specialized retailers can be treated differently given the characteristics of the product and willingness to pay more because of that.</p>

Marketing Plan- Creating an online butchery

Fig. 1- Synthesis scheme of the literature review



The author, 2020

The black pig processing business is strongly tied down to its regional roots and traditions. The challenge brought by the online network advent is to transform those historical capabilities into advantages in the nowadays business environment.

5 External and Internal Analysis

5.1 External Analysis

5.1.1 Pestel Analysis

5.1.1.1 Political and Legal factors

Regarding this marketing plan, it is important that every action or strategy developed to be in line with the legislation from the European Union and the Portuguese jurisdiction. Since we are dealing with food, there are several articles and laws concerning food safety and sanitary parameters.

Relevant Jurisdiction and legal requirements for the production and marketing of Black Pig:

- 1- Legal Directive 95/2014 from 24/06/2014 – Establishes the rules upon the sale designation of “black pig” shall obey. Prevents the origin of this specific product and its correct and specific denomination.
- 2- Regulation (EC) 1333/2008 from 16/12/2008 – List of the food additives allowed in the food business. Has the objective of assuring health standards and consumer protection.
- 3- Directive 2001/95/EC from 3/12/2001 - General products safety. Setting the European community safety standards.
- 4- Regulation (EC) No 852/2004 from 29/04/2004 - On the hygiene of foodstuffs. With the objective of protecting human life regarding food sanitary.
- 5- Regulation (EC) No 853/2004 from 29/04/2004 - Specific hygiene rules on the hygiene of foodstuffs. Important and specific legislation concerning animal origin products.
- 6- Regulation (EC) No 854/2004 from 29/04/2004 – Creating specific rules for the organisation of official controls on products of animal origin intended for human consumption.
- 7- Commission Delegated Regulation (EU) No 664/2014 from 18/12/2013 - With regard to the establishment of the Union symbols for protected designations of origin.

Marketing Plan- Creating an online butchery

5.1.1.1.2 Economical Factors

Unlike in the past decade, recent years have shown a positive evolution concerning the European Union gross domestic product. By looking at data of the first quarter from 2009 we can see that the European Union GDP established a record low of -4.3 % and since that the evolution has been quite positive. Portugal followed this economic trend in terms of GDP. Nevertheless, Portugal did not have such an extreme record low (-4.03 in 2012) as the EU, however, it has shown a slightly slower growth rate when compared to the EU, unless in 2017 and 2018 when predictions point to a greater growth rate than the EU. (INE; EUROSTAT)

Table 2

Comparison between EU and Portugal of the real GDP growth rate

Years	EU real GDP growth rate	PT real GDP growth rate
2009	-4.3%	-2.98%
2010	2.1%	1.90%
2011	1.7%	-1.83%
2012	-0.4%	-4.03%
2013	0.3%	-1.13%
2014	1.8%	0.9%
2015	2.3%	1.8%
2016	2.0%	1.9%
2017	2.5%	2.8%
2018	2.0%	2.1%

Source: Eurostat and INE (2019)

Concerning inflation, 2014 was an atypical deflationary year. Inflation was set at -0.2, very close to 0. These numbers were caused by the fall in demand and the very low minimum wage compared to the EU. 2015 and 2016 were years that marked the return to positive inflation values, with values above the euro-zone. In 2017 and 2018, Portugal recorded values of inflation just below EU. In conclusion, inflation-wise, Portugal has been almost side to side

Marketing Plan- Creating an online butchery

with the EU in the years that came after the economic crisis. A steady low and necessary inflation.

Table 3

Inflation comparison between EU and Portugal

Years	EU Inflation	PT Inflation
2014	0.6%	-0.2%
2015	0.1%	0.5%
2016	0.2%	0.6%
2017	1.7%	1.6%
2018	1.9%	1.2%

Source: Eurostat and INE

Nowadays, the minimum wage in Portugal is €600 monthly, paid 14 times including Christmas and holiday allowances. Despite being in the bottom half when compared to the EU since 2015 has been slowly increasing, giving people more money to spend each month, since inflation is also lower comparing to the euro-zone. Nevertheless, people earning the minimum wage are less likely to buy premium goods expensive as Iberian Pig given the reduced disposable income.

In addition, employment in Portugal has been showing in recent years signs of improvement. If we analyze data from 2013, the unemployment rate was at 16.2%, a record high since the beginning of the XXI century. In 2018, it sits at 7%, representing a massive reduction of great importance for the Portuguese economy and to the GDP growth rate. (PORDATA)

5.1.1.1.3 Social and Cultural Factors

Portuguese people are very connected, physically and emotionally, to the countryside, even though most people are concentrated in big cities, their relatives are from rural zones and most of the time people still spent their vacations or festive times next to their ancient relatives in small towns and zones away from the metropolis. In fact, in each region, there is a typical food or drinks that are highly appreciated by the people because it is a connection to the origins as well as its production which is normally craft manufactured or produced.

Marketing Plan- Creating an online butchery

According to Cristovão *et al.* (2008), agricultural and food products are core to the development of agriculture and to the economy of particularly disadvantaged regions of the country. As far as the authors are concerned, processes of innovation and collective learning must be deployed and commercialization and marketing should be developed to the good of those regions and to attract tourists inside and outside the country.

According to EUROSTAT (2019), the median age in the EU in 2018 was 43.1 years, in Portugal even higher (44.8 years old). A particular stat that has been increasing every single year since the '60s, illustrating the aging in the developed country societies. This fact is due to advances made every year concerning healthcare but also to the low birth rate registered in the EU, particularly in Portugal that in 2016 was the country from the EU with lower fertility rate (1.36). The greater problem with an aged population and a low fertility rate is sustainability. In Portugal, in 2017 for every 100 youngsters there were 153 elderly people. (PORDATA, 2019) All this data helps to predict the shrunk of the active population representing one of the biggest challenges for modern societies. How to cope with an aged society, sometimes in a low fertility rate environment, like Portugal, and still be able to maintain levels of production and sustainability, and of course, improving healthcare to increase average life expectancy.

Nevertheless, this challenge is something to face in the medium/long term. Having an average age of approximately 45 years old has some advantages for some business with some particular targets, especially products with a higher price tag since available income at 45 is considerably higher than at 24 (EUROSTAT, 2020). These trends, although challenging, also represent opportunities for different businesses with different targets, since people are getting older, however maintaining a level of capabilities during more time and being active for a longer period of time.

5.1.1.1.4 Technological factors

The meat processing business has a lot of room for technological improvements and enhancements and in most big factories processes are, nowadays, very mechanic with an increasingly lower assistant from humans.

However, instead of looking and analyzing how technology may be helpful for the production of meat, is rather more prudent and relevant to analyze how can technology be helpful

Marketing Plan- Creating an online butchery

towards the building of an online platform for the presentation and selling of black pig or Iberian pig, which is also the number one premise of this project.

In 2017, 77% of the Portuguese families had an Internet connection at home, in which 76% of them, a broadband connection. This results in a 23 % increase when compared with data from 2010. (INE, 2017) The access to the Internet is nowadays massified in Portugal such as in the developed countries. In Portugal, the Internet is seen as a reliable tool. The number of tasks performed through online platforms is increasing, in some cases, above the European Union. Moreover, e-commerce is a reality that goes along the Internet usage growth as a whole. Last year, 34 % of the Portuguese population purchased services or products online, meaning a 19 % increase compared to 2010. (INE, 2017). According to ACEPI-Associação da Economia Digital (2018), and the European Union, the 2017 online sales volume in Portugal was 4.6 billion euros. By April of 2020, because of the worldwide pandemic Covid-19, e-commerce was already showing an increasing 40% of sales in food commerce and retail. (Group M, 2020)

Unlike most companies from the sector, those only have a website which is merely informative, would be important and an opportunity. By analyzing Nobre's, Izidoro and Sicasal websites we can confirm the lack of diversity and lack of updates. Bringing companies towards recent trends is not only innovative but needed for the growth of a sustainable competitive advantage. The websites must be mobile friendly and compatible with constant updates. Moreover, like in most businesses, it is necessary to create, within the website, a platform for e-commerce, where customers can place their orders, pay them online through several ways and expect to receive their orders in a short period of time.

5.1.1.1.5 Environmental Factors

Environmental issues and concerns are growing at an enormous pace. People are paying closer attention to the planet and to the environment and tend to be more penalizing towards figures and companies who do not respect the environment or do not implement measures concerning environmental sustainability from production to distribution in all stages of the supply chain.

Marketing Plan- Creating an online butchery

In Portugal, every black pig company has “Agricultura Biológica” certificates, accounting for 100% market share certification for the black pig market, given the very specific nature of production of the product, especially at its last stage of production happening at open field. This certification is in agreement with both EU and Portugal norms and constitutes a major step towards sustainability. This certification grants the holder proof of taste, nutritive value, biodiversity, the dignity of the farmer and the local region where the company belongs.

