

Menehune Mac

Marketing Plan

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I. EXECUTIVE SUMMARY

Menehune Mac is a chocolate covered macadamia nut producing company, currently located at 707-A Waiakamilo Road, across the street from both the Dillingham Shopping Plaza, as well as residential housing in the Kapalama area. This location is not only Menehune Mac's chief manufacturing plant, but also includes a store, which sells both manufactured products and merchandise purchased from other local vendors. In addition to the traditional chocolate covered macadamia nuts, Menehune Mac also offers candy covered macadamia nuts; exotic Hawaiian sauces, spices, dressings, salts, and jams; souvenir items such as charms and key chains; gourmet snacks including trail mix and cookies; tea and coffee choices; and gift baskets.

Mr. Neal Arakaki has been president of Menehune Mac since it was bought back in July 2001. Menehune Mac had been selling its manufactured products to retail stores around the island, but found that this method was unable to provide the profit needed in order to continue production. Minimizing sales to these retail stores, Menehune Mac's current sales come from Japanese tourists. Since the events of September 11, 2001, however, sales have severely decreased. Aware of this continual decline in sales, Menehune Mac is now focused on creating a greater local image to appeal to customers living in Hawaii.

The basic marketing problem facing Menehune Mac is: **How can Menehune Mac increase local retail sales and, in turn, the margins of Menehune Mac's products?** Consequently, Menehune Mac's marketing objectives are to increase the number of local retail customers by: 1) increasing monthly customers at the Kapalama Factory by 8% from 500 customers to 540 customers, 2) establishing other non-seasonal

distribution points, and 3) repositioning the Menehune Mac brand name and its products to achieve a significant increase in customer awareness and profit margins.

TipTop Marketing has developed a marketing plan to research and develop marketing strategies that will address Menehune Mac's basic marketing problem.

Working with management, we have developed the following marketing strategies:

- Promote products to connote a more premium and elegant image
- Explore methods that allow for more efficient and effective distribution points
- Create sales promotional opportunities for new and repeat customers

II. MARKETING RESEARCH ANALYSIS

A. Marketing Environment

i. Demographics

Customers of different characteristics visit Menehune Mac's only year round retail store. Based on our surveys, Menehune Mac customers include those of different genders, ethnic backgrounds, and usually range from people in their late twenties and up. These customers are aware of how much they spend. Usually, customers expect to spend around the range of \$0 - \$10.00. These customers come from all around Oahu. Although various Japanese tourist groups occasionally find themselves at the Kapalama Menehune Mac store, we are excluding them from our demographics as our marketing plan will focus on increasing sales from local retail customers.

ii. Economic Environment

The Hawaiian economy is currently in one of the most serious recessions it has every faced. February unemployment numbers indicate a workforce that is 6.5 percent

unemployed. A significant reason for this is the continued problems of the US economy due to the economic fallout from the crisis in the country's financial systems. In times such as these, people's confidence is low, consumer spending slows down and saving rates goes up. Consequently, suppliers or businesses produce less and curtail future investments and activities. Unfortunately, that may mean the need for fewer employees.

With this lack of confidence and spending, one of the most significantly affected areas is the tourism industry. Hawaii has suffered a 10.1 percent decrease in visitors in 2008 of 6.8 million. Forecasts for 2009 are more dismal with hotel occupancies dropping to 30 year lows. A drop in tourism equates to a drop in Hawaiian GDP. It's projected that such a state of affairs may not change until some time in mid to late 2010. All businesses in Hawaii, including Menehune Mac, will have to withstand this financial turmoil and use all of its wits to survive. (Pacific Business News, 2009)

iii. Natural Environment

Menehune Mac's Factory, as well as the main store, is located on 707-A Waiakamilo Road Honolulu, Hawaii 96817. (*Refer to Appendix D for street location.*) It is situated across the street from the Dillingham Shopping Plaza, more toward the residential areas of Waiakamilo Road. Though this is considered Menehune Mac's main location, seasonal stores are also opened in both Kahala Mall and Windward Mall. The entire Menehune Mac building is 35,000 square feet, not including the many parking spaces in front of the building itself. (*See Appendix D for building and surrounding location pictures.*)

Menehune Mac, five years from the expiration of its fixed lease fee from the Bishop Estate, fears a steep rise in their rent as the economy continues its downward spiral.

iv. Technological Environment

As one of the first chocolate candy companies in Hawaii, Menehune Mac has created many of the innovations now found in the macadamia nut candy business. In order to make its specialized, hand-made candies, it requires much equipment that is technological in nature. Since chocolate is a key ingredient, most of the company's equipment revolves around handling the chocolate.

Menehune Mac requires many technological innovations to operate. Chocolate is melted in the primary chocolate melter, a double layered stainless steel 1 ton capacity melting tank. (*See Appendix D.*) The Tempering Tank, a smaller version of the primary chocolate melter, slowly cools the 120-degree chocolate down to 100-degrees. Worker stations are simple but delicate areas: a pipe that is controlled by a valve that allows chocolate to pour into unheated stainless steel bowls.

Menehune Mac also custom-built a 40-foot cooling tunnel with temperatures ranging between 42 to 62 degrees. Candy trays are packed in boxes and sent to be wrapped in special plastic film through special exported overwrap sealing machines. There is also a 65-degree storage room in which the plastic-covered boxes are kept to reinforce rigidity and strength to the chocolate, inside and out.

Aside from the machines specified for the chocolate-manufacturing process, Menehune Mac also possesses a professional oven and other baking appliances to make its baked goods (trail mix, cookies, etc.). The cashier and database computers are the main sales trackers.

v. Political Environment

Because Menehune Mac has high new product-feasibility capabilities, it is in constant registration of new patents and copyright laws.

Menehune Mac contracts wholesalers and outside stores to retail its hand-made merchandise. Likewise, it also works with other local companies and retails these local products at its Factory store. Japan is a very important market for Menehune Mac. It has special contracts and agreements with chocolate retailers in the Japanese market as well.

Being as a manufacturer in the food industry, health and safety inspections are regularly performed with the State's Department of Labor and Industrial Relations. In addition, Menehune Mac must comply with the Food and Drug Administration, found in the Code of Federal Regulations.

As with all Hawaii businesses, Menehune Mac must file general excise tax returns and income tax returns. Licenses pertaining to Menehune Mac are in constant update, including those dealing with its company website.

B. Consumer Market Analysis:

Chocolate confectionary, though a slow growing industry, continues to be one of high competition and innovation. Society will never grow tired of chocolate, as it serves as a quick morale-booster and versatile gift.

Chocolate and many of the snack products offered by Menehune Mac are considered for savoring rather than for hunger fulfillment. And because milk chocolates have reached such near-mundane levels, chocolate companies are scrambling to provide exciting new products for customers craving originality. These liberal buyers utilize the chocolate flavors of pineapple snow, Alani crème, Matcha Latte, and etc. offered by

Menehune Mac. Menehune Mac satisfies the savoring characteristics of its customers via providing samples of its products.

