

TRADITIONTASTE

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REVIEW

Abstract

This study explores the internationalization strategy of hypotetique company called TraditionTaste, a SME specializing in gastronomic tours, gourmet subscription boxes, and premium culinary experiences. The primary motivation for international expansion includes accessing larger markets, leveraging unique product offerings, and achieving revenue growth. Additionally, internal stimuli such as excess capacity of resources, economies of scale, and technological advantages drive the internationalization effort. External factors, including declining home market growth and opportunities in international markets, also play a significant role.

The research outlines the company's strategic objectives, including market expansion, revenue growth, and enhanced brand recognition. Key performance indicators (KPIs) such as market penetration, revenue increase, and brand awareness are identified to measure success. The company plans to undertake market research, develop robust market entry strategies, adapt products to meet local preferences, establish strategic partnerships, and implement targeted marketing initiatives.

The analysis examines internal strengths, such as unique products and brand loyalty, alongside external opportunities like global culinary tourism interest and e-commerce expansion. Risks include market competition, regulatory challenges, and economic instability, with proposed countermeasures. Financial considerations cover technology adaptation costs, resource allocation, communication strategies, and related expenses.

In conclusion, the internationalization of TraditionTaste presents significant opportunities for revenue growth and brand enhancement. By leveraging its unique products and strategic planning, the company aims to successfully navigate the competitive and regulatory landscapes of new international markets, ultimately achieving its expansion objectives. This study provides a comprehensive overview of the motivations, strategies, and potential outcomes for TraditionTaste's internationalization efforts.

Keywords: Geographic Indication (GI) products, Internationalization, SWOT Analysis, Gastronomic Tours, Porter's Five Forces model

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customers and celebrate the diversity of global food traditions.

INTRODUCTION

In an era where global cuisine often overshadows local culinary traditions, TraditionTaste seeks to reignite the appreciation for traditional foods by offering gastronomic boxes filled with high-quality ingredients, including Geographic Indication (GI) products. Our mission is to bridge the gap between local food heritage and contemporary cooking enthusiasts, ensuring that the rich flavors and stories of traditional dishes are preserved and celebrated. By bringing these authentic and culturally significant foods to the forefront, we aim to enrich the culinary experiences of our

The drive behind Tradition Taste's venture into the market stems from a combination of internal and external stimuli, as well as other compelling reasons. Internally, we are motivated by the excess capacity of resources, including surplus production capacity and a wealth of skilled labor, which we aim to maximize efficiently by catering to a niche market that values high-quality, traditional ingredients. By entering a larger market, we can achieve economies of scale, spreading our fixed costs over a greater volume, reducing average costs per unit, and boosting profitability. Our offering is distinct, focusing on traditional foods prepared with top-tier ingredients, providing us

a competitive edge in both domestic and international markets. Additionally, by leveraging advanced food preservation and packaging technologies, TraditionTaste ensures that our gastronomic boxes maintain the highest quality standards, offering a superior product to our customers. This technological advantage allows us to deliver fresh and authentic flavors that are true to their origins.

Externally, we are driven by the challenges and opportunities in our current markets. As local markets face saturation and decline, expanding into international arenas offers new growth opportunities, allowing us to diversify our revenue streams and reduce market dependence. The global market presents untapped segments with a growing demand for authentic, traditional foods. We aim to capture this demand, broadening our customer base and enhancing profitability. Other motivations include the ambition of our visionary leadership team, which aspires to make a significant mark on the global culinary landscape, showcasing our commitment to quality and tradition. Established relationships with international partners, suppliers, and customers provide us with valuable insights and support, facilitating smoother market entry and operations. By operating in multiple markets, we mitigate the risks associated with economic fluctuations, political instability, and regulatory changes in any single region. This strategic approach ensures our resilience and adaptability in a dynamic global marketplace.

TraditionTaste aims to address a notable market gap by being the premier provider of Gastronomic boxes that emphasize high-quality, and GI-certified ingredients and a focus on traditional cuisine. Our objectives include filling the market gap as the only company offering a curated selection of traditional foods with premium ingredients, meeting the demand for authenticity and quality in home cooking. By focusing on traditional recipes and ingredients, we aim to preserve and promote culinary heritage, making it accessible to everyone. Offering a unique culinary journey through our high-quality products, we strive to provide an exceptional customer experience that fosters a deep appreciation for traditional foods. Through TraditionTaste, we aim to not only cater to the culinary needs of our customers but also to foster a deeper connection to the rich and diverse food traditions from around the world.