Alentejo, the single place in Portugal where the black pig is produced, is also the place where biological agriculture is most developed in Portugal. In 2015, 63.8% of its agricultural area was already biological. (Governo de Portugal, 2015)

5.2 Market

5.2.1 The black Alentejano pig

The black Alentejano pig descends from the “sus mediterraneus” a species of wild boars from the Southern Mediterranean zone, brought to the peninsula and to the Celtic. Those were the two biggest populations of indigenous pigs in Europe. Climate and nutrition were the main differences from the two species since genetically they were the same. The different environments often dictate the use that locals give to the meat and which type of product will be produced. Originally nutritional habits made celtas eat black pig as fresh meat or sausages when the Iberian’s used it for the production of bacon. However, the main differences between the two places came afterward; it resides in the different nutrition of the breed, provided, obviously, by the environment. The black Alentejano pig lives in a “luxury” environment in terms of food and space. The last phase of the black pig life cycle, during the fattening-up stage, is called “Montanheira”. On this stage, the pig lives in free nature eating as an omnivore. Nutrition based only on grass, small animals and, most importantly, acorns. Pigs, during this stage, run many kilometers each day, which contributes to the quality of the meat and it is ultimately healthier for human consumption since it increases high-density lipoprotein, commonly described as “good cholesterol”. The distinguished flavor comes much of it from the acorn. Acorn owns are very healthy and contain different oils that increase the quality of the nutrition of the black pig. All of these characteristics make black pig’s meat

Marketing Plan- Creating an online butchery

very tender and with an increased demand which is reflected in the premium price as well. It represents a market worth of 20 to 25 million euros market in Portugal.

5.2.2 The Black Pig Market

In 2016, it was estimated that existed in Portugal 50 000 black pigs acorn-fed in the last stage of their life cycle- Montanheira. However, 90% of Portuguese production was exported to Spain. The black Alentejano pig has characteristics that make it the purest of the breed among the peninsula since its genetic composition is 50% pure alentejano pig, 50% 505 Duroc (another black pig species) and because of the way they are fed and the space the pigs have to graze. For these reasons, and before 2014 when the legal directive 94/2014 emerged, almost entire Europe and Portugal, in particular, was in a deep crisis which led to the black pig production to fall. During the crisis, Spain flooded the Portuguese market with products labeled as “black pig”, however without any guarantees on the accuracy of that denomination. Nevertheless, the trend after 2014 was to suffer a slight change since the product with the “black pig” designation had to be in compliance with the Portuguese regulations.

For a pure black alentejano pig to be produced it takes at least one year. The noblest part of a black pig is the ham, which is the rear leg. In Portugal, one it may cost up to €250, however in China the exact same ham may be sold for more than €500. In Spain, the world’s biggest consumer of hams and biggest black pig producer as well, a ham from the premium producer Eduardo Donato may cost up to €4100. Although, quality may be defined as something that differentiates a Portuguese ham from an Eduardo Donato’s, the biggest difference resides on the marketing attitude from the two countries. In Portugal, the main producers or sellers of the black pig have not been able to properly produce a decent marketing campaign that describes the purity, quality, and flavor of the Portuguese black pig. Portuguese black pig nowadays constitutes a market of 20 to 25 million euros each year. In Spain, for instance, the market is more than 15 times bigger. In 2018, the hams and shoulder ham sales alone accounted for 362 million euros according to the Interprofessional Association of the Iberian Pig (Asociación Interprofesional del Cerdo Ibérico- ASICI).

In conclusion, the main considerations to extract from the market analysis are that in terms of size is not very big, however, it is a market with a premium-priced product given its premium quality as well. There is plenty of potential in this market considering the example of Spain

Marketing Plan- Creating an online butchery

and knowing the quality of the black alentejano pig, which was and still is something that attracts big interest from the Spanish producers and black pig sellers since the vast majority of our production going overseas. Lastly, a growing trend for the black pig matter is coming from outside of Europe. According to the Spanish newspaper El Pais and to Rui Fialho, marketing director at Montaraz, China shows a lot of interest in the Iberian Pig, being the first country outside Europe that Montaraz has exported to. This opens a very interesting prospect towards Iberian Pig, where companies with greater capacity will be leading in terms of product availability and profit margins. According to FPAS, China and Hong Kong are the biggest importers of European pig meat, accounting for 30 % of the total exports, a value from 2012 predicting an increase of 10 % each year.

5.2.3 Competitors

In order to produce an effective marketing strategy, it is important to analyze and evaluate Montaraz's competitors. By doing this, strategic mistakes can be avoided and future trends will be observed with the final goal of obtaining a sustainable competitive advantage.

Since the goal for this project is the creation of an online sales channel for a market leader company I will bend my analysis towards the online strand of each main competitor. Moreover, the data available from this market is not enough to withdraw any strong scientific conclusions.

Casa do Porco Preto

Website: <http://www.barrancarnes.com/>



Fig. 2- Casa do Porco Preto logo (website, 2019)

Marketing Plan- Creating an online butchery

Established in 1988, Casa do Porco Preto is one of the older companies exclusively dedicated to the black pig. Apart from being sold at El Corte Inglés and some Continente shops, it has a strong presence in the Horeka channel as well. It has an updated online presence. Casa do Porco Preto presents a website with basic information, contacts, history, a news tab, exports, and other information about the Iberian Pig and their physical stores.

The company has a Facebook page with 3651 likes, an Instagram page with 591 followers and a Youtube channel with 38 subscribers, however with a video containing more than 3,300 views.

Casa do Porco Preto is on track with the social network trend, it has an attractive logo and a regular website, however, lacks the possibility of changing the language in the website as well as placing orders nationally or internationally.

Products:

- Chorizo: €4.5
- “Farinheira”: €0.97
- Black Pudding: €1.96
- Sirloin: €27.28 per Kilogram
- Bacon “paio”: €18.84 per Kilogram
- “Painho”: €21.73 per kilogram
- Clown “paio”: €21.61 per kilogram
- “Paiola”: €40.82 per kilogram
- “Salsichão”: €22.17 per kilogram
- “Copita”: €74.88 per kilogram
- Ham “Iberico” Reserve: €43 per kilogram
- Ham “Iberico” Great Selection: 68.75 per kilogram
- Ham “Barrancos”: €89 per kilogram
- Shoulder ham “Iberico” Reserve: €40 per kilogram
- Shoulder ham “Barrancos”: €85 per kilogram

Marketing Plan- Creating an online butchery

Miguel & Miguel

Website: <https://www.miguelmiguel.pt/pt/>



Fig.3- Miguel & Miguel logo (website, 2019)

On the market since 1997, Miguel & Miguel has created its space being nowadays sold at several big retailers, however not seen as much in the Horeca channel. It presents an updated website with its history, contacts, news tab, products, and awards, with the option of switching to four different languages on some of the online tabs. The story tab, however, it is only available in Portuguese.

Miguel & Miguel has a Facebook page with 634 likes. The company has not developed social networks as much and has no media material regarding the Iberian pig. The website is not very appealing in terms of design. At last, there is not an option of buying the product online.

Products:

- Chorizo: €3.72
- Blood chorizo: €4.9
- “Farinheira”: €0.97
- Black Pudding: €1.96
- Sirloin: €27.28 per Kilogram
- Bacon “paio”: €18.84 per Kilogram
- “Painho”: €21.73 per kilogram
- Clown “paio”: €21.61 per kilogram
- “Paiola”: €40.82 per kilogram
- “Painho” limited edition: €27.73 per kilogram
- Clown “paio” limited edition: €27.67 per kilogram
- Ham “Iberico” 38 months: €48 per kilogram
- Ham “Iberico” 30 months: € 40 per kilogram
- Ham “Iberico” 24 months: €37 per kilogram
- Shoulder Ham “Iberico” 24 months: €33 per kilogram
- Shoulder Ham “Iberico” 18 months: €30 per kilogram

Marketing Plan- Creating an online butchery

SEL- Salsicharia Estremocense

Website: <https://www.sel.pt/>



Fig.4- SEL logo
(website, 2019)

SEL was established in 1980. It represents a strong market player regarding products from Alentejo.

SEL is present on Facebook with a page with almost 17000 likes which is quite large by looking at the other competitors. The company also has an Instagram page with 2222 followers and some youtube content updated regularly. The website, however, lacks some detail and upgrades and some content it is only available in Portuguese.

Appart not having a strong presence in big retailers, SEL is sold at several Horeca representatives. SEL is not exclusively dedicated to black pig; it also sells beef and regular pork.

Products (Black Pig, only):

- Chorizo: €3.72
- “Farinheira”: €0.97
- Black Pudding: €1.96
- Sirloin: €27.28 per Kilogram
- Bacon “paio”: €18.84 per Kilogram
- “Painho”: €21.73 per kilogram
- Clown “paio”: €21.61 per kilogram
- “Paiola”: €40.82 per kilogram
- “Painho” limited edition: €27.73 per kilogram
- Clown “paio” limited edition: €27.67 per kilogram
- Ham “Iberico”: €31 per kilogram
- Ham “Iberico” boneless: €52.90 per kilogram

5.3 Internal Analysis

5.3.1 SWOT

In this part, a SWOT analysis will be made in order to summarize which strengths and weaknesses Montaraz have, as well as, accessing opportunities and determining the potential threats to the company. This SWOT will also contain some points under the assumption of the creation of the online channel inside the existing Montaraz website with all the positive outcomes and potential threats coming from the latter assumption.

5.3.1.1 Strengths

Montaraz is nowadays sold under different brands. Its presence is spread over big retailers like Jumbo, Pingo Doce, Continente, Lidl, El Corte Ingles, and Mini Preço among other smaller retailers, all over the country. In most of these retailers like in Pingo Doce, Continente or Lidl the brand is sold as a white brand belonging to the retailer. This represents a big strength for Montaraz given the power of the retailers in question and the big demand needed ensuring stable financial results throughout the years.