It is also difficult to locate chocolate that agree with health-conscious buyers. Menehune Mac is one of few chocolate companies that expound in this minute segment of the chocolate market. For example, special dark chocolate is used as sugar dose aids for a growing population of diabetics in Hawaii. In addition to health-conscious buyers, Menehune Mac chocolate are all made by hand, ensuring finite quality chocolate no other chocolate-macadamia nut confectioners specialize in presently, a lasting impression on chocolate connoisseurs.

Menehune Mac also capitalizes in the gift-feasibility of chocolate. More than 48 percent of our surveyors give chocolate macadamia nut products as gift items. For this reason, Menehune Mac provides personalized and appealing packages selected by individual customers. A Japan-based clientele is also a part of Menehune Mac's total target market. Japanese tourists who visit the Menehune Mac Factory Store are allowed tours of the factory. A large number of sales go towards omiyage, the Japanese culture of bringing back souvenir foods for family members back home.

C. Customer Profile:

Those who buy chocolate macadamia nuts generally purchase for one of two reasons: for personal consumption or for gift giving. However, surveys show that 48 percent of those who buy chocolate macadamia nuts buy to give as gifts. Buying habits do not vary between different age groups, ethnicities, and genders. When going into the Menehune Mac locations, consumers tend to look for quality and the right price, rather than just to buy according to brand, location, and convenience. They need to know

exactly what they're paying for and if the product is worth it. This need is satisfied, through Menehune Mac's renowned method of providing samples of its various products.

Of the many macadamia nut purchasers, 76 percent of customers usually purchase for gift giving around the October to December season. The purpose of these customers is to satisfy their need to provide a feasible gift for another. These people walk into Menehune Mac's stores, unaware of the different products offered. Due to this unfamiliarity, Menehune Mac customers tend to purchase only the chocolate and/or dark chocolate covered macadamia nut products. With so many flavors to choose from, customers become weary of what to purchase, because they want the gift receiver to enjoy the treat. Also, a budget is constantly hanging in their minds. Though open to spending more than usual, they're still aware of the amount being spent. Thus, the idea of 'who doesn't like chocolate?' drives these customers to head straight for the chocolate macadamia nut locations. This, however, is the perfect time for employees to offer suggestions on what to purchase.

There is, in fact, a disparity between those who purchase for gift giving and personal consumption. These consumers need to satisfy their need for a snack crave. Macadamia nut consumers, tend to be more avid about trying new products. They also know exactly what they want to purchase and the price they want to spend. Thus, Menehune Mac's wide variety of prices and products, allows for customer satisfaction.

D. SWOT Analysis

i. External Opportunities

Many great opportunities can be pursued by Menehune Mac. It has the ability to come up with unique confections and products, as well as develop more effective packaging. And with these new products, it can also begin to target new markets.

Menehune Mac can also begin seeking more permanent locations in a variety of outlets. It can set up a venue in Pearlridge Center or Ala Moana Shopping Center. It can also make permanent kiosks in Kahala or Windward Mall, instead of just seasonal stores.

Also, as the Information Age begins to develop, Menehune Mac can begin capitalizing and improving its website. E-commerce continues to grow and if Menehune Mac can expand in new distribution methods via the Internet, it can have the potential to reach a greater market share.

ii. External Threats

The greatest threat to Menehune Mac, as of now, is other macadamia nut confectioners. These companies mass produce their products using automated machines resulting in cheaper products. Menehune Mac can barely compete with these companies on a pure price basis. And, as mentioned earlier, the current economic conditions in Hawaii does not bode well for a price competitive commodity.

The expiration of the Bishop Estate lease also continues to be a threat to Menehune Mac. As the lease draws to an end, Menehune Mac will have to relocate elsewhere or else will face a steep increase in rent. It is difficult to find a reasonably-priced location that will house a chocolate manufacturing factory in Hawaii. Not only that, relocation of large equipment will require large sums of money.

iii. Internal Strengths

Founded in 1939, Menehune Mac is the first ever chocolate macadamia nut confectioner in the nation. It is currently the only chocolate confectioner in Hawaii that has not undertaken a complete automated chocolate-making process. For 70 years, the chocolate-making process has been done by hand. Because they are done by hand, these

chocolates are of higher quality than the chocolate of most, if not all, the Hawaii-based chocolate confectioners. Moreover, Menehune Mac continuously strives to ensure premium products. Of the 17 chocolate macadamia nut candy confectioners in Hawaii, only three use 100% Hawaii-grown macadamia nuts. Menehune Mac is one of those three confectioners. The other 14 use all or some portion of Australian-grown macadamia nuts.

Being the oldest macadamia nut chocolate confectioner, Menehune Mac has extended its market base to include international economies. Menehune Mac was the first ever US chocolate exporter to China. Menehune Mac is also the second largest chocolate exporter to Japan under Hershey's.

Though the company itself is small, it is to Menehune Mac's advantage because smaller companies are able to introduce new products to the marketplace more rapidly than larger companies. In fact, Menehune Mac's product turn out rates occur in weeks rather than months. Menehune Mac also has long-time employees, many of them having worked there for the past 40 years.

iv. Internal Weaknesses

Despite Menehune Mac's celebrated quality, however, the company itself lacks in public awareness. In fact, 66 percent of surveyors have never purchased or heard of the Menehune Mac brand name before. Over the past few years, Menehune Mac has lacked in publicity and marketing – hardly having done any television, radio, or newspaper advertising. And if in fact, they have heard of it, these people are usually not aware of Menehune Mac's fine quality- partly because of its brand name (Menehune Mac); this name does not fully reflect the premium quality of its products.

The cost of Menehune Mac's product also is not enough to match manufacturing costs. Because these products are of premium quality, they require a great deal of manual labor and special equipment. However, competitors using automated processes for mass-production force Menehune Mac to lower its prices to levels that would not be enough to sustain a profitable business. As such, it is experiencing current cash constraints and in an unforgiving economic environment at that.

Menehune Mac has had distribution issues over past several years as well. It has been dependent on retailing at Longs Drugs and Costco but still remain in poor sales condition. It wants to transition into self-retail, not having to wholesale to other retail stores.

III. MARKETING PROBLEM

Menehune Mac faces many operating issues which include: an expiring ground lease with Bishop Estate relating to its Kapalama factory/retail site; the increasingly competitive environment within the Japan wholesale market; the higher cost of operations due its "hand-made" emphasis versus manufacturing automation; and the thin margins of local wholesaling to retailers such as Longs and ABC stores. In discussing these issues with the management of Mene Mac, we both decided that the focus of this marketing plan should be on the retail end. More specifically: **"How can we increase local retail sales and margins of Menehune Mac products?"**

As noted earlier, local retail sales are only currently made from the company's Kapalama Factory store and through seasonal stores in the Kahala Mall and Windward Mall. A significant consideration to increasing sales is having customers be much more

aware of the Menehune Mac brand name or any affiliated brand name. According to our surveys, only 32 percent were familiar with the Menehune Mac name.

IV. MARKETING OBJECTIVES

Our specific marketing objectives are to:

1. Increase the number of local retail customers by
 - a. Increasing monthly customers at the Kapalama Factory by 8% from 500 customers to 540 customers, and
 - b. Establishing other non-seasonal distribution points.
2. Reposition the Menehune Mac brand name and its products and achieve a significant increase in customer awareness and profit margins.

