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# Company Summary

## Brief introduction of the business

Bake-Off DK, established in 2022, was founded to meet the growing Danish market demand for convenient, high-quality baked goods. The enterprise supplies ready-to-bake products to retailers and foodservice providers, streamlining their operations. Transitioning to its operational structure, the company is organized to efficiently deliver these products.

# Legal structure and financial funding, business sector and its characteristics

Operating as a private limited company, the firm is funded by initial own financing and ongoing sales revenue. The organization functions within the fast-moving consumer goods (FMCG) sector, specifically food products, an industry characterized by high sales volumes and the need for efficient distribution, where quality and convenience are key.

## Mission and company objectives

The company's mission is to become a market leader in sustainable, innovative bake-off solutions by combining traditional craftsmanship with modern efficiency. Key objectives include expanding its Danish market presence, consistently delivering superior and convenient products, and championing sustainability and innovation.

## Customer segment summary

The primary customer base consists of business-to-business clients, notably retailers such as medium to large retail chains, cafes, restaurants, and smaller bakeries. These clients value quality, convenience, and product consistency, often finding on-site baking complex and resource-intensive. They prefer ready-to-bake alternatives to alleviate these burdens.

The organization's value propositions directly address these needs by simplifying baking processes, ensuring quality, saving time, and reducing effort for its customers to offer freshly baked goods.

## Products and services overview

The firm offers an extensive assortment of frozen, ready-to-bake bakery items, including various breads, rolls, and pastries. These products provide convenient solutions for retailers, cafes, and catering businesses, enabling them to offer freshly baked goods with minimal preparation. Efficient delivery to businesses enhances this convenience, directly supporting the value propositions of operational simplification, quality assurance, time savings, and reduced preparatory effort.

## Organizational characteristics

The organization is characterized by its B2B focus, commitment to innovation, and dedication to quality and operational efficiency. The leadership team is a key strength. CEO and founder Mikkel Sørensen (MSc International Business, 10+ years food retail/bakery distribution experience) guides business development, supply chain, and retail strategy. Head of Production and co-founder Louise Holm (MSc Food Science & Technology, 8 years bakery R&D experience) oversees product development, quality assurance, and production technologies. This leadership provides a strong combination of strategic business acumen and specialized technical knowledge in food production.

# Product/Service Design

## Product/Service description in detail

Bake-Off DK provides a comprehensive array of frozen, ready-to-bake bakery products, encompassing a variety of bread, rolls, and pastries. This specialized offering, concentrated within a single product category, is managed through a centralized operational model, which facilitates the efficient delivery of these convenient solutions directly to retailers, cafes, and catering businesses. The core purpose of the firm's service is to empower these businesses to offer freshly baked goods with minimal preparation time, thereby addressing significant operational challenges. Many establishments struggle with the complexities of in-house baking, including the need for specialized expertise, the lengthy preparation processes, and the pervasive issue of food waste. The organization's ready-to-bake products directly tackle these problems by ensuring consistent quality and significantly reducing operational complexity. This approach not only simplifies the daily routines of its clients but also enhances their customers' satisfaction by providing high-quality baked items with minimal effort. The value delivered by the enterprise is clear: it simplifies processes, guarantees quality, saves valuable time, and reduces the overall effort required for businesses to present a fresh bakery offering.

## Key features and functionalities

The product strategy of the business is characterized by a focused approach, offering a deliberately limited selection of items. This allows the company to specialize and efficiently manage the production and distribution of large quantities for these select products, ensuring a high degree of market coverage within its chosen niches. While it is possible for customers to switch to similar products from other companies, such a transition typically requires a notable effort, suggesting a level of customer loyalty fostered by the firm's value proposition.

The enterprise distinguishes itself in the competitive landscape through several key parameters. A primary strength is the exceptional convenience offered to customers, streamlining their ability to provide fresh baked goods. This is complemented by fast execution, ensuring prompt delivery from the moment an order is placed. Furthermore, the solutions provided contribute to reducing customers' operational costs, a significant benefit for businesses managing tight margins. The products themselves are designed for ease of use, meaning they can be prepared successfully regardless of the company's direct assistance or the user's baking skill level. Product availability is another cornerstone of the firm's competitive edge, making its offerings easy to acquire across its service areas. In terms of pricing, the company positions its products similarly to those of its competitors, choosing to compete on the basis of convenience, speed, cost reduction for the customer, ease of use, and reliable availability rather than engaging in price-based competition.

# Market Analysis

## Industry/Sector Introduction

The enterprise operates within the dynamic fast-moving consumer goods (FMCG) sector, with a specific concentration on food products. This industry is characterized by high sales volumes and the critical need for efficient distribution networks, where attributes such as quality and convenience are paramount for success. Within this broad market, the business has strategically chosen to focus its efforts on a niche market, allowing for specialized service and product offerings tailored to specific customer needs.