Another ruling and important strength is the awarded quality of Montaraz's products. There is no other company with more awards in the black pig industry in Portugal. Furthermore, the quality is ensured because of the tight quality control and the known origin of the pigs that enter the factory. The fact that some of the administrators and partners of Montaraz are pig producers gives them an incredible know-all and guarantees a constant supply of the best quality pigs. The pigs Montaraz does not buy are exported given its lack of breed purity.

Given the financial stability and steady revenues ensured by the big volume of sales of the big retailers allows Montaraz to practice very competitive prices given the extreme quality of the products. The factory facilities also allow the company to extract full value from their raw material since its equipment is completely technologically up to date, which ensures a very wide range of products and less waste.

Marketing Plan- Creating an online butchery

Another very strong capability is the very big capacity the factory has and the fully refrigerated storage space which guarantees any order and maintains the products in completely perfect condition until the drop-off. Montaraz's facilities allow the company to transform 200 pigs each week.

The product itself (Iberian/Black Pig) constitutes an advantage as well. As opposite as some people might think, the black pig has some functional properties that can be very healthy for the human body and difficult to find in other products. Most of these characteristics accrue from the way pigs are fed and maintained, without intensive production, but thanks to extensive breeding. The properties in question are the good cholesterol enhancer, protecting cardiovascular diseases, the presence of various minerals and vitamins, and its antioxidant properties because of the presence of E vitamin.

5.3.1.2 Weaknesses

Montaraz also has some soft spots, most of them, communication and marketing-wise. Proof of this is the fact that the company is the market leader in the black pig industry in Portugal, however, is not even close to being a top-of-mind brand.

It should be also mentioned the limitations in distribution, which is a weakness given the lack of its own resources.

Another weakness is the lack of visibility of the Montaraz brand. Thanks to the main sales channel being the production of products to the main retailers with private label, Montaraz's brand has a lack of awareness.

The website, although updated in early 2019, is not as appellative as it should, given the premium-priced product in question. As an example, the photographs from the products sold by Montaraz are not completely revealing of its quality.

The Facebook page is not updated with the frequency that it should and the investment spent in the social network adds is nonexistent reflecting the Facebook metrics. The Instagram page does not exist as well, which is something weakening the image of the company.

Regarding the packaging, there are some aspects that should be adjusted in the near future. The design is not very appellative and does not match the price tag. Something that should

Marketing Plan- Creating an online butchery

also be adjusted would be the logo of the company which once again is not indicative of premium quality by common-sense standards.

5.3.1.3 Opportunities

The biggest opportunity for the near future is the development of an online sales multi-channel. The creation of the first online space in Portugal solely dedicated to Iberian Pig is, in fact, a big opportunity and potential source of competitive advantage. The fact someone can order premium black pig meat without leaving home is very appealing. According to the e-Commerce Report CTT (2017), e-commerce in Portugal has increased 12, 5% compared to 2016 representing an even bigger growth rate parallel to the homologous period, representing a market of 4.145 million euros.

Attracting Horeca clients is also a substantial opportunity to be exploited. The competitive prices with above-average quality should attract new diversified clients. The online via is also a solution for these cases since the channel will be diversifying B2B and B2C clients adjusting the offers respectively.

One great opportunity to intensify sales and expand the size of the Iberian Pig in Portugal market is spreading information about the Portuguese Black Pig. A strong opportunity is to mentalize the public that Portuguese black pig or Spanish is, in most cases, the same, since most of the Portuguese black pig production is bought by Spanish competitors. It is a case of creating the habit of being what is nationally produced.

At last, there is a big market outside the peninsula with a great amount of interest towards Iberian Pig. France, England, and China are examples of countries that have shown interest in the product and have already ordered black pig from Montaraz. Expanding exports is obviously a great opportunity as well. Montaraz currently exports 10% of its total sales.

5.3.1.4 Threats

Nowadays, the trend is leaning more and more towards healthy and functional food, as said in the literature review. Somehow, food activism may not contribute in the most positive way to

Marketing Plan- Creating an online butchery

Montaraz. Although having the above described healthy properties, it is red meat and does not fit a daily balanced diet completely. According to OECD data (2018), the pork meat consumption in Canada, one of the G7 countries, was in 1999 23.6 kilograms per capita. Canada's pork meat consumption in 2018 was 16 kilograms per capita, showing a considerable decrease. Moreover, according to the International Agency for Research on Cancer (2015), the consumption of 100 grams of red meat a day increases in 17% the odds of colorectal cancer, confirming the trend above described.

With the Covid-19 pandemic economies are expected to suffer considerable negative consequences. According to Banco de Portugal, Portuguese GDP in 2020 is predicted to shrink 9.5 %. Private consumption is also predicted to strongly decrease. According to the central bank of the Portuguese republic private consumption is predicted to decrease 8.9% when compared to the last year. Being Montaraz products considered as premium, these economic trends may be quite negative sales wise.

The packaging of Montaraz still contains plastic, which is a number one threat to planet earth. If a different behavior does not occur in the near future, the cost will be too demanding afterward.

At last, 90% of Montaraz sales come from the big retailers above mentioned. Apart from the stability, this fact also represents a threat given the lack of revenue diversity. Losing any one of these clients may constitute a very hard blow into Montaraz's financial results. Distributing some of the sales through another type of channels would be less risky and would help solve this problem.

Marketing Plan- Creating an online butchery

Table 4

Montaraz Swot Analysis

Strengths	Weaknesses
<ul style="list-style-type: none">• Presence in all main Portuguese retailers;• Awarded quality products;• Financial stability and steady revenues;• Very big factory capacities;• Healthy characteristics of the black pig;	<ul style="list-style-type: none">• Underdeveloped marketing and communication;• Limitations in distribution;• Lack of awareness of the Montaraz brand;• Website and Facebook pages underdeveloped;• Out of date packaging;
Opportunities	Threats
<ul style="list-style-type: none">• Creation of an online channel dedicated to the Iberian pig;• Horeca channel to be exploited;• Mentalize people for the quality of the Portuguese black pig;• The increasing interest of buyers out of the peninsula and the consequent interest in the product;	<ul style="list-style-type: none">• Decreasing interest in red meat;• Covid-19 economic predictions;• Plastic contained in Montaraz's packaging;• Lack of revenue;

The Author, 2020

5.4 Critical Success Factor

The definition of a critical success factor ensures the company the capability to be accurate, develop and control some important issues. When well managed and organized, those pin points may guarantee the organization a sustainable competitive advantage.

Regarding the success factors, Montaraz is set to be connected to its roots. *To be locally attached-* Although selling in the entire Portuguese territory and start going overseas, it is a main concern to stay close to the local community. It is important to customers to feel that the good being bought does not only say that comes from a place but rather the entire process and factory facilities are from the very same place.

Having the best website. The main innovation in this project is the e-commerce section of the website, considered a novelty among competitors. In order for that plan to be well executed,

Marketing Plan- Creating an online butchery

the website must convey all the information clear and the sales section must be easy and interactive to use.

To build brand awareness- One of the main purposes of the project is also to get people to know the company. Apart from the physical markets, online presence will be facing different competitors in a very dynamic and global market.

6 Plan Objectives

The biggest purpose of this business plan is to build an image and reputation for a company that, despite being market leader, is not yet very know to the eyes of the general public. As said before, this fact is a result of the biggest sales channel coming from big surface retailers which represent the vast majority of Montaraz's sales. The focus of the project will be exactly on this subject. By reaching the general public, the company should start building an increasing interaction with the consumers resulting in also an increasing number of sales and, most importantly, number of sales channels.

For this purpose, the first step is to start internally. It is of remarkable importance building an internal marketing team ready to create and update contents regarding all the information in contact with the consumers. In this stage, from the logo to the social networks, everything has to be ready to better impact the audience. In this stage it is also meaningful to set or update the mission, vision and values of the company.

In a second stage, the segment and target will be defined in order to better access the opportunities to explore and which segments of the market are easier and more effective to reach. After defining which are the needs of the defined segment, act subsequently in order to fulfill those needs. Availability of resources will be approximately 10% of the 2019 sales.

After allocating the marketing resources and to finalize and implement actions, it is essential to determine the existence of a sustainable competitive advantage, what Montaraz has that the others do not. This competitive advantage will always be the focus point and all the actions will surround it. In Montaraz's case the main aspect is focused on the production. None of the competitors have entirely Portuguese products. Apart from that, none of the competitors have the production capabilities of Montaraz's reflecting the price.

Marketing Plan- Creating an online butchery

In order to determine the effectiveness of the Marketing Plan goals should be determined previous to the course of action. Nowadays sales are pictured by having less than 10% coming from diversified channels and the vast majority coming from B2B. The Montaraz marketing director set the goal at a 30% for the diversified channels sales in the space of two years.

6.1 Segmentation and Targeting

Our product segmentation will be traced using demographic, psychographic and regional based criteria.

Demographic wise, the traits we segment will be age and the socio-economic group, since our product, likewise the literature review, verses e-commerce and a local origin product which fits people with a certain age and most importantly the upper middle class of the Portuguese population. In the present economic situation that demographic trait is actually a good sign, since Portuguese economy has been showing decreasing deficits since 2012 almost every, except 2016. (PORDATA, 2019) The last projections point to surplus in 2019.