V. MARKETING STRATEGIES PROPOSAL

A. Products and Services

i. Research on Current Status:

Candy covered macadamia nuts and gourmet snacks are created, produced and sold by Menehune Mac. Assorted selections of chocolate-covered macadamia nut products include the flavors: regular milk chocolate, dark chocolate (including sugar-free), Pineapple Snow, Alani Orange Crème, Matcha Latte, Koko Mac and Strawberry Crème. In addition, certain chocolates are given the option of having macadamia nuts as wholes or halves.

Though chocolate-covered macadamias are the capitalized specialty, Menehune Mac's product mix also covers the extent of (1) exotic Hawaiian sauces, spices,

dressings, salts, and jams; (2) souvenir items such as charms and keychains; (3) gourmet snacks including trail mix and cookies; (4) tea and coffee choices; and (5) gift baskets (personal and corporate). Many of these products come in sugar-free options. (*See appendix D for some of the current products.*)

Menehune Mac also capitalizes on corporate gift baskets and product bundling. Large baskets, often in the seventy to hundred-dollar range can be ordered by corporate customers. They contain a gamut of products sold by Menehune Mac. Less popular than gift baskets are various bundled products offered at different parts of the year. The only current season that this bundling occurs most is during the Christmas season.

Services offered by Menehune Mac include packaging options, an ordering and shipping service, party favors, and gift cards. A logo and message can be chosen by the customer to be printed on the box packaging. Moreover, these Menehune Mac products can be ordered through phone, fax, or online. Customers can purchase these products at their convenience and it is shipped directly to friends, family, or themselves. Menehune Mac also makes specialized party favors for weddings, baptisms, birthdays, etc. Additionally, Menehune Mac also offers gift cards available for purchase.

ii. Product and Service Strategy Proposals:

Mainly, what we propose is to make Menehune Mac products appealing to customers. Most of the Menehune Mac products are bought to give away as gifts. We can target the gift-giving share of customers with a “premium candies” product line. To more budget-oriented clients, low-cost alternatives to already existing products such as variety boxes, Mini Boxes, and Mini Baskets be developed.

Many consumers are unaware of the great quality of hand-made Menehune Mac products. We suggest the development of a “premium candies” product line that will be marketed separately from Menehune Mac and known as *the* Hawaiian Candy. We plan on calling this product line “Kahala Chocolates” – a premium line of chocolate and tropical confections by Menehune Mac. Menehune Mac already markets tropical flavored candy-coated macadamia nuts such as Alani Crème and Pineapple Snow; however they lack the premium appeal to customers. The products to be sold in the premium candies line will require a more elegant packaging, in the form of a new box, as well as a name that reflects quality. In addition, these premium candies will be offered with or without macadamia nuts. (*See appendix E for proposed new box and name.*)

76 percent of surveyors said that they buy macadamia nut products the most during the October through December season, the gift-giving season. For sales to increase, we suggest that Menehune Mac begin capitalizing on gift baskets and product bundling. These are currently profitable venues, but have been dominated more by corporate customers. By bundling items and creating gift basket ideas that are appealing and affordable to the *ordinary* consumer, Menehune Mac can increase its sales. This allows Menehune Mac to stray away from only having high demand during the October to December season. People will not only buy these products for Christmas or Thanksgiving, but for birthdays, baptisms, weddings, or parties and other events that occur year round.

Menehune Mac can also offer the service of packaging customizations to the local population as well. Currently, customers can customize their own boxes and packages but at a minimum order of 24 boxes. We encourage Menehune Mac to capitalize on this

service to be available to the ordinary customer. A minimum of two to three boxes should be required making customers more apt to purchase customized packages that can be given during special occasions. Personalization should also expand to other products such as gift baskets and product bundles.

And furthering more into affordable products for the ordinary person, Menehune Mac can offer variety boxes, Mini Baskets and Mini Boxes. Variety boxes will include an assortment of different candy flavors that are either chosen by the customer or are already set by default. Mini Baskets are specifically designed for the common customer who would not be able to afford corporate gift baskets. These Mini Gift Baskets would also strategically contain products that are not as popular. Mini Boxes are small square boxes (as opposed to the standard rectangular chocolate boxes) containing fewer quantity of candy items, designed to be more affordable and gift-feasible. *(See appendix E for proposed variety boxes, Mini Baskets, and Mini Boxes.)*

B. Price

i. Research on Current Status:

Based on the three methods of pricing – by cost, competitors, and supply and demand – Menehune Mac is forced to follow the pricing of competitors. Due to the continuously low prices offered by competitors, Menehune Mac is forced to push its prices down as well. Thus, about 30 percent of customers feel that the prices at Menehune Mac are similar to that of other chocolate macadamia nut producing brands. This, with all the expenses for providing handmade confections with quality chocolate and macadamia nuts, forces Menehune Mac to only be able to make a 5 – 10 percent profit margin.

ii. Price Strategy Proposals:

According to our surveys, about 61 percent of chocolate macadamia nut customers believe that price is either very important or important, thus price markups on the current product line would not be an option, since Menehune Mac's prices are already considered high. However, we do suggest 1) creating premium pricing for the new premium product line, 2) bundling up products and 3) strategically pricing products at different future Menehune Mac locations.

Pricing for Godiva's chocolates depends on the number of assorted pieces in each box and usually range from \$13 8-piece assortments to \$70 36-piece assortments. There are currently 10 different types of premium candies to be sold under the Kahala Chocolates™ brand. Menehune Mac should sell 8-piece (priced at \$9.00), 18-piece (priced at \$19), and 32-piece (priced at \$33.00) assorted or uniform (same candy throughout) packages. Prices are justified in that these are unique Hawaiian tropical candies not offered by any other local confectioner.

We can bundle products to create gift baskets with certain types of chocolate and other products for year round holidays and occasions. For example, having gift baskets especially made for Valentine's Day or birthdays. The large gift baskets that are usually created for the holiday season are no less than \$35.00 minimum, many of which are made specifically for corporations. It is suggested that Mini Baskets (costing less than \$20.00) be created for common year round occasions because generally, about 42 percent of the local population is willing to spend \$0 - \$10 on chocolate macadamia nut products.

Mini Boxes can be cut back to \$3 – \$4, about half the cost of the regular-sized boxes. Variety boxes can be sold for a higher price, since it contains a range of different

flavors. Depending on the kind of variety box purchased, it will generally be within the range of \$7 – \$10.

Multiple point pricing would also prove advantageous for Menehune Mac. The Ala Moana kiosk (*see discussion in Place section*) will sell Menehune Mac products with higher markups than the main Factory Store. Customers at these kiosks, however, can receive a coupon for a 10 percent discount of their next purchase at the Factory Store in Kapalama. (*See appendix E for coupon.*)

C. Place

i. Research on Current Status:

Menehune Mac operates in a single factory located on 707-A Waikamilo Road. It is situated across the Dillingham Shopping Plaza. Menehune Mac is sharing facilities with a law firm located in the front of the building, and Menehune Mac situated behind. Though the building is large and located on a street corner, lack of visibility and signage prevents its overall presence in that area. Menehune Mac also operates two seasonal stores during the November, December time period, one in Kahala Mall and the other at Windward Mall. (*See appendix D for seasonal stores*)

ii. Place Strategy Proposals:

In this marketing plan, we will not be addressing where the company should locate its factory once the Bishop Estate lease expires. However, if the company continues to use factory visits as a draw for tourists and Japanese tourists specifically, we suggest that it considers locations near town in certain tour routes.