## Target Markets/Countries

The organization's primary geographical focus is currently centered on Denmark. This strategic orientation aligns with its founding mission to address the growing demand within the Danish market for high-quality, convenient baked goods. A key objective for the firm is to continue expanding its presence and market share throughout Denmark, capitalizing on the identified needs of Danish businesses for efficient bakery solutions.

## Market Intensity and Competition

The segment in which the company operates is marked by high competition intensity. Several established players contend for market share, including notable competitors such as Bageriet Hobrovej, Bagermesteren, and Bake-In Inc. This competitive environment underscores the importance of the firm's strategic differentiators and its ambition to secure a leading position by offering superior value to its clientele.

## In-depth Customer Analysis

The core customer base for Bake-Off DK consists of business-to-business clients, primarily retailers. This segment encompasses a range of establishments, from medium to large retail chains that cater to everyday consumers, to cafes, restaurants, and smaller independent bakeries. These commercial customers consistently prioritize quality, convenience, and product consistency in their bakery offerings. Many find traditional on-site baking to be complex, resource-intensive, and prone to issues like long preparation times and food waste, leading them to prefer ready-to-bake alternatives. The enterprise directly addresses these challenges by providing ready-to-bake products that ensure consistent quality, significantly reduce operational complexity, and enhance end-customer satisfaction with minimal preparatory effort. The value propositions delivered by the organization are clear: simplification of baking processes, assurance of high quality, substantial time savings, and a reduction in the overall effort required for clients to present a fresh bakery selection.

## Competitive Positioning

In terms of market positioning, the company prices its products similarly to those of its competitors, choosing to differentiate itself based on value rather than engaging in price wars. The firm's competitive strength is built upon several key parameters where it excels. These include offering unparalleled convenience to its customers and ensuring fast execution from order placement to delivery. Furthermore, the solutions provided by the business contribute to reducing its customers' operational costs and are designed for ease of use, allowing for successful preparation regardless of in-house baking expertise. Product availability is another cornerstone of its competitive edge, ensuring that its offerings are easy to acquire. This strategic focus is supported by a product strategy centered on a deliberately limited selection of items, enabling specialization and efficient management of production and distribution for these core products. This approach, combined with the significant effort typically required for customers to switch to alternative suppliers, fosters a notable degree of customer loyalty.

# Marketing Strategy

## Distribution and Customer Engagement

The organization leverages a multi-faceted approach to distribute its ready-to-bake bakery products and engage with its target audience of retailers. Distribution is primarily managed through its own website and direct outreach efforts, including a dedicated sales team and targeted marketing channels. These direct channels are supplemented by referrals from other companies and the valuable impact of personal recommendations, or word-of-mouth, which speaks to the satisfaction of existing clients. Customer engagement is facilitated through a blended model. While online communities are not currently a significant factor for information exchange or problem-solving within this customer segment, the firm does offer self-service options in some cases, allowing customers a degree of autonomy. This is complemented by a degree of personal assistance, primarily through a customer service department, indicating a commitment to supporting clients when needed. This combination ensures that medium to large retail chains, cafes, restaurants, and smaller bakeries can easily access the enterprise's products and receive support, aligning with their need for convenience and operational simplicity.

## Revenue Model

The firm's revenue model is centered on direct income from its customer segment, which consists of approximately 3000 retailers. Revenue is generated through one-time payments for products, specifically through cash payments, which can include invoices for the ownership or consumption of the bakery items. The primary income stream is characterized by additional sales or sales of complementary products or services, often achieved with a high degree of coverage stemming from the sale of an initial free or low-cost product or service, suggesting a strategy to broaden the customer relationship over time. The pricing strategy involves fixed prices for its product range. These fixed prices are determined based on the type and characteristics of the specific customer group, allowing for tailored pricing that reflects the value delivered to different types of retailers. When comparing its pricing to competitors, the organization maintains a similar price point. This indicates a strategic decision to compete on factors other than price, such as the convenience and quality it offers. Furthermore, the price of a package solution is the same as buying the individual components, simplifying the purchasing decision for customers.

## Customer Relationship Management

The enterprise fosters regular customer relationships, indicating a consistent and ongoing interaction with its client base. While customers do not participate in the development process of the product or service, and the company does not currently offer after-sale purchases, the provision of somewhat personal assistance through its customer service department helps maintain these connections. The nature of the product, being a ready-to-bake solution, inherently reduces the need for extensive after-sale support, but the availability of assistance addresses any queries or issues that may arise. The fact that switching to a competitor's similar products typically requires a notable effort from the customer suggests a degree of "stickiness" or loyalty, likely stemming from the convenience, quality, and operational benefits the firm provides. This inherent switching cost, coupled with regular interaction, forms the foundation of its customer relationship management approach, aiming to build trust and lasting partnerships.