A survey including more than 300 randomly selected people was performed, male and female, from all kinds of ages and from the entire country. It was concluded that the meat most consumed is beef and chicken, with a trend of lower consumption of pig meat.

Concerning psychographic criteria, and after analyzing the health and farming methods and advantages when comparing white and black pig, we concluded that these characteristics mirror some nowadays society concerns and ways of living. People with a patriotic view will most likely favor Portuguese product consumption like Muchnik et al. (2005) addressed in their study. Also the premium origin and flavor is segmented to a certain lifestyle and lastly the “healthier pig approach” will fit into some personality traits. In fact, according to the survey cited above, 81% of the people inquired would pay more if black pig would represent an improvement in terms of health and flavour.

Marketing Plan- Creating an online butchery

Given the above our segmentation criteria and target will be:

Table 5-

Segmentation criteria and target

Segmentation Criteria	Target
Demographic	Portuguese people aged 25 years old or over;
	Both genders;
	People with a gross salary above €1200 (€300 above the Portuguese average salary);
Geographic	People living in rural and urban areas;
Psychographic	Meat consumers and enthusiasts;
	People avoiding eating “white” pork;
	People who use e-commerce;
	People having health concerns;

6.2 Positioning

Montaraz’s product and its online version of versed on this project it is diversified in two remarkable ways. Firstly regarding the product, Montaraz’s it is the only black pig company to have full control of its suppliers, since some of the pig owners are also members of the board of administration, providing bigger control and quality. Secondly, by creating an online sales channel, Montaraz will be the first company exclusively dedicated to black pig that provides customers an option of buying online all the black pig products produced at the factory with a delivery ranging from 3 to 5 days. To sum up, Montaraz is highlighted when compared to any of the competitors because of the freshness and flavor of the products, the cheaper price motivated by better factory capacity and full control of suppliers and last but not least the capability to online sale its product within the very same website.

Communication wise, the way Montaraz will reach its customers and potential ones, it is by informing the advantages of black pig when compared to the regular one. Most importantly

Marketing Plan- Creating an online butchery

by highlighting its origin and rebuilding in some way the idea that good ham comes from Spain, by simply saying that most pigs in fact come from Portugal. In other words, very directly pin point the advantages of the product itself and then to its origin, adding, of course, the great advantage of having the possibility of buying it comfortably at having it delivered at home.

7 Marketing-Mix

7.1 Product (Service)

Montaraz's product will not suffer any innovation, the product itself; the biggest innovation of this project is the creation of an online sales channel built-in the company's website. Apart from this, a proper marketing project is the reason of the project, since Montaraz despite being market leader, 90 % of the sales come from a single sales channel. The product itself, it is the black pig. However, the product under the attention of the marketing mix will be the website, e-commerce ready.

As previously stated, according to the ACEPI (2018) online sales account in Portugal for a market of 4.6 billion euros, a number likely to be close to the 8.9 billion figure by 2025. By being on the same wave length of the shopping trends, Montaraz's it is adding to the actual competitive advantage the fact that it will be the first black pig only dedicated company in Portugal to allow online sales in the company's website.

The biggest goal to be achieved with the launch of the online channel is the diversification of the sales income. On doing this, the company is also providing its customers with the opportunity of buying products of premium quality at home and having them delivered fresh and in the space of just a few days.

The swap from "white" pig to the black pig meat has all the health advantages above mentioned, however with the creation of e-commerce strand, people can now see the exact origin of their food, without intensified farming. The online channel also allows to reduction of the environmental footprint, since the storage space of big retailer and all implications surrounding it, would be eliminated by creating a much direct via, the website. A complete B2C solution.

The design of the website will remain close to the existent; however the sales part will be added and must be highlighted. Will also be possible to place orders B2B, since Montaraz's objective is to be a supplier and to enter in the HORECA channel.

Table 6-

Differentiation from competitors

Positioning Elements	Application procedures
Price oriented	Lower price compared to direct competitors
	Extended price range
	Price communication well concise
	Cheap or free transportation
	B2B section
Quality of the product	Availability of all the products in the website
	Insurance in case of miss delivery
	Speed of the deliveries
	Freshness of the products

The author, 2020



Fig.5- Sketch of Montaraz’s website after adding the sales dedicated zone

7.2 Price

The strategy we will be concerning price it is penetration. Concerning the premium quality of the product being sold, some of the prices found in the market are quite inflated. The only black pig products found in the Portuguese are from retailers or specialized online butchers. The prices found available to online ship are all higher than Montaraz’s. In El Corte Ingles the unit for a black pig chorizo starts at €4.5 a unit, plus distribution. In Continente the only

Marketing Plan- Creating an online butchery

Portuguese brand to be sold it is Montaraz so there is no competition in the biggest Portuguese retailer. Pingo doce brand is also Montaraz so there is no competition either. To sum up, regarding online competition, Montaraz has no real competitors in terms of price. There is only one online shop, SEL, but it is not entirely related to black pig, with a €3.7 price tag on a regular chorizo.

Montaraz's costs obey to a non-disclosure policy; however the price tag for a regular Montaraz chorizo in Continente is €2.5, much lower when compared to any competitor. The competitive advantage for the online project of selling is the fact that Montaraz is a factory that will be able to directly ship its products to the clients. In terms of prices, apart from having the structural advantage of having pig owners as suppliers and investors at the same time, Montaraz has also the packaging done at the factory and so, the only expense would be transportation, shipping to its clients.

In conclusion, Montaraz's price has the possibility to be 30 to 35% lower than the competitors in the black pig market.

7.3 Place

The place strategy behind Montaraz's online sales channel is to directly sell whether B2B or B2C. Until this point, Montaraz sold almost to retailers only. Online will allow other consumers or Horeca businesses to easily access the products and easily build new business relationships.

Apart from the website sales section, more information will be present and given on a regular basis. Social media will be updated, a newsletter will be created. Also the use of the e-mail and the customer line will be available. The idea is to Montaraz to be apprehended as a physical and tangible company, despite being singularly located at Alentejo, Portugal. The awards received and acknowledgement from the black pig and farming institutions will help the trust needed to reach the visa and maestro, MB way, and so on; important to complete financial transactions online.

In conclusion, complaints will be taken very seriously to real time improvements, day-to-day, the only way to build a good customer network that sustains a healthy online sales channel.

Marketing Plan- Creating an online butchery

7.4 Promotion

An online food sales channel provides simplicity and comfort to its users as well as direct contact with the company and its customers, since in case of Montaraz; the factory produces the entire product. According to Hansen (2005), people inquired about online shopping say that this way of purchasing saves time and the quality provided is bigger at a lower price when compared to traditional shopping outlets. Nevertheless, building a substantial online client database requires trust and, logically, brand awareness and a solid reputation.

Given the fact that our target ranges from mid-twenties to mid age people, the simplicity has to be a number one priority. Apart from the well communicated portfolio and prices, payment methods must be very flexible in order not to mitigate sales opportunities.

For the promotion measures there is a table below synthesizing the actions, its objectives and descriptions;

Table 7-

List of Activities

Objective	Activity	Description
To create brand awareness and enhance reputation	Big retailers week	Tasting the product it is a solid way to build brand awareness and reputation. During a week, in Lisbon and Porto, Montaraz will be offering food samples of the product in all the biggest retailers. The website will be mentioned.
To create brand awareness and enhance reputation	Macro week	Continuing offering samples of the product in strategic locations. The most important supply market in the Lisbon area. The objective is to mainly attract B2B customers with this action.
To create brand awareness and enhance reputation	Chefs opinions	Having a partnership with an important Portuguese chef, challenging him to cook with Montaraz's products. Bringing some brand ambassadors it is important to raise awareness.

Marketing Plan- Creating an online butchery

To create brand awareness and enhance reputation	Sponsoring local food fairs and Fado houses	Building an image of proximity with the home country and its roots by sponsoring main cultural ambassadors of the country.
To create Website awareness	Search Engine Optimization	Optimizing SEO and Google Adwords is a number one priority to spread the image and website of the company through the online environment
To create Website awareness	Instagram account creation and development	Creating an Instagram account and sponsoring posts.
To create Website awareness	Instagram most followed food related people	Contracting the most influential food related Instagram users to post something related to the product and to the website.
To create Website awareness	Facebook ads	Facebook users' age range is diversified, like Montaraz's target. Having ads on this platform on a monthly basis is an objective.
To create Website awareness	Comment section prizes	People who comment on Montaraz social networks will have a monthly opportunity to receive free products. Award winners will be randomly selected from the comment section.
To create Website awareness	YouTube content	Developing content on a regular basis of the facilities, the black pig or other relevant subjects.
To create Website awareness	YouTube channels affiliation	Get in touch with the major food YouTube channels in Portugal and sponsoring the channels by offering Montaraz products in exchange of some website visibility.
To create Website awareness	Sales discount via website	If customers buy via the website discounts will be offered.
To develop loyalty	Frequent customer rewards	Creating a program that rewards, through promotions and offers, frequent customers.