Our commitment to excellence and authenticity in every box ensures that the legacy of traditional cuisine continues to thrive in contemporary kitchens, bringing joy and cultural enrichment to households everywhere.

MATERIAL AND METHOD

TraditionTaste is a company based in France specialising in gastronomy and culinary tourism. TraditionTaste offers culinary box subscriptions, gastronomic tours and premium subscriptions to unique culinary experiences.

TasteTradition is currently exporting its culinary boxes featuring local French products, differentiated by their superior quality (GI product) and a market segmentation targeting international gourmets (Haag, 2013). Gastronomic tours and premium subscriptions, with a differentiation based on an authentic and immersive culinary experience, will also be exported.

New products and services will be developed, such as digital culinary experiences and international collaborations with renowned chefs and food influencers. In order to adapt to foreign markets, targeted marketing will be adopted to reach specific market segments. TraditionTaste will adopt face-to-face communication, electronic media, and written methods to reach and engage their target audience.

TraditionTaste will participate in events such as product launches, trade shows, and networking events to increase visibility and establish strategic partnerships.

Internationalisation will be achieved through the study of TraditionTaste's internal and external drivers, including excess resource capacity, economies of scale, technological advantages, and opportunities in international markets (Grönroos, 1999).

The SWOT analysis will be used to assess internal strengths (unique products, advanced technology), internal weaknesses (lack of resources to adapt), external opportunities (growing markets), and external threats (intense competition) (Samejima et al., 2006).

Using Porter's Five Forces model to analyse competitiveness in international markets, including rivalry between existing competitors, the power of suppliers, the power of buyers, the threat of substitutes, and the threat of new entrants will be important in analysing the viability of TraditionTaste's internationalisation project (Oraman et al., 2011).

RESULTS AND DISCUSSIONS

1. Internationalisation

TraditionTaste aims to penetrate new markets each year to compensate for the stagnation of the domestic market (France), and thus take advantage of international opportunities and diversify risks. Expectations for this strategy include a 20% increase in sales

in the first two years and the establishment of key partnerships (Pereira, 2023).

The main challenges of internationalisation include cultural barriers to marketing communications, the need for regulatory and legal adaptations which will generate additional costs, and the management of international logistics given the sensitivity of certain foods in gourmet boxes (Tan, 2021).