Since it is still five years out from the expiration of the Bishop Estate lease, the focus of this plan is to enhance the “place” options given the current factory/store set up.

With this in mind, we suggest that in keeping with the idea of the new product line that the company has a more permanent presence in some of our busier malls. We also suggest maintain better web presence.

At either Kahala Mall or Ala Moana Center, Menehune Mac can set up a kiosk station selling specifically the “Kahala Chocolates” premium candies product line. These locations are higher-end shopping outlets, making these costly Menehune Mac products still affordable for shoppers at these locations. These small booths will serve the purpose of Menehune Mac premium visibility without having large expenses in rent and utilities. During the holiday seasons, Menehune Mac would operate and rent out a seasonal store location to accommodate demand for gift items. Seasonal stores will have merchandise that is available at the Factory Store in Waikamilo, as well as the premium candies line. At these kiosks and seasonal stores, discount coupons that are only applicable at the Waikamilo Factory Store can be handed out.

We recommend a facility renovation. Currently, Menehune Mac resides in a pink and brown building. Though costs may be rather extensive for renovations, simple changes in building appearance (external and internal) may increase customer appeal. Items are stocked using metal crates and simple shelves that appear disheveled and unmatched. A renovation of interior design that could reflect the simple elegance that Menehune Mac emphasizes with its quality chocolate would enhance the overall quality atmosphere. *(See appendix E for Factory shelving ideas.)*

Similarly, Menehune Mac also must make its website reflect elegance and superiority. Customers will quickly recognize and identify the Menehune Mac brand as

being one of high quality, and will be more apt to purchase online. A cutback on links to ensure conciseness is suggested for the Menehune Mac website.

D. Promotion

i. Research on Current Status:

Menehune Mac has had advertisements on radio, newspaper, and television in the past. However, because television has proven the most effective, it no longer accesses the radio and newspaper advertising venue. It wants to only use the television medium, but currently, no advertisements are being made promoting seasonal events.

Mother's Day is a special time at Menehune Mac. It annually host a Mother's Day event, in which kids are charged a small fee to come to the factory, and with assistance, produce their own chocolate macadamia nut confections to give to friends, family, and their mothers. Profits made during this time are donated to local foundations and/or organizations. Thus, news reports and articles have been made about this event, proving to be Menehune Mac's major flow of publicity. However, publicity also comes from loyal customers and word of mouth.

Menehune Mac also provides free samples of its confections. Such a promotion activity costs a great deal of money, but it believes that its customers should get the best products for the fairest price; they should know what they're purchasing.

Signage in front of the Menehune Mac factory store includes a mere 2 feet by 10 feet triangular sign. This sign is attached to the factory building itself and the words are hardly visible at a distance. It can only be read and recognized from one or two blocks away. *(See appendix D for current Menehune Mac sign.)*

ii. Promotion Strategy Proposal:

Primarily, our main promotional objective is to gain Menehune Mac more customer awareness. This objective can be accomplished through several methods including 1) airing Menehune Mac television commercials, 2) event participations, and 3) publications that will be handed to the public informing of Menehune Mac's upcoming events. In addition, Menehune Mac's rewards program will also be a primary promotional strategy to attract customers and sales.

We suggest that television advertisements be made because no television advertisements are being aired specifically geared toward customer awareness. Additionally, these commercials should focus less on the actual existence of the product, but rather on the quality of the confections offered at Menehune Mac. Since the cost of TV ads are very expensive, these commercials need to be aired seasonally, during special occasions to advertise the different gifts that Menehune Mac offers for each holiday and occasion. However, we are focusing more on keeping television commercials a short-term goal rather than long-term due to its expensive nature.

Moreover, in order to create more brand familiarity, Menehune Mac should participate in events such as the Taste of Honolulu and/or the Food and New Product Show. These events are made specifically to take local foods to the local population. Menehune Mac should continue to allow sampling, especially for events such as the ones stated above. A flyer or brochure should be created to hand out during these events serving as a reminder for the event attendees. Either brochure or flyer must be constant about the products offered by Menehune Mac and/or Kahala Chocolates. *(See appendix E for sample publication materials.)*

Though Menehune Mac already produces gift baskets for Christmas, it should expand its product line of gift baskets to include targeting customers during the Valentine's Day, Mother's Day, and/or any other holidays.

Lastly, the "Mene Rewards" program will be implemented to attract more customers and sales. Customers who sign up for this *free* program will be issued a barcode that appears on a wallet-sized plastic card. The card will be scanned at every purchase, and points are awarded for every dollar a customer spends at Menehune Mac. For every 50 points accumulated by the customer, an additional 10% discount will be implemented towards the customer's next purchase at the Menehune Mac Factory Store *only*; the discount will not be valid at the Menehune Mac kiosk. This is to encourage foot traffic in Menehune Mac's Kapalama location. By the time the customer earns 200 points, they can have as much as 40% off their next in-store purchase. (*See appendix E for "Mene Rewards" card.*)

While visiting the Menehune Mac store in Kapalama, customers will remember: 1) Menehune Mac's generous sampling system and 2) the tours through Menehune Mac's factory. The Menehune Mac factory store in Kapalama continuously provides sampling of not only the chocolate macadamia nut products, but of its different macadamia nut confections and gourmet snacks. Even the merchandise purchased from other local producers is allowed for sampling. The tours provided in the Kapalama location allow customers to firsthand experience the chocolate-making process.

VI. BUDGET

A. Cost of Product Proposals

As stated in the Marketing Proposals section of this Marketing Plan, Menehune Mac should manufacture macadamia nut free products, continue with personalized customization, and invest in bundling, which will become a normal production cost. Part of the bundling cost, however, also comes from the mini gift baskets which are available at \$1.28 a piece. With the idea of an elegant and premium product, Menehune Mac should consider a new premium box for \$.43 a piece. A variety box is priced at \$.81 a piece.

-	<u>Proposals</u>	<u>Expenditure Details</u>	<u>Out of Pocket Costs</u>
1	Merchandise	Macadamia Nut Free Products - Normal Production Cost	\$ -
2	Customization	Normal Production Cost	\$ -
3	Bundling	Normal Production Cost	\$ -
4	Packaging	Premium Box: 500 boxes x \$.43 (See Appendix E: Item #4)	\$ 215.00
		Variety Box: 500 boxes x \$.81 (See Appendix E: Item #8)	\$ 405.00
		Mini Gift Basket: 500 boxes x \$1.28 (See Appendix E: Item #7)	\$ 641.25
5	New Logo	Created by TipTop Marketing	\$ -
		Product Subtotal	\$ 1,261.25

B. Cost of Price Proposals

A 2" by 3½" kiosk coupon will be created at \$.06 a copy, colored on one side and blank on the other.