The author, 2020

Marketing Plan- Creating an online butchery

Table 8-

Cost of the activities

Activity	Estimated Cost
Big retailers week	€11000
Macro week	€6000
Chefs opinions	€15000
Sponsoring local food fairs and Fado houses	€2000 per month
Search Engine Optimization	€1500 per month
Instagram account creation and development	€500 per month (sponsored posts) €500 per month (contents)
Instagram most followed food related people	Ranging from €1000 to €6000 depending on the number of Instagram followers.
Facebook ads	€500 per month
Comment section prizes	€150 per month *2 (Facebook and Instagram)
YouTube content	€1000 per month
YouTube channels affiliation	100€ per month to each affiliated channel (50 channel objective)
Frequent customer rewards	Ranging from €100 to €1000 per month
Sales discount via website	10% of the monthly online sales
Website update and maintenance	€2200 per month

The author, 2020

7.5 Physical Evidence

According to Valacich & Hess (2011), maintaining premium quality websites ensures customers a perception of reliability and trust. Product quality will be perceived easily with a well-structured website creating an extrinsic signal on the customers mind and ultimately increasing brand awareness. Furthermore, an online seller should put its efforts on creating and maintaining the website fresh in all dimensions in order to be seen as a homogenous platform. Neglecting some areas of the website will result in a poor perception of the product and the brand as a whole.

Marketing Plan- Creating an online butchery

In an empirical study concerning design conducted by Auger (2005), two big topics were compared, interactivity and sophistication design. Briefly, the conclusions point out that while interactivity has a strong correlation with overall performance outcome, sophistication does not. An interactive website design ensures stakeholders an additional communication method with the company.

By putting theory into a formula, Rackspace Managing Hosting, United Kingdom's well known hosting and cloud computing company, in 2006, developed a formula that supposedly would translate into the creation of the perfect website. The formula is transposed below;

Perfect website degree = $\{((14.14 * \text{Ease of Navigation}) + (13.56 * \text{Speed}) + (13.11 * \text{Clean and simple Design}) + (10.89 * \text{Functionalities}) + (10.89 * \text{Up time})) - ((12.63 * \text{Excessive Pop Ups}) + (10.32 * \text{Advertising}) + (5.21 * \text{Excessive Flash or other Multimedia}))\} / 7.24$

Thus, Montaraz website will look forward to be improved in order to meet the standards and interact with customers in the most effective way possible. Granting ease of use when scrolling down the website, security while paying, making sure information it is easy to access and not allowing any kind of advertising or pop ups. As seen above, a clean and interactive design should ensure the client trust in company thus providing better feedback. Website maintenance will also be a number one priority to assure the best performance available in the target market complying with the result coming from the factory.

7.6 Process

The idea behind the process creation of an online commerce channel for Montaraz comes from the need to diversify the risk of having 90+ % of the sales emerging from very few clients. The sales platform will be built in the website. The process will be very user friendly and will allow a customer or other business to pick any product made at the factory and buy it. Payment can be made online via the website or any other payment institutions (Visa, Maestro, MasterCard, etc....) and then the product will be briefly shipped to people's houses. Since online shopping is trending nowadays, in the food business included, this process will allow people to taste the product by buying it traditionally at a supermarket, but after that first contact with the brand, having the option to just go to the website, pick the products provided (having a bigger choice in the website than in the supermarkets) pay it and have the products

Marketing Plan- Creating an online butchery

chosen delivered at home after a few days. By doing it this way, customers will be provided with custom promotions lowering the price in a future purchase.

7.7 People

Montaraz already has a very big group of workers with a strong know-how of the product and species. Nevertheless, new people will have to integrate the company in order to cope with new website traffic demand and content management. For a bigger scope at the Horeca channel Montaraz will also bring some salespeople. The ideal mindset to work in a company like this one is to be very understanding of the product itself. Young people who like Portuguese culture, its cuisine and traditional foods. New workers will probably be from Alentejo, a way to energize the area and seek for “home” workers.

Marketing Plan- Creating an online butchery

8 Implementation time table and financial evaluation

Below, there is the chronogram representing the implementation of the project. The main aspect to highlight is the need to have the web section of the website up and running before the end of the year. By doing so, the main enhancement of the Montaraz project would be prepared to be presented to customers.

Table 9-

Implementation Time Table

2020 Activities	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Strategical and financial plan development												
Market Research												
Marketing Plan Development												
Sales web section Development and Testing												

2021 Activities	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Big retailers week												
Macro week												
Chefs opinions												
Sponsoring local food fairs and Fado houses												
Search engine optimization												
Instagram account creation and development												
Instagram most followed food related people												
Facebook ads												
Comment section prizes												
YouTube content												
YouTube channels affiliation												
Sales discount via website												
Frequent customer rewards												

The author,2020

Marketing Plan- Creating an online butchery

8.1 Sales Forecast

Montaraz provided sales data from 2013 to 2019. Below there is a table with those figures represented.

Table 10-

Montaraz's sales by year (in millions of euros)

Year	2013	2014	2015	2016	2017	2018	2019
Sales	€2.9	€3.4	€3.7	€4.3	€6.0	€6.3	€7

The author, 2020

Montaraz's general manager has provided a sales forecast for a 6 year period. It is predicted that sales grow at an average 10% each year after adding also the e-commerce increment. The marketing budget available will be 5% of the sales from the prior year. The conservative percentage of sales attributed to the marketing budget it is related with a major expansion done in 2016 at the factory. That expansion is responsible for an increase in sales given the extra capacity. Nevertheless, in order to find some balance, marketing expenditure will be smaller and especially focused in the online market over the next few years.

Table 11-

Montaraz's 5 year sales, MKT and ratio forecast

Year	2020	2021	2022	2023	2024	2025
Sales forecast	€7.7000.000	€8.470.000	€9.320.000	€10.250.000	€11.270.000	€12.290.000
MKT Budget	€350.000	€385.000	€423.500	€466.000	€512.500	€563.500
%MKT Budget over sales (prior year)	5%	5%	5%	5%	5%	5%

The author,2020

Marketing Plan- Creating an online butchery

Table 12-

Montaraz's 5 year online sales projection

Year	2021	2022	2023	2024	2025
Online sales % out of total sales	5%	8%	14%	19%	30%
Online sales	€423.500	€745.600	€1.435.000	€2.141.300	€3.687.000

The author, 2020

Table 13-

Montaraz's online marketing budget % allocated

Year	2021	2022	2023	2024	2025
MKT Budget	€385.000	€423.500	€466.000	€512.500	€563.500
Online MKT	€246.000	€284.084	€328.250	€379.045	€437.670
%MKT Online/MKT budget	63.89 %	67.08%	70.44%	73.96%	77.67%

The author, 2020

The unbalanced ratio towards online marketing is explained by the company's intention of launching the online shop, the online sales division. As years go by, brand awareness will increase and as the main objective for the company is that, by 2025, 30% of sales will come from the online channel; the ratio given to online marketing over the marketing budget will also increase at a 5% rate each year, in order to fulfil that objective.

Marketing Plan- Creating an online butchery

Table 14-

Montaraz's online marketing/online sales %ratio

Year	2021	2022	2023	2024	2025
Online MKT	€246.000	€284.084	€328.250	€379.045	€437.670
Online Sales	€423.500	€745.600	€1.435.000	€2.141.300	€3.687.000
Online MKT/Online Sales ratio	58%	38.10%	22.89%	17.70%	11.87%

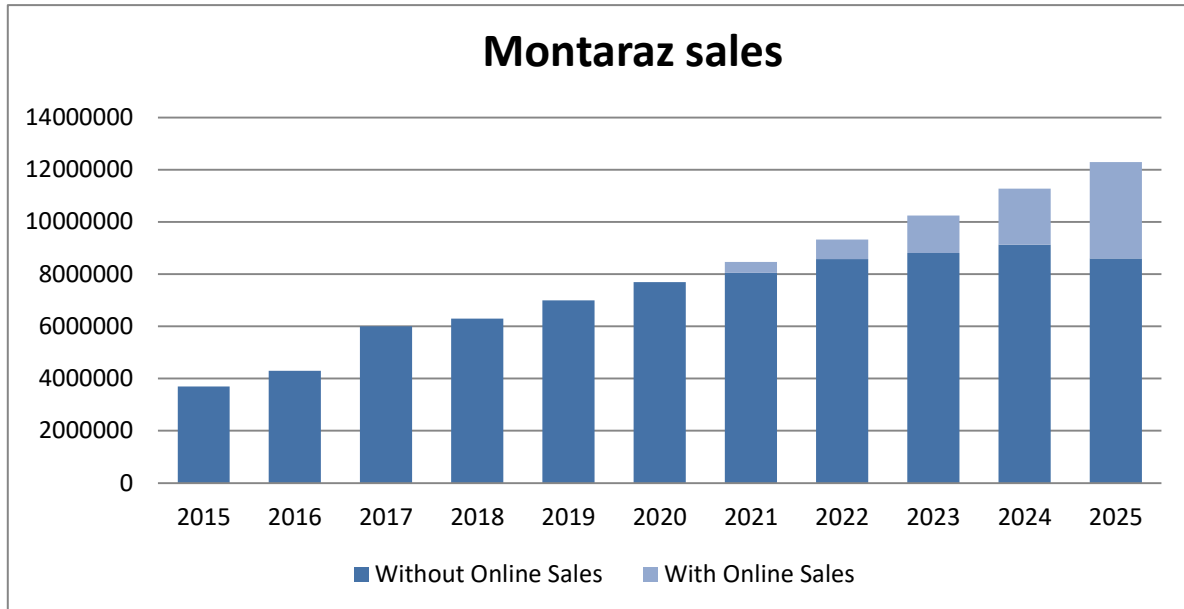
The author, 2020

In the table above we can see the relation between online marketing expenditure and online sales only. In the launch year we can see that online marketing investment is expected only to produce revenue of €423.500. This fact means that the online sales balance when subtracted the online marketing expenses is €177.500. Over the years, even though the online marketing ratio is going to be increased, the ratio of online marketing compared to online sales will be smaller. The online marketing expenses will be smaller. This is explained given the expected growth of the company awareness, the expected growth of the website and following the company's growth pace.