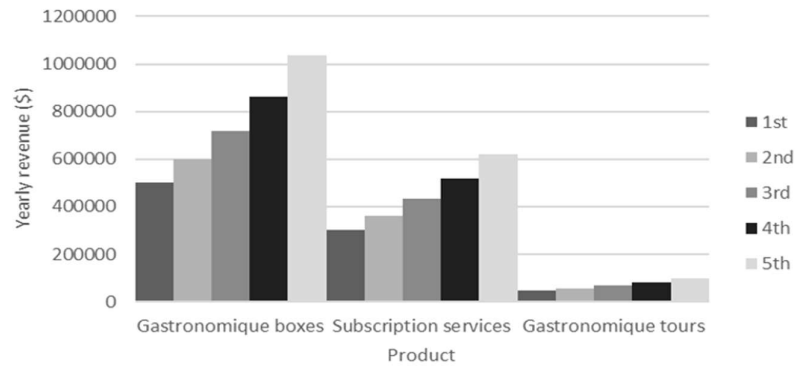


Figure 1 Revenues for the first 5 years of TraditionTaste

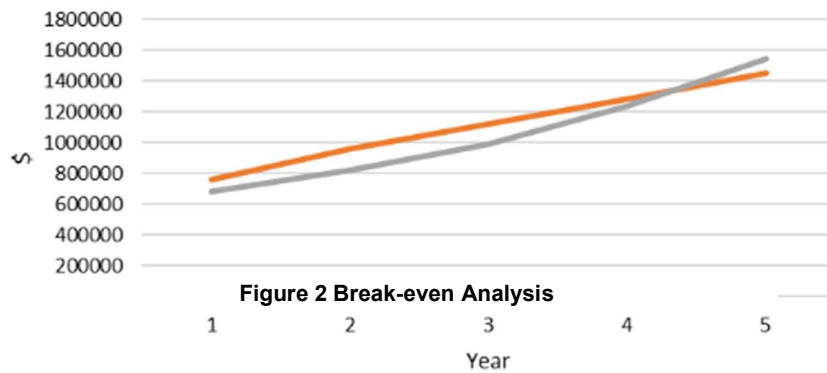


Figure 2 Break-even Analysis

2. SWOT ANALYSIS

Table 1 SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Unique product: TraditionTaste offers high-quality gourmet products that stand out for their authenticity and regional origin (GI product). • Advanced Technology: Using cutting-edge technologies and investing in research and innovation in packaging and distribution. • Established Network: A solid network of suppliers and local partners for GI products. 	<ul style="list-style-type: none"> • Ressources Financières Limitées : Financements insuffisants pour une expansion massive sans soutien externe. • Capacité de Production : Limitations dans l'augmentation rapide de la production pour répondre à une demande accrue.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Growing international markets: Increasing demand for authentic gastronomic products (GI) in emerging markets. • Strategic partnerships: Opportunities to work with international distributors and retailers to facilitate logistics. 	<ul style="list-style-type: none"> • Intense competition: Presence of well-established competitors with similar products and the opportunity to launch into this gourmet box niche (Hello Fresh, Blue Apron). • Regulations: Food and customs regulations vary from country to country, which will make access to this new market more difficult and time-consuming.

Source: (The Strategy Story, N.D)

3. Porter's Five Forces model

TraditionTaste has a diversified network of suppliers, reducing the risk of over-dependence on a single supplier. However, some key ingredients remain critical and subject to price variations as producers of GI-certified products are limited.

However, diversifying the sources of supply of standard products and negotiating long-term contracts with producers of GI products would make it possible to ensure a certain sustainability of production.

Variety in the products offered to customers, ranging from direct consumers of gourmet boxes to gourmet allists, allowing diversification of the customer base and redirection of certain consumers through exclusive offers.

Building customer loyalty through loyalty programmes and exclusive offers can help to dilute their bargaining power.

The threat is moderate because of the uniqueness of TraditionTaste's products but remains present because of the ease with which potential competitors can enter the niche dedicated to gastronomy (City University of Hong Kong, 2022).

Strengthen the brand image and unique value proposition in correlation with the values of the unique products of the terroir such as family history, the transmission of knowledge and value linked to sustainability and fair trade.

The barriers to entry in the niche market in which TraditionTaste operates are high due to the need for quality certification and complex, established distribution networks.

Constant innovation in transport conditions, packaging and product quality is necessary to deter new entrants to the market.

CONCLUSIONS

TraditionTaste has laid a solid foundation for international expansion by defining strategic objectives, identifying key performance indicators (KPIs), and conducting thorough internal and external analyses. The goals include market expansion, revenue growth, and enhanced brand recognition. However, as these strategies are yet to be implemented, their success remains to be seen and will depend on effective execution and navigating the complex international landscape.

Several significant limitations must be acknowledged. Regulatory and legal challenges across different countries can be complex and resource-intensive, posing compliance challenges and increasing operational costs. Ensuring the freshness and quality of ingredients during international shipping is a substantial hurdle, requiring advanced preservation technologies and reliable logistics partners. Additionally, effectively communicating TraditionTaste's value proposition and differentiating the brand in

diverse markets may require significant localization efforts. Financial constraints may restrict the scale and speed of expansion without substantial external support. Furthermore, well-established competitors in the international market, such as Hello Fresh and Blue Apron, pose a risk.

To mitigate these limitations, several recommendations are proposed. Establishing a dedicated team or engaging local consultants for regulatory compliance can prevent costly delays. Investing in advanced food preservation technologies and building strategic partnerships with reliable logistics providers will help maintain product quality. Developing a deep understanding of each target market's cultural nuances and tailoring marketing campaigns accordingly is essential. Securing additional funding through investors, grants, or partnerships will support scaling operations. Differentiating TraditionTaste by emphasizing high-quality, GI-certified ingredients and the associated cultural heritage can create a distinct market position. Continuous innovation in product development, packaging, and marketing strategies will help maintain a competitive edge.

By addressing these recommendations, TraditionTaste can enhance its potential for successful international expansion, ultimately achieving its growth and brand recognition objectives in the global marketplace.

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