-	<u>Proposals</u>	<u>Expenditure Details</u>	<u>Out of Pocket Costs</u>
1	Kiosk Coupon	2 x 3.5 - color, one-sided - 500 copies x \$.06	\$ 29.92
		Price Subtotal	\$ 29.92

C. Cost of Place Proposals

A kiosk on the ground level of Ala Moana can be leased at \$4,000.00 per month. Other than location, however, wooden shelving should also be purchased at \$79.95.

	<u>Proposals</u>	<u>Expenditure Details</u>	<u>Out of Pocket Costs</u>
1	Kiosk	Ground level of Ala Moana	\$ 4,000.00
2	Wooden Shelf	9 compartment - 5 x \$79.95 (<i>Appendix E: Item #2</i>)	\$ 399.75
		Place Subtotal	\$ 4,399.75

D. Cost of Promotion Proposals

i. **Personal Selling**

Employee training and the ultimate salary is the major cost factor in personal selling. The total cost varies between levels of employment, wherein salaries are determined by minimum wage and commission.

ii. **Advertising**

Through multiple price comparisons, brochures cost \$.38 per copy, fully colored, back and front. Flyers can be purchased at \$.23 per copy, fully colored, one-sided.

iii. **Sales Promotion**

Mene Rewards Cards will be purchased at \$.42 a card. These rewards cards will be fully-colored on the front and black and white in the back. In order to implement this discount card system, the proper software will need to be purchased as well, pricing at no more than \$400 for the handheld barcode scanner, as well as the software.

iv. **PR & Publicity**

Menehune Mac can participate in the Food and New Product Show for a fee of \$2,000. This cost will differentiate, however, depending on the type of exhibition.

	Proposals	Expenditure Details	Out of Pocket Costs
	<i>Advertising</i>		
1	Brochure	8.5 x 11; colored, double-sided - 500 copies x \$0.38	\$ 191.63
2	Flyer	8.5 x 11; colored, one-sided - 500 copies x \$0.23	\$ 112.58
	<i>Sales Promotion</i>		
3	Mene Rewards	Card: 2 x 3.5 (1000 cards) colored, double-sided - 1000 x \$.42	\$ 423.00
		Handheld Scanner	\$ 208.00
		Barcode Maker Software	\$ 99.00
	<i>PR & Publicity</i>		
4	Expositions	The Food and New Product Show	\$ 2,000.00
	<i>Personal Selling</i>		
5	Employee Training	In-house	\$ -
		Promotion Subtotal	\$ 3,034.21

E. Total Cost for Proposals

Proposal Type	Out of Pocket Costs
Product	\$ 1,261.25
Price	\$ 29.92
Place	\$ 4,399.75
Promotion	\$ 3,034.21
Proposal Total	\$ 8,725.13

VII. EVALUATION PLAN

A variety of methods will be used to track and assess expenditures relative to the forecasted data and information. Of course, monthly customer counts will continue to assess the amount of customer visitations at the Kapalama Factory Store per day. If the number remains a consistent 540 customers, the goal of increasing and stabilizing traffic has been achieved. As daily customer count at the Factory increases, the in-store 10%-off

coupon passed out at kiosks must also be effective. Financial reports will also be used to keep track of the sales and profits. Increased local sales and profits not only mean an increase in market share, but in local awareness of Menehune Mac as well.

Seasonal surveys will also be handed out to the local population. These short questionnaires can be filled quickly (online or at the counter) with an incentive of receiving a small discount with your next purchase. These will be used to measure the effectiveness of awareness activities as well as customer satisfaction efforts. Because the rewards program is done electronically, the number of customers using it can be quickly accessed and used to evaluate local awareness, as only the local population may sign up with the program.

Ethical considerations did appear while developing this marketing plan. Advertising special events such as the Mother's Day has to be done truthfully, with no false information. The information gathered by Menehune Mac is also quite important. Because Menehune Mac customers are able to order and purchase merchandise online, personal information such as credit card numbers and home addresses must be a safety priority and kept in utmost confidentiality. Also, the rewards program is made specifically for the local population and may prove discriminatory towards island visitors.

VIII. REFERENCES

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Menehune Mac Survey

1. **Why do you buy macadamia nut products? (circle all that apply)**
 - a. For personal consumption.
 - b. To give as gifts.
 - c. Other _____
2. **Which brands of chocolate macadamia nut products do you buy?**
 - a. Big Island Candy
 - b. Hawaiian Host
 - c. Menehune Mac
 - d. Mauna Loa
 - e. Island Royals
 - f. Other _____
3. **When purchasing chocolate macadamia nut products, what factors affect your decision? (1 being the least important and 5 being the most important)**

<i>Price</i>	1	2	3	4	5
<i>Quality</i>	1	2	3	4	5
<i>Convenience</i>	1	2	3	4	5
<i>Brand</i>	1	2	3	4	5
<i>Location</i>	1	2	3	4	5
4. **How much do you spend when you buy chocolate macadamia nut products?**
 - a. \$0 – \$10
 - b. \$11 – \$20
 - c. \$21 – \$50
 - d. \$51 – \$100
 - e. >\$100
5. **Have you ever purchased anything from the brand name Menehune Mac?**
 - a. Yes
 - b. No

If no, please skip to question no. 17
6. **What do you usually buy from Menehune Mac? (circle all that apply)**
 - a. Candy-covered macadamia nuts
 - b. Sauces, spices, dressings
 - c. Souvenir Items
 - d. Gourmet Snacks (cookies, etc.)
 - e. Gift Baskets
 - f. Tea or Coffee
 - g. Other _____
7. **Which candy-covered macadamia nut flavor do you like? (circle all that apply)**
 - a. Chocolate
 - b. Dark chocolate
 - c. Sugar-free chocolate
 - d. Pineapple Snow
 - e. Alani Orange Crème
 - f. Matcha Latte (green tea)
 - g. Strawberry Crème
 - h. Other _____
8. **Are you satisfied with the selection of products Menehune Mac offers?**
 - a. Yes
 - b. No
9. **The packaging of Menehune Mac products is appealing.**
 - a. Strongly Agree
 - b. Agree
 - c. Neutral
 - d. Disagree
 - e. Strongly Agree
10. **How do Menehune Mac product prices compare to the prices of other brands of chocolate macadamia items?**
 - a. More expensive
 - b. Similar
 - c. Less expensive
11. **How often do you visit Menehune Mac's Factory Store in Kapalama?**
 - a. At least once a week
 - b. Once a month
 - c. Every three months
 - d. Every six months
 - e. Once a year
 - f. I have never visited the Factory Store
12. **Have you visited a seasonal store, either in Kahala or Windward Mall?**
 - a. Yes
 - b. No
13. **Where else have you bought Menehune Mac brand products? (circle all that apply)**
 - a. Wal-Mart
 - b. Costco
 - c. ABC Stores
 - d. Longs Drugs
 - e. Other _____
14. **The Menehune Mac Factory is at an easily accessible location.**
 - a. Strongly agree
 - b. Agree
 - c. Neutral
 - d. Disagree
 - e. Strongly disagree
15. **How did you hear about Menehune Mac? (circle all that apply)**
 - a. Through someone
 - b. Internet
 - c. Newspaper
 - d. Television
 - e. Other _____
16. **Do you feel that the employees provide excellent customer service?**
 - a. Yes
 - b. No
 - c. Sometimes
17. **What first comes to mind when you think of Menehune Mac?**
 - a. Quality
 - b. Competent
 - c. Original
 - d. Other _____
18. **More Menehune Mac locations will increase Menehune Mac product accessibility.**
 - a. Strongly Agree
 - b. Agree
 - c. Neutral
 - d. Disagree
 - e. Strongly Agree
19. **Would more advertisements in the local media compel you to visit Menehune Mac?**
 - a. Yes
 - b. No
20. **When do you purchase chocolate macadamia nut products the most?**
 - a. October – December
 - b. January – March
 - c. April – June
 - d. July – September
21. **Does it matter to you that a chocolate macadamia nut candy is made by hand or machines?**
 - a. Yes
 - b. No
22. **What is your ethnicity? (circle one that best fits you)**
 - a. Caucasian
 - b. African American
 - c. Asian
 - d. Pacific Islander
 - e. Other _____
23. **Gender**
 - a. Male
 - b. Female
24. **Which age group do you belong to?**
 - a. 0-15
 - b. 16-30
 - c. 31-45
 - d. 46-55
 - e. 56+
25. **Zip Code _____**