Marketing Plan- Creating an online butchery

Chart 1-

Montaraz' sales evolution before and after online sales



The author,2020

In the chart above there is a ten year sales evolution of Montaraz. Sales projections start at 2021 including the online sales channel to be launched in the beginning of the year. It is important to highlight that even if the 30% online sales mark is achieved the core sales channel will still be the traditional one. The company's long term objective is not to change that reality since big retailers account for the vast majority of the traditional sales revenue and are long term business partners. The online sales channel will give the company some stability and revenue diversity however without absorbing the core channel of sales.

9 Project Conclusions

The aim for this project was to develop a strategic marketing plan for a well-established company in the black pig meat processing market. Nevertheless, the interesting proposition to the work was the company's desire to exploit the online strand.

E-commerce is developing at a fast pace. Most big and medium retailers sell online; some of them, only sell online. E-commerce has changed the notion of time and space concerning the food business. Some years ago, some local food products could only be consumed by locals; nowadays thanks to the contribution of the e-commerce the national food boundaries have become much diluted.

Given the exponential growth of the e-commerce and local food products interest, there is the opportunity to merge these two concepts. Creating the only online space dedicated only to black pig in Portugal the idea constitutes both a challenge but an opportunity as well to create the trust from customers.

During the course of this project, an internal and external analysis was conducted to better find Montaraz's positioning and target. A PESTEL analysis was also done since food business often have many legal requirements and meeting all is something completely determinant. The Covid-19 pandemic was also taken into consideration given the undeniable effects society wise.

By analyzing the market itself, the number of species and its origin it was important to better predict the size of the market. The bigger number of pigs transformed each week is strongly correlated with size of revenues. Montaraz completely leads in that subject by a large margin. Nonetheless, the main competitors were traced and analyzed, which it was a somehow a difficult task to perform, since many companies in Alentejo do re-sell black pig but do not produce it. However, the ones mentioned in the project do have their own production. Most product portfolios are very similar among all the competitors so it was not something that should be too highlighted. Quality it is the main differentiator, quality at the best price is what will differentiate Montaraz from the competition.

A suitable positioning and marketing mix were created focusing on the target. It was designed a price-oriented, very convenient and user-friendly service that would meet the expectations

Marketing Plan- Creating an online butchery

of the stakeholders. The promotion of the company will be made online, naturally, but also traditionally. The product characteristics can only be fully attained by experimenting it. In order to raise brand awareness, we want that people try it and become interested in it, only then the second part of promotion takes action. By having a strong and well-managed online presence that suits the needs of the consumers.

10 Project Limitations

The project had as a primary objective the creation of an online butchery dedicated to black pig only, having it included in the Montaraz business plan. Even so, some limitations across the project were found.

Firstly, the black pig meat processing market itself. However, a very ancient and strongly tied with the country's traditions, it continues to be considered a small market in Portugal, with limited players. Small markets most likely constitute an information problem. This was the case. Information about the market size does not exist. The main indicator was the number of black pig units.

Secondly, the gap between Montaraz and the other competitors is quite big. For that reason it was complex to determine who the competitors were really. A big retailer sells black pig meat, but most likely was sold by Montaraz to that retailer, so there is no competition. The criteria then applied were if the pigs were own handcrafted processed and not just bought elsewhere and resold.

Thirdly, the information about competitors was difficult and in some cases impossible to obtain. After many attempts to reach with the companies, not even the companies' portfolios were disclosed. Financial information was not disclosed as well.

Finally, given the nature of the species, more interest in the market should be something to be considered for the future. Montaraz, regarding this issue provided all the information, regarding financial data, portfolios, facilities, marketing budget, sales forecast and certificates.

11 References

- ACEPI (2018), Consolidação das tendências do eCommerce 4.0 será dominante em 2018, <http://www.acepi.pt/artigoDetalhe.php?idArtigo=92091>, accessed in 2018.11.14
- Aprile, M. C., Caputo, V., & Nayga, R. M. 2015. Consumers' Preferences and Attitudes Toward Local Food Products. *Journal of Food Products Marketing*, 22 (2): 19–42
- Ariguzo, G. C., Mallach, E. G., & White, D. S. 2006. The first decade of e-commerce. *International Journal of Business Information Systems*
- Baltas, G. & Papastathopoulou, P. 2003 Shopper characteristics, product and store choice criteria: a survey in the Greek grocery sector. *Journal of Retail and Distribution Management*, 31, 498–507
- Barnes-Vieyra, P. and Claycomb, C. 2001 'Business-to-business e-commerce: models and managerial decisions', *Business Horizons*, May–June, 44: 13–20
- Chaffey, D., Smith, PR. 2008. *eMarketing eXcellence: Planning and optimizing your digital marketing*. Linacre House, Jordan Hill, Oxford: Butterworth-Heinemann/Elsevier
- Chaffey, D., Ellis-Chadwick, F. 2016. *Digital marketing: Strategy, implementation and practice*. Edinburgh Gate, United Kingdom: Pearson Education
- Chandon, P., & Wansink, B. 2012. Does food marketing need to make us fat? A review and solutions. *Nutrition Reviews*, 70(10): 571–593
- China permitirá la importación de jamón ibérico y abre un mercado de 1.400 millones de habitantes *in EL País*. https://cincodias.elpais.com/cincodias/2018/11/27/companias/1543320684_205011.html accessed in 08.06.2019
- Cristovão, A. Tibério, L. Abreu, S. 2008. Restauração, Turismo e Valorização de Produtos Agro-alimentares Locais: o Caso do Espaço Transfronteiriço do Douro-Duero. *Revista de Turismo y Patrimonio Cultural*, 6 (2), 281-290
- CTT (2017), e-Commerce Report- https://www.ctt.pt/contentAsset/raw-data/fcc210c5-f740-4f86-942a-99fc7888f02a/ficheiro/eCommerce_Report%20CTT%202017.pdf?byInode=true, accessed in 2019.08.19
- Drucker, P. 2002. *Managing in the next society*. First Edition. New York: Truman Talley Books.
- Cristóvão, Artur Tibério, & Luís, & Abreu, Sónia, "Microproduções agrícolas e desenvolvimento sustentável em regiões periféricas." *Revista Portuguesa de Estudos Regionais*, no. 17 (2008):5-24. Redalyc
- du Rand. G.E & Heath. E 2006 Towards a Framework for Food Tourism as an Element of Destination Marketing, *Current Issues in Tourism*, 9 (3): 206-234

Marketing Plan- Creating an online butchery

- EUROSTAT** (2017), https://ec.europa.eu/eurostat/statistics-explained/index.php/E-commerce_statistics, accessed in 2018.11.14
- EUROSTAT** (2017), https://ec.europa.eu/eurostat/statistics-explained/index.php/E-commerce_statistics_for_individuals, accessed in 2018.11.14
- EUROSTAT** (2019), Monthly minimum wages - bi-annual data, http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=earn_mw_cur&lang=en, accessed in 2019.06.08
- Ettredge, M. & Richardson, V. 2002. Assessing the risk in E-commerce. *Proceedings of the 35th Hawaii International Conference on System Sciences- University of Kansas*
- Everett, S., & Aitchison, C. 2008. The Role of Food Tourism in Sustaining Regional Identity: A Case Study of Cornwall, South West England. *Journal of Sustainable Tourism*, 16(2): 150–167
- Farris, P. W., Bendle, N. T., Pfeifer, P. E., Reibstein, J. D. 2010. *Marketing metrics: The definitive guide to measuring marketing performance*. Upper Saddle River, New Jersey: Pearson Education
- Governo De Portugal** (2015), Estratégia Nacional para a Agricultura Biológica. <https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=56e2d4e9-84fa-49d8-8c13-6464690df3de>, accessed in 2019.08.19
- Group M** (2020), E-commerce post covid-19 lockdown, where should brands go from here? <https://dmx9040v9xyo8.cloudfront.net/uploads/2020/07/GroupM-E-Commerce-Post-COVID-19-Lockdown-Where-Should-Brands-Go-From-Here-Part-1.pdf>, accessed in 2020.06.17
- Hall, M. 2003 Preface, *Journal of Travel & Tourism Marketing*, 14: 3-4
- Hand, M. S., & Martinez, S. 2010. Just what does local mean? Retrieved from www.choicesmagazine.org/magazine/article.php?article=108 on 30/04/2019
- Hansen, T. (2005), Consumer adoption of online grocery buying: a discriminant analysis, *International Journal of Retail & Distribution Management*, Vol. 33 No. 2, pp. 101-121.
- Henderson, J. C. 2009. Food tourism reviewed. *British Food Journal*, 111(4): 317–326.
- Huang, Z., & Benyoucef, M. 2013. From e-commerce to social commerce: A close look at design features. *Electronic Commerce Research and Applications*, 12(4), 246–259
- Ilbery, B., Morris, C., Buller, H., Maye, D., & Kneafsey, M. (2005). Product, Process and Place. *European Urban and Regional Studies*, 12(2), 116–132.
- INE** (2017), Inquérito à Utilização de Tecnologias da Informação e da Comunicação pelas Famílias. Lisboa, INE, 2017
- International Agency for Research on Cancer** (2015), Consumption of red meat and processed meat- https://www.iarc.fr/wp-content/uploads/2018/07/pr240_E.pdf, accessed in 2019.08.19