## Market Positioning

The organization positions itself strategically within the competitive FMCG food sector by focusing on the specific needs of its target customer segment: retailers who value quality, convenience, and product consistency. These medium to large retail chains, cafes, restaurants, and smaller bakeries seek to offer fresh bakery goods without the complexities of in-house production. The firm's value propositions directly address these needs by simplifying operations, ensuring

consistent quality, saving time, and reducing effort. Competitively, the enterprise excels in several key areas despite having prices similar to its competitors. These differentiators include superior convenience for the customer, fast execution from order to delivery, and a tangible reduction in the customer's operational costs. Furthermore, the ease of use of its ready-to-bake products, requiring no specialized in-house expertise, and high product availability, making them easy to acquire, are significant advantages. This positioning allows the business to build strong relationships with its high purchasing power customer base by delivering reliable, high-quality solutions that streamline their operations and enhance their own customers' satisfaction.

# Operating Strategy

## Key Operational Activities

The organization's operational strategy focuses on delivering customer value through efficient in-house production of physical baked products, proactive sales, and robust customer relationship management. These core activities are supported by internal management of administration, finance, strategic control, partnership development, and human resources. To enhance focus, IT management and marketing are outsourced. Operational success relies on key material resources like the manufacturing facilities, inventory, and logistic infrastructure, alongside intangible assets such as brand reputation, customer relations, and skilled human resources. This integrated system ensures streamlined processes for its specialized ready-to-bake goods, guaranteeing quality and timely B2B delivery.

## Strategic Partnerships

The firm leverages strategic alliances with marketing, sales, and research and development partners to bolster its market presence and operational capacity. These collaborations provide access to vital market intelligence, R&D insights, legislative updates, and specialized customer segments. While maintaining core operational control, the enterprise acknowledges a somewhat dependent relationship on these partners, recognizing their role in its growth, innovation, and competitive navigation. Outsourcing marketing, for example, directly utilizes the expertise of these partners.

## Cost Structure and Resources

The most significant operational costs for the business are concentrated in its production department, sales department, and activities related to building and maintaining customer relationships. Production expenses stem from manufacturing facilities, raw material procurement for inventory, and logistic infrastructure. Sales costs cover the sales team and outreach, while customer relationship efforts involve investment in service and engagement. These expenditures are directly tied to essential material resources like production facilities, inventory, and logistics, and intangible resources such as brand equity, customer relations, and human capital, all requiring ongoing investment to sustain their value and support the company's market competitiveness.

## Team and Organization

The enterprise's leadership, a key operational strength, comprises its co-founders. CEO Mikkel Sørensen (MSc International Business, 10+ years food retail/bakery distribution) directs business development, supply chain management, and retail strategy. Head of Production Louise Holm (MSc Food Science & Technology, 8 years bakery R&D) manages product development, quality assurance, and production technologies. This leadership combines strategic business acumen with technical food production expertise, enabling the firm to deliver innovative, high-quality bake-off solutions. The internal team also handles administration, finance, partnerships, and human resources, ensuring comprehensive operational capability.

# Financial Plan

## Financial background and current capital structure

Bake-Off DK's financial foundation is built upon initial own financing and ongoing revenue generated from sales. Since its inception in 2022, this self-funded approach has supported the enterprise's operations in the Danish market, enabling the supply of high-quality, ready-to-bake products to its B2B clientele. This financial strategy has allowed the firm to meet its operational needs and establish a reputation within the FMCG sector. The current capital structure, based on founder investment and reinvested profits, has supported initial growth and provides a base for future development.

## Capital needs and funding strategy

To fuel its next development stage and bolster its market position, the business seeks 200000kr in external funding. This capital is earmarked for critical operational and growth initiatives. A significant portion, 100000kr, is allocated to modernizing the production department with newer machinery. This will enhance production capacity, improve efficiency, and maintain high product quality, reflecting the firm's dedication to combining traditional methods with modern technology.

The remaining 100000kr will be strategically invested across several key areas. Funds will be used to upgrade IT software and hardware, optimizing internal processes for scalability. Employee bonuses will be provided to recognize and retain valuable talent, crucial for innovation and operational success. The balance will support PR and marketing campaigns aimed at increasing brand visibility, expanding Danish market share, and attracting new B2B customers. This funding strategy targets immediate operational improvements and establishes a foundation for sustained growth and profitability.