Appendix B Survey Results

Do you buy macadamia nut products to give as gifts?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	71	75.5	75.5	75.5
	no	23	24.5	24.5	100.0
	Total	94	100.0	100.0	

Do you buy macadamia nut products for other reasons?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	7	7.4	7.4	7.4
	no	87	92.6	92.6	100.0
	Total	94	100.0	100.0	

Do you buy the Big Island Candy macadamia nut brand?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	18	19.1	19.1	19.1
	no	76	80.9	80.9	100.0
	Total	94	100.0	100.0	

Do you buy the Hawaiian Host macadamia nut brand?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	58	61.7	61.7	61.7
	no	36	38.3	38.3	100.0
	Total	94	100.0	100.0	

Do you buy the Menehune Mac macadamia nut brand?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	13	13.8	13.8	13.8
	no	81	86.2	86.2	100.0
	Total	94	100.0	100.0	

Do you buy the Mauna Loa macadamia nut brand?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	46	48.9	48.9	48.9
	no	48	51.1	51.1	100.0
	Total	94	100.0	100.0	

Appendix B Survey Results

Do you buy the Island Royals macadamia nut band?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	6	6.4	6.4	6.4
	no	88	93.6	93.6	100.0
	Total	94	100.0	100.0	

Do you purchase any other brands of macadamia nut products?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	10	10.6	10.6	10.6
	no	84	89.4	89.4	100.0
	Total	94	100.0	100.0	

When purchasing chocolate macadamia nut products, how important is price?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very unimportant	6	6.4	6.4	6.4
	unimportant	4	4.3	4.3	10.6
	neutral	25	26.6	26.6	37.2
	important	15	16.0	16.0	53.2
	very important	39	41.5	41.5	94.7
	missing value	5	5.3	5.3	100.0
	Total	94	100.0	100.0	

When purchasing chocolate macadamia nut products, how important is quality?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very unimportant	3	3.2	3.2	3.2
	unimportant	3	3.2	3.2	6.4
	neutral	16	17.0	17.0	23.4
	important	26	27.7	27.7	51.1
	very important	41	43.6	43.6	94.7
	missing value	5	5.3	5.3	100.0
	Total	94	100.0	100.0	

Appendix B Survey Results

When purchasing chocolate macadamia nut products, how important is convenience?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very unimportant	14	14.9	14.9	14.9
	unimportant	11	11.7	11.7	26.6
	neutral	16	17.0	17.0	43.6
	important	23	24.5	24.5	68.1
	very important	20	21.3	21.3	89.4
	missing value	10	10.6	10.6	100.0
	Total	94	100.0	100.0	

When purchasing chocolate macadamia nut products, how important is brand?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very unimportant	13	13.8	13.8	13.8
	unimportant	21	22.3	22.3	36.2
	neutral	23	24.5	24.5	60.6
	important	10	10.6	10.6	71.3
	very important	16	17.0	17.0	88.3
	missing value	11	11.7	11.7	100.0
	Total	94	100.0	100.0	

When purchasing chocolate macadamia nut products, how important is location?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very unimportant	27	28.7	28.7	28.7
	unimportant	9	9.6	9.6	38.3
	neutral	14	14.9	14.9	53.2
	important	20	21.3	21.3	74.5
	very important	13	13.8	13.8	88.3
	missing value	11	11.7	11.7	100.0
	Total	94	100.0	100.0	

How much do you spend when you buy chocolate macadamia nut products?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	\$0 - \$10	36	38.3	38.3	38.3
	\$11 - \$20	33	35.1	35.1	73.4
	\$21 - \$50	16	17.0	17.0	90.4
	\$51 - \$100	3	3.2	3.2	93.6
	>\$100	2	2.1	2.1	95.7
	missing value	4	4.3	4.3	100.0
	Total	94	100.0	100.0	

Appendix B Survey Results

Have you ever purchased anything from the brand name Menehune Mac?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid yes	32	34.0	34.0	34.0
no	62	66.0	66.0	100.0
Total	94	100.0	100.0	

Do you usually buy macadamia nuts from Menehune Mac?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid yes	29	30.9	30.9	30.9
no	12	12.8	12.8	43.6
not applicable	51	54.3	54.3	97.9
missing value	2	2.1	2.1	100.0
Total	94	100.0	100.0	

Do you usually buy sauces, spices or dressings from Menehune Mac?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid yes	1	1.1	1.1	1.1
no	40	42.6	42.6	43.6
not applicable	51	54.3	54.3	97.9
missing value	2	2.1	2.1	100.0
Total	94	100.0	100.0	

Do you usually buy souvenir items from Menehune Mac?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid yes	1	1.1	1.1	1.1
no	40	42.6	42.6	43.6
not applicable	51	54.3	54.3	97.9
missing value	2	2.1	2.1	100.0
Total	94	100.0	100.0	

Appendix B Survey Results

Do you usually buy gourmet snacks from Menehune Mac?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	10	10.6	10.6	10.6
	2.00	31	33.0	33.0	43.6
	3.00	51	54.3	54.3	97.9
	999.00	2	2.1	2.1	100.0
	Total	94	100.0	100.0	

Do you usually buy gift baskets from Menehune Mac?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	3	3.2	3.2	3.2
	no	38	40.4	40.4	43.6
	not applicable	51	54.3	54.3	97.9
	missing value	2	2.1	2.1	100.0
	Total	94	100.0	100.0	

Do you usually buy tea or coffee from Menehune Mac?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	3	3.2	3.2	3.2
	no	38	40.4	40.4	43.6
	not applicable	51	54.3	54.3	97.9
	missing value	2	2.1	2.1	100.0
	Total	94	100.0	100.0	

