

**Team 8**

# Des Amis Pour La Vie



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International Retail Management

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Elettra Benzi, Clémence Bonnet,

MarcoCandido, Daria Kuznetsova. Edorado

Miglioli, Jouvence Rose Monteiro, Than

Thao Le Mai

# Executive Summary

## Introduction

Parents and caregivers are faced with a wide choice of important decisions for their kids every day. Health and well-being are the priority. Despite progress in recent years, toys containing potential hazards that pose a health risk to children continue to make it onto store shelves. *“Des Amis Pour la Vie” will become your new green toys shop!* We provide safe, durable, green and appropriate toys to help making the right decisions when choosing gifts to children. We even make sure they're getting proper socialization to enable the formation of healthy relationships throughout their life.

## Market

Discussing the possibility to implement this creative and beneficial concept, The PESTEL analysis has shown that toy market is favorable for new green initiatives due to several reasons. The government is supportive of such initiatives. Moreover, the toy market has a positive dynamics, especially for construction and artistic toys. Parents are willing to invest in sustainable toys. Thus, abiding by the strict legal norms regarding toys and green labels and keeping up with the innovation demands will be key to our success.

Having several competitors online and offline, we see the competitive environment as neither favourable nor bad. Five Forces Analysis suggest that we will need to differentiate our offer and become irreplaceable by making a unique selling proposition. This is possible because the powers of competitive rivalry, of substitution products and of buyers are medium; the power of suppliers is low; and the new entry threat is high.

## Customer

Our targeted public is comprised of women between 25 and 46 years and men between 28 and 49 years. The ages are approximated based on the analysis of European families and the fact that we are serving children from 3 to 12 years old. This implies double positioning of our store since we are addressing the needs of both parents and kids.

Based on Stimulus, Affiliation and Identification theories, we can point out the characteristics and motivation of our shoppers. Adults want to buy healthy, sustainable toys. They are also looking for new, non-traditional, educational and rewarding ways to engage their children. At the same time, kids are looking for fun and “out of the box” ways to spend time. Both are recreational shoppers since the experience that we offer requires time. But it also rewards the investment by providing unforgettable and long life memories.

## Products and Services

In order to satisfy needs of our shoppers, *“Des Amis Pour la Vie”* assortment is going to comprise customized toys that kids can assemble both in-store and at home. The categories presented in the store will include building blocks (40% of the assortment – from 20€ to 100€), puzzles (10% of the assortment - from 10€ to 100€), dolls (20% of the assortment - from 15€ to 60€) and spare materials (30% of the assortment). The store does not offer a high breadth of toys emphasizing the depth more. The division will be made based on the age of the kids. Moreover,

we are also going to enhance the experience of shoppers with some additional services. The latter include an interactive and flexible playground that kids can use at the working hours of the store. In order to diversify, we also suggest scheduled workshops, cooperation with schools. The concept of the store is going to be represented by the materials used for the products, in the store itself and its location. Toys must be produced in the European Union, with green material. The producer must have a philosophy that can be identified as consistent with the one of “*Des Amis Pour La Vie*”, which is based on sustainability and eco-friendliness. The flagship store is going to be located in the 3<sup>rd</sup> Arrondissement of Lyon based on the income, families and environmental analysis.

### **Promotion**

In order to facilitate shoppers’ cognitive process of brand retrieval, our mascot is going to be the RED PANDA. This is a favourite animal of children in the park Tete D’Or close to our point of sale. The logo of our store is composed by two main parts: the red panda and the name of the store to convey our message of a playful, safe and green environment.

The launching event to promote the brand will take place in this park and emphasize the values of the store. This will be achieved through bringing parents and kids together and engaging them through a workshop. The following opening event will bring people already to the store.

Additionally, the communication about the store will be conducted both offline and online through such tools as distribution of flyers, web-site, Facebook, Twitter and Instagram accounts.

### **Financial Considerations**

The feasibility of the ideas that we have is presented in the appendixes. Having discovered the average spending per child and the amount of children in the area, we have derived a formula to approximate our revenues. In short, we are going to be profitable from the third year. The estimated growth rate is approximated to be 53.6% in the first year after the opening event. This will be achieved through increasing the volume of sales, introducing a new product category; better category management; more services, and also improving our relationship with the manufacturers.

### **Future Development**

The first two years will be devoted to creating and managing a good customer base that will be one of our main sources of promotion. From the third year we will broaden the toy assortment, still concentrating on our drivers and values. If the format of the store is successful, we are planning to enlarge in 5-10 years and open more stores in other critical areas in Lyon.

We will also develop a new part of our website in order to promote the brand, the product offer and the workshops. An e-commerce page will be created. In order for the e-shop to be effective we will also have to develop an integrated web marketing strategy including social media, email, and display advertising.