***“Sweet road of Pleasure to Vietnam”***

*Pleasure Chocolatier* is a manufacturer of premium chocolates and related products. *Pleasure* traces its origins to a wholesale chocolatier founded in 1969 in London, England by Mr Joseph Spoon. The first *Pleasure* shop outside England was opened in Paris in 1978 and later it reached United States in 1988, where it was sold at luxury department stores. Jessica, daughter of Joseph took over the company and started the new revolution of introducing *“Pleasure”* since 1999. Within a few years under Jessica’s management, *Pleasure* can now be found in more than 200 retail shops in UK, USA, EU, Australia and New Zealand. Besides chocolates, *Pleasure* also sells truffles, coffee, cocoa, biscuits, dipped fruit, and other items arranged in gift baskets. *Pleasure’s* signature package is the Royal Pleasure (9 delicious flavours). With the competitive advantage of strong branding and international management experience in the premium chocolate business, Ms Jessica continued her aggressive marketing expansion strategy by penetrating Asian markets including Japan, Korea, Hong Kong, Singapore, Thailand, and Vietnam.

Ms Jessica Spoon decided to appoint a country manager in each location. This person is responsible for the investing, marketing and operation of retail shops in that located country. *Pleasure* entered Vietnam market in early of 2016. Ms Jessica appointed Ms Bao Thy as the country manager for its operations, who has more than five years management experience in the premium chocolate and confectionery industry. The strong economic development and lucrative premium chocolate business in Vietnam attracted several key international competitors, including Bellatier (Belgium), Muller Alps (Swiss), Bon Chocolat (French), MoroMoro (Japan), Sirimantra (Thailand), and Coco-Lah (Singapore).

*Pleasure* offers a wide range of chocolate flavours and designs in Vietnam. Some of the most popular products are ‘Pralines’ with different flavours including Butter Cream, Caramel, Dark Chocolate, White Chocolate, Milk Chocolate, Walnut, Almond, Liqueur, Fruity, and Sugar-Free. Prices vary based on coco content with Dark chocolate being the most expensive. The other famous range is ‘Truffles’ which has flavours of Café, Dark Chocolate, White Chocolate, Milk Chocolate, Liqueur, Cherry, Orange, Mint, and Assorted. The truffles line is the most expensive due to the cost of the raw materials. The ‘Pralines’ and ‘Truffles’ are fresh chocolates that are produced daily and must be consumed within a week. *Pleasure* also offers Chocolate blocks and tablets.

The packaging of *Pleasure* Chocolate has a special design using gold and black colours. The designed packages have a range of 9, 16 or 24 pieces for individuals and up to 24 pieces for families in which customers can choose any kind of chocolate. During Christmas season, *Pleasure* also offers varieties of Christmas gift sets in gold box with green and red ribbons. The business gift sets are becoming more and more popular for business gift giving at Christmas. The details are shown in Table below:

Table 1: Pleasure prices for gift packages compare with competitors

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Price** | | |
| **Chocolatier** | 9 pieces | 16 pieces | 24 pieces |
| Ballatier | 90,000 vnd | 160,000 vnd | 240,000 vnd |
| Muller Alps | 90,000 vnd | 160,000 vnd | 240,000 vnd |
| Bon Chocolat | 80,000 vnd | 140,000 vnd | 230,000 vnd |
| Pleasure | 75,000 vnd | 135,000 vnd | 230,000 vnd |
| MoroMoro | 75,000 vnd | 130,000 vnd | 220,000 vnd |
| Sirimantra | 69,000 vnd | 119,000 vnd | 199,000 vnd |
| Coco-Lah | 60,000 vnd | 100,000 vnd | 180,000 vnd |

**Case Study Questions**

1. a) Identify one type of pricing strategy is currently used by Pleasure in the case.

b) Explain the strategy identified above and illustrate how it was being used

1. Recommend suitable pricing strategies to increase sales of their products during the Christmas period in 2017. Illustrate clearly what you will do and what the price will be.