Do you usually buy any other products from Menehune Mac?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	5	5.3	5.3	5.3
	no	36	38.3	38.3	43.6
	not applicable	51	54.3	54.3	97.9
	missing value	2	2.1	2.1	100.0
	Total	94	100.0	100.0	

Appendix B Survey Results

Do you like chocolate-covered macadamia nuts?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	29	30.9	30.9	30.9
	no	14	14.9	14.9	45.7
	not applicable	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Do you like dark chocolate covered macadamia nuts?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	22	23.4	23.4	23.4
	no	22	23.4	23.4	46.8
	not applicable	50	53.2	53.2	100.0
	Total	94	100.0	100.0	

Do you like sugar-free chocolate covered macadamia nuts?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	5	5.3	5.3	5.3
	no	38	40.4	40.4	45.7
	not applicable	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Do you like pineapple snow covered macadamia nuts?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	2	2.1	2.1	2.1
	no	41	43.6	43.6	45.7
	not applicable	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Do you like Alane Orange Creme covered macadamia nuts?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	3	3.2	3.2	3.2
	no	39	41.5	41.5	44.7
	not applicable	51	54.3	54.3	98.9
	22.00	1	1.1	1.1	100.0
	Total	94	100.0	100.0	

Appendix B Survey Results

Do you like Matcha Latte (Green Tea) covered macadamia nuts?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	2	2.1	2.1	2.1
	no	41	43.6	43.6	45.7
	not applicable	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Do you like Strawberry Creme covered macadamia nuts?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	4	4.3	4.3	4.3
	no	39	41.5	41.5	45.7
	not applicable	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Do you like other covered macadamia nuts?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	1	1.1	1.1	1.1
	no	42	44.7	44.7	45.7
	not applicable	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Are you satisfied with the selection of products Menehune Mac offers?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	35	37.2	37.2	37.2
	no	5	5.3	5.3	42.6
	not applicable	51	54.3	54.3	96.8
	missing value	3	3.2	3.2	100.0
	Total	94	100.0	100.0	

Appendix B Survey Results

The packaging of Menehune Mac products is appealing.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	4	4.3	4.3	4.3
agree	19	20.2	20.2	24.5
neutral	18	19.1	19.1	43.6
disagree	1	1.1	1.1	44.7
not applicable	51	54.3	54.3	98.9
missing value	1	1.1	1.1	100.0
Total	94	100.0	100.0	

How do Menehune Mac products prices compare to the prices of other brands of chocolate macadamia items?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid more expensive	4	4.3	4.3	4.3
similar	30	31.9	31.9	36.2
less expensive	5	5.3	5.3	41.5
not applicable	51	54.3	54.3	95.7
missing value	4	4.3	4.3	100.0
Total	94	100.0	100.0	

How often do you visit Menehune Mac's Factory Store in Kapalama?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid once a month	1	1.1	1.1	1.1
every three months	3	3.2	3.2	4.3
every six months	2	2.1	2.1	6.4
once a year	6	6.4	6.4	12.8
i have never visited the factory store	31	33.0	33.0	45.7
not applicable	51	54.3	54.3	100.0
Total	94	100.0	100.0	

Have you visited a seasonal store, either in Kahala or Windward Mall?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid yes	11	11.7	11.7	11.7
no	32	34.0	34.0	45.7
not applicable	51	54.3	54.3	100.0
Total	94	100.0	100.0	

Appendix B Survey Results

Do you buy Menehune Mac brand products from Wal-Mart?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	22	23.4	23.4	23.4
	no	21	22.3	22.3	45.7
	not applicable	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Do you buy Menehune Mac brand products from Costco?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	10	10.6	10.6	10.6
	no	33	35.1	35.1	45.7
	not applicable	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Do you buy Menehune Mac brand products from ABC Stores?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	6	6.4	6.4	6.4
	no	37	39.4	39.4	45.7
	not applicable	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Do you buy Menehune Mac brand products from Longs Drugs?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	23	24.5	24.5	24.5
	no	20	21.3	21.3	45.7
	not applicable	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Do you buy Menehune Mac brand products from other places?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	6	6.4	6.4	6.4
	no	37	39.4	39.4	45.7
	not applicable	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Appendix B Survey Results

The Menehune Mac Factory is at an easily accessible location.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly agree	9	9.6	9.6	9.6
	agree	10	10.6	10.6	20.2
	neutral	20	21.3	21.3	41.5
	disagree	1	1.1	1.1	42.6
	strongly agree	1	1.1	1.1	43.6
	n/a	51	54.3	54.3	97.9
	missing value	2	2.1	2.1	100.0
	Total	94	100.0	100.0	

Did you hear about Menehune Mac through someone?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	17	18.1	18.1	18.1
	no	26	27.7	27.7	45.7
	n/a	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Did you hear about Menehune Mac through the internet?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	no	43	45.7	45.7	45.7
	n/a	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Did you hear about Menehune Mac through the newspaper?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	9	9.6	9.6	9.6
	no	34	36.2	36.2	45.7
	n/a	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Did you hear about Menehune Mac through the television?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	12	12.8	12.8	12.8
	no	31	33.0	33.0	45.7
	n/a	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Appendix B Survey Results

Did you hear about Menehune Mac through other sources?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	15	16.0	16.0	16.0
	no	28	29.8	29.8	45.7
	n/a	51	54.3	54.3	100.0
	Total	94	100.0	100.0	

Do you feel that the employees provide excellent customer service?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	17	18.1	18.1	18.1
	no	3	3.2	3.2	21.3
	sometimes	13	13.8	13.8	35.1
	n/a	52	55.3	55.3	90.4
	missing value	9	9.6	9.6	100.0
	Total	94	100.0	100.0	

What first comes to mind when you think of Menehune Mac?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	quality	21	22.3	22.3	22.3
	competent	13	13.8	13.8	36.2
	original	22	23.4	23.4	59.6
	other	33	35.1	35.1	94.7
	missing value	5	5.3	5.3	100.0
	Total	94	100.0	100.0	

More Menehune Mac locations will increase Menehune Mac product accessibility.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly agree	17	18.1	18.1	18.1
	agree	42	44.7	44.7	62.8
	neutral	30	31.9	31.9	94.7
	disagree	3	3.2	3.2	97.9
	strongly agree	1	1.1	1.1	98.9
	missing value	1	1.1	1.1	100.0
	Total	94	100.0	100.0	

Appendix B Survey Results

Would more advertisements in the local media compel you to visit Menehune Mac?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid yes	57	60.6	60.6	60.6
no	35	37.2	37.2	97.9
missing value	2	2.1	2.1	100.0
Total	94	100.0	100.0	

When do you purchase chocolare macadamia nut products the most?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid october-december	68	72.3	72.3	72.3
january-march	5	5.3	5.3	77.7
april-june	13	13.8	13.8	91.5
july-september	5	5.3	5.3	96.8
missing value	3	3.2	3.2	100.0
Total	94	100.0	100.0	

Does it matter to you that a chocolate macadamia nut candy is made by hand or machines?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid yes	22	23.4	23.4	23.4
no	71	75.5	75.5	98.9
missing value	1	1.1	1.1	100.0
Total	94	100.0	100.0	