Marketing Plan- Creating an online butchery

- Jacobs, S., van der Merwe, D., Lombard, E., & Kruger, N. 2010. Exploring consumers' preferences with regard to department and specialist food stores. *International Journal of Consumer Studies*, 34(2), 169–178
- Jayawardhena, C., Tiu Wright, L., & Dennis, C. 2007 Consumers online: intentions, orientations and segmentation. *International Journal of Retail & Distribution Management*, 35(6): 515–526
- Kim, Y. A., and Srivastava, J. 2007. *Impact of social influence in e-commerce decision making*. In Proceedings of the Ninth International Conference on Electronic Commerce, Minneapolis
- Knox, S. D., & Denison, T. J. 2000. Store loyalty: its impact on retail revenue. An empirical study of purchasing behaviour in the UK. *Journal of Retailing and Consumer Services*, 7(1), 33–45
- Kotler, P. 2003, *Marketing Management*, 11th ed., Prentice-Hall, Upper Saddle River, New Jersey: Pearson Education
- Kotler, P. & Armstrong, G. 2009. *Principles of marketing*. 13th ed., Prentice-Hall, Upper Saddle River, New Jersey: Pearson Education
- Lee, S. H., DeWester, D., and Park, S. R. 2008. Web 2.0 and opportunities for small business. *Service Business*, 335–345
- Leszczyc, P. T. L. P., Sinha, A., & Sahgal, A. 2004. The effect of multi-purpose shopping on pricing and location strategy for grocery stores. *Journal of Retailing*, 80(2), 85-99
- McWilliams, A., & Siegel, D. 2001. Corporate Social Responsibility: a Theory of the Firm Perspective. *Academy of Management Review*, 26(1), 117–127
- Miranda, M. J., Kónya, L., & Havrila, I. 2005. Shoppers' satisfaction levels are not the only key to store loyalty. *Marketing Intelligence & Planning*, 23(2), 220–232
- Muchnik, José & Cerdan, Claire & Biénabe, Estelle. 2005. Food identity/food quality: insights from the "coalho" cheese in the Northeast of Brazil. *Anthropology of Food*. 4
- Neely, A., Adams, C., Crowe, P. 2001, The performance prism in practice, *Measuring Business Excellence*, 5: 6 – 13
- Niranjanamurthy, M., Kavyashree, N., Jagannath, S., Chahar, D. 2013. Analysis of E-Commerce and M-Commerce: Advantages, Limitations and Security issues. *International Journal of Advanced Research in Computer and Communication Engineering*, Vol. 2. June 2013
- OECD (2019), Meat Consumption- <https://data.oecd.org/agroutput/meat-consumption.htm> accessed in 2019.08.19
- O'Sullivan, D., & Abela, A. 2007. Marketing Performance Measurement Ability and Firm Performance. *Journal of Marketing*
- Parise, S., and Guinan, P. J. 2008. *Marketing using Web 2.0*. Proceedings of the 41st Hawaii International Conference on System Sciences, Hawaii, HI, Washington, DC, IEEE Computer Society Press

Marketing Plan- Creating an online butchery

- Parrish, E. D., Cassill, N. L., & Oxenham, W. 2006. Niche market strategy for a mature marketplace. *Marketing Intelligence & Planning*, 24(7), 694–707.
- PORDATA** (2018), População Residente: Idade Mediana. <https://www.pordata.pt/Europa/Popula%C3%A7%C3%A3o+residente+idade+mediana-2265>, accessed in 2019.05.29
- Porco preto exportado para ficar com selo de origem espanhola *in Público* (2016) <https://www.publico.pt/2016/09/02/economia/noticia/porco-preto-alentejano-e-exportado-para-ficar-com-selo-de-origem-espanhola> accessed in 2019.06.08
- Qin, Z. Shundong, L. Yi, H. Jinchun, D. Lixiang, Y. Jun, Q. 2009. *Introduction to E-commerce*. First Edition, Beijing: Tsinghua University Press
- Rajgopal, S.; Kotha, S.; and Venkatachalam, M. 2003. The value relevance of network advantages: The case of e-commerce firms. *Journal of Accounting Research*, 41: 135–163
- Roininen, K. Arvola, A. Lähteenmäki, L. 2005. Exploring consumers perceptions of local food with two different qualitative techniques: Laddering and word association, *Food Quality and Preference* 17: 20–30
- Sims, R. 2009. Food, place and authenticity: local food and the sustainable tourism experience. *Journal of Sustainable Tourism*, 17(3): 321–336
- Singh, P. Katiyar, N. Verma, G. 2014. Retail Shoppability: The Impact Of Store Atmospherics & Store Layout On Consumer Buying Patterns. *International Journal of Scientific & Technology Research*, 3 (8)
- Siró, I., Kápolna, E., Kápolna, B., & Lugasi, A. 2008. Functional food. Product development, marketing and consumer acceptance—A review. *Appetite*, 51(3), 456–467
- The Porco Preto Breed- Provenance, Nutrition and Life Cycle <https://www.porcopretoalentejano.com/en/alentejano-black-pig/provenance.html> accessed in 2019.06.08
- Tiago, M. T. P. M. B., & Veríssimo, J. M. C. 2014. Digital marketing and social media: Why bother? *Business Horizons*, 57(6), 703–708
- Turban, E. Outland, J. King, D. Kyu Lee, J. Liang, T.P. Turban, D.C. 2018. *Electronic commerce 2018- A managerial and social networks perspective*. Ninth Edition, Springer. Switzerland
- Wells, J., Valacich, J., & Hess, T. (2011). What Signal Are You Sending? How Website Quality Influences Perceptions of Product Quality and Purchase Intentions. *MIS Quarterly*, 35(2), 373-396.
- William H. DeLone & Ephraim R. McLean. 2003. The DeLone and McLean Model of Information Systems Success: A Ten-Year Update, *Journal of Management Information Systems*, 19:4, 9-30
- Willis, J.L. 2004 ‘What impact will e-commerce have on the US economy?’, *Economic Review – Federal Reserve Bank of Kansas City*, Vol. 89, No. 2, pp.53–71

Marketing Plan- Creating an online butchery

Wymbs, C. 2011. Digital Marketing: The time for a new “academic major” has arrived.
Journal of Marketing Education, 33(1), 93–106

12 Annexes

Annex I- Literature review

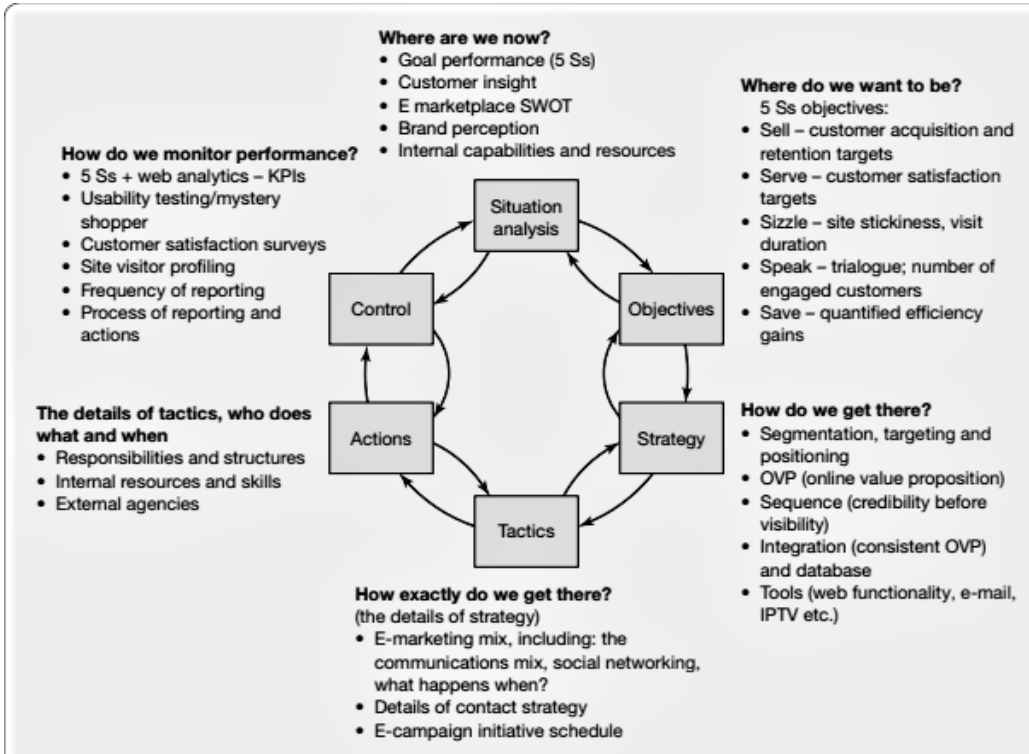


Fig.6- SOSTAC © synthesis scheme (Chaffey and PR Smith; 2008)

Annex. II- Competitors



Fig.7- Casa do Porco Preto package exemple



Fig.8- Miguel & Miguel package exemple

Marketing Plan- Creating an online butchery



Fig.9- SEL package exemple

Annex. III- Montaraz

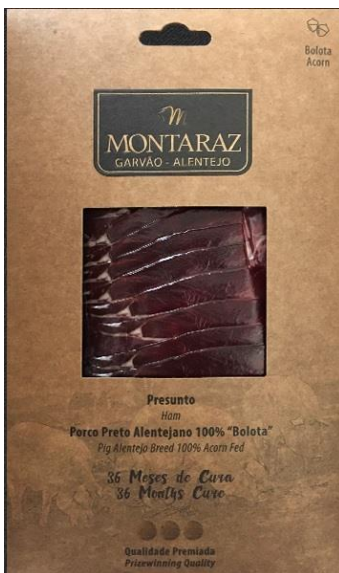


Fig.10- Montaraz package exemple

Montaraz 2020 awards:

- The Best of the Best – Black Pork Ham
- Gold - Pig Alentejo Beed 100% Acorn Fed Santana da Serra Ham PGI
- Gold - Pig Alentejo Beed 100% Acorn Fed Santana da Serra Shoulder Ham PGI
- Gold – Black Pork Paiola
- Gold – Black Pork Loin
- Gold – Black Pork Cupita
- Gold – Black Pork Paio de Garvão
- Gold – Black Pork Chorizo

Marketing Plan- Creating an online butchery

- Gold – Black Pork Wheat Flour Chorizo
- Silver – Black Pork Salami
- Silver – Black Pork Shoulder Ham



Fig.11- IAPMEI-PME líder'20 attributed to Montaraz

Annex IV- Customer survey

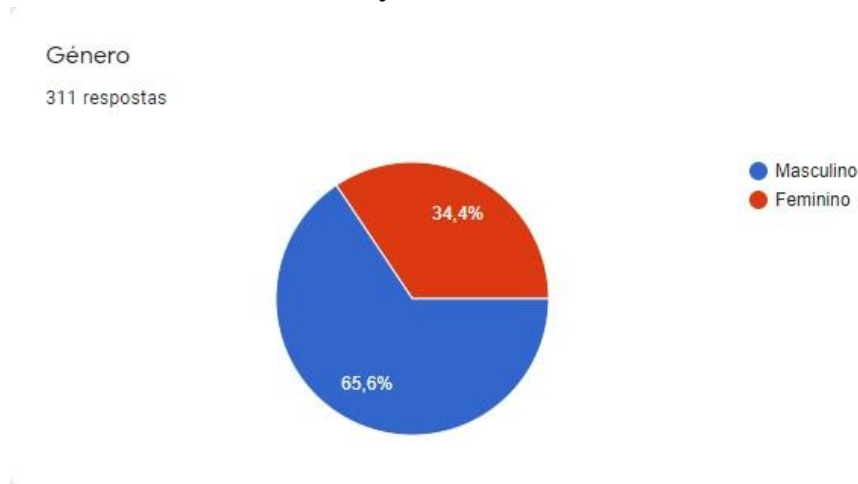


Chart 2- Gender

311 answers

Gender

65.6% Male 34.4% Female

Marketing Plan- Creating an online butchery

Idade

311 respostas

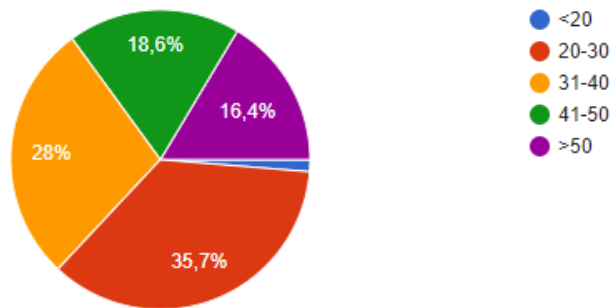


Chart 3- Age

311 answers

Age

- <20- 1.3%
- 20-30- 35.7%
- 31-40- 28%
- 41-50- 18.6%
- >50- 16.4%

De 1 a 5, com que frequência consome carne/enchidos?

311 respostas

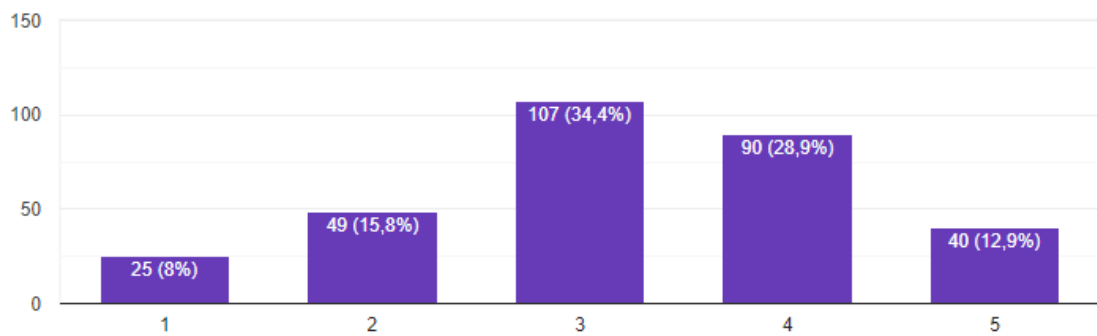


Chart 4- Meat consumption

311 answers

Meat Consumption

- 1-Never
- 5-Daily

Marketing Plan- Creating an online butchery

De 1 a 5, com que frequência consome carne de porco preto?

311 respostas

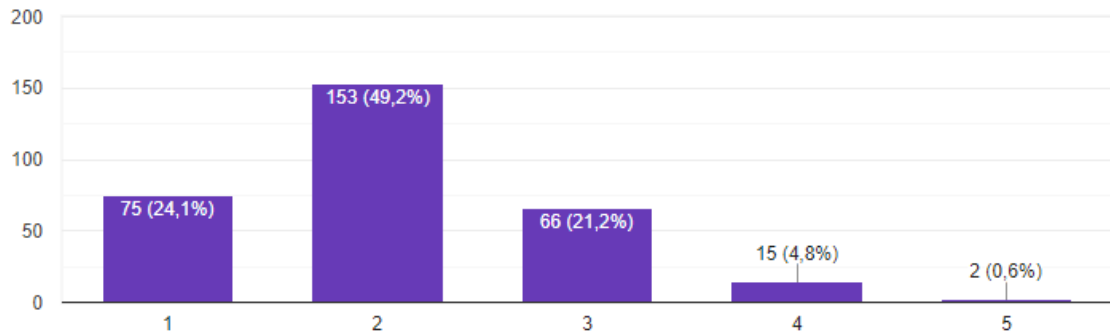


Chart 5- Black pig meat consumption

311 answers

Black pig meat consumption

1-Never

5-Daily

Marketing Plan- Creating an online butchery

Caso o consumo de carne de porco preto/ ibérico representasse uma melhoria em termos de sabor ou, um benefício para saúde, quando comparado com o porco branco, estaria disposto a pagar mais?

311 respostas

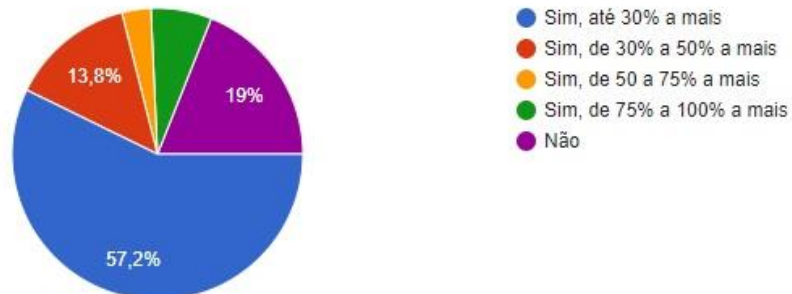


Chart 6- Price

311 answers

If the consumption of black/Iberian pig represents a better flavor or some health benefit when compared to white pig, would you be willing to pay more?

Yes, up to 30% more- 57.2%

Yes, 30% to 50% more- 13.8%

Yes, 50% to 75% more- 3.2%

Yes, 75% to 100% more- 6.8%

No- 19%

Conhece a Montaraz? Se respondeu não, deve submeter de imediato o formulário

311 respostas

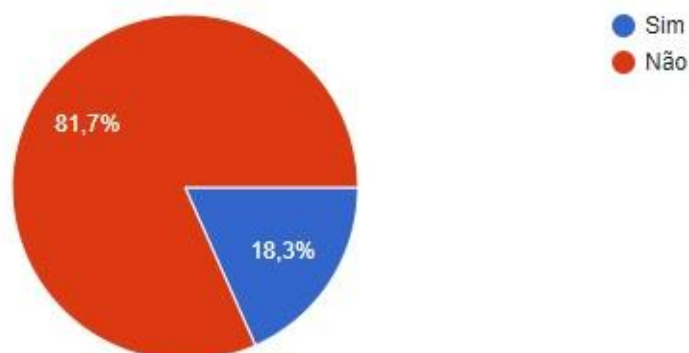


Chart 7- Montaraz awareness

311 answers

Do you know Montaraz?

Yes- 18.3%

No- 81.7%

62