What is your ethnicity?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid caucasian	21	22.3	22.3	22.3
african american	1	1.1	1.1	23.4
asian	65	69.1	69.1	92.6
pacific islander	5	5.3	5.3	97.9
other	2	2.1	2.1	100.0
Total	94	100.0	100.0	

Appendix B Survey Results

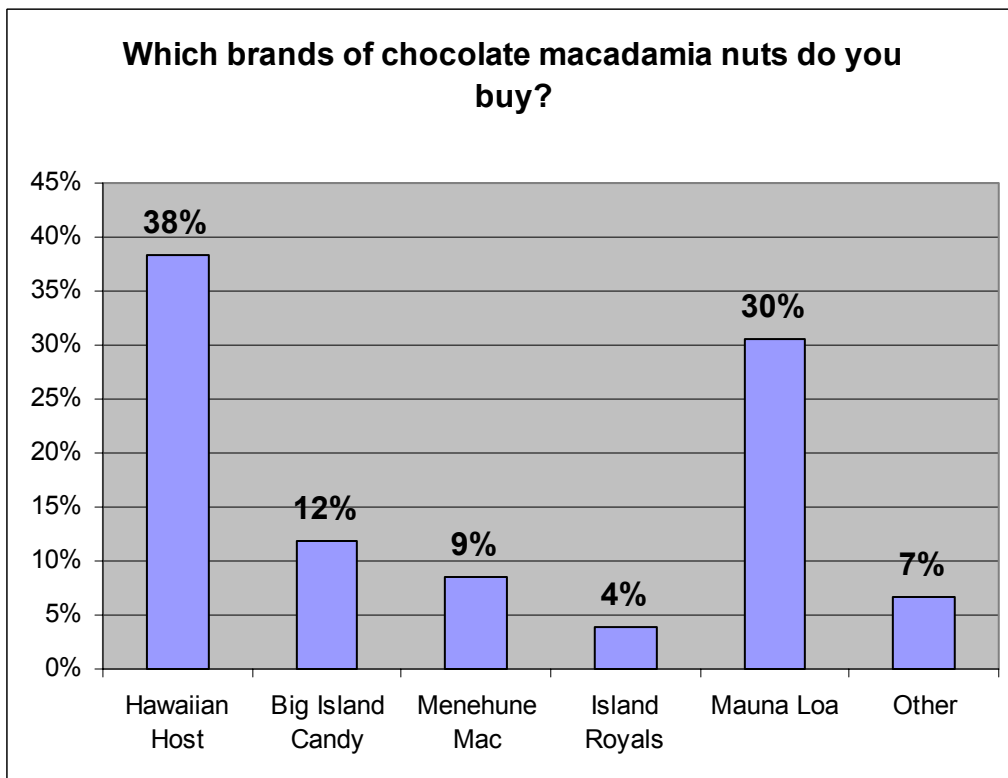
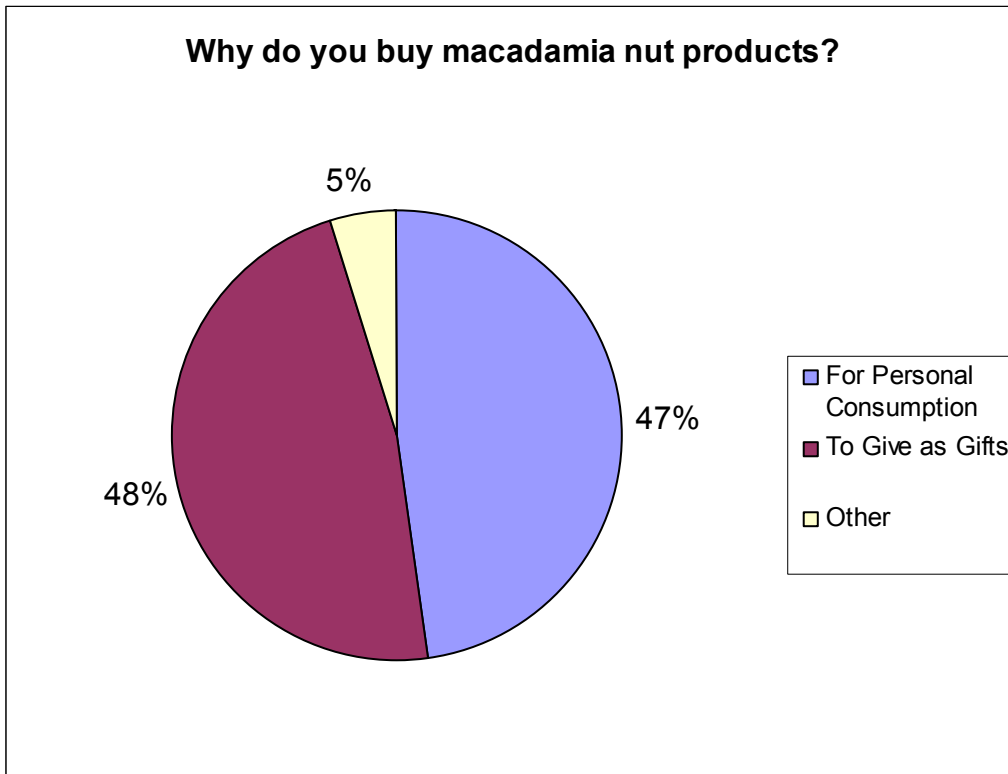
Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	43	45.7	45.7	45.7
	female	49	52.1	52.1	97.9
	missing value	2	2.1	2.1	100.0
	Total	94	100.0	100.0	

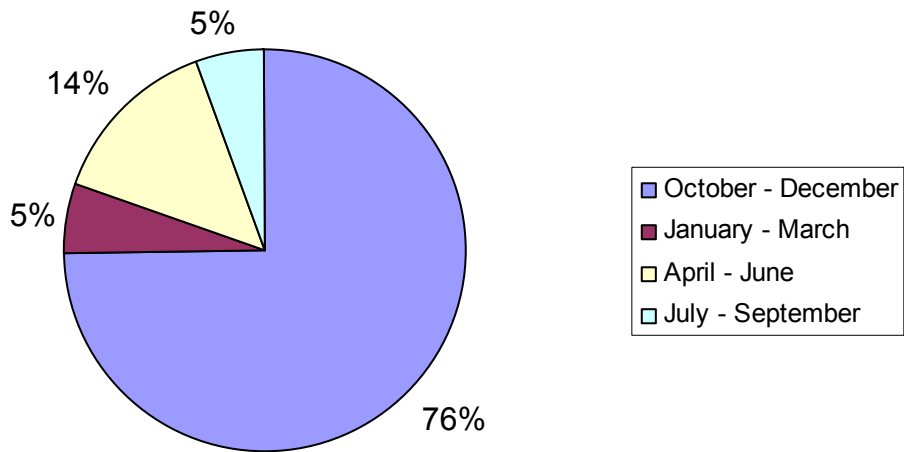
Which age group do you belong to?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-15	11	11.7	11.7	11.7
	16-30	32	34.0	34.0	45.7
	31-45	17	18.1	18.1	63.8
	46-55	16	17.0	17.0	80.9
	56+	18	19.1	19.1	100.0
	Total	94	100.0	100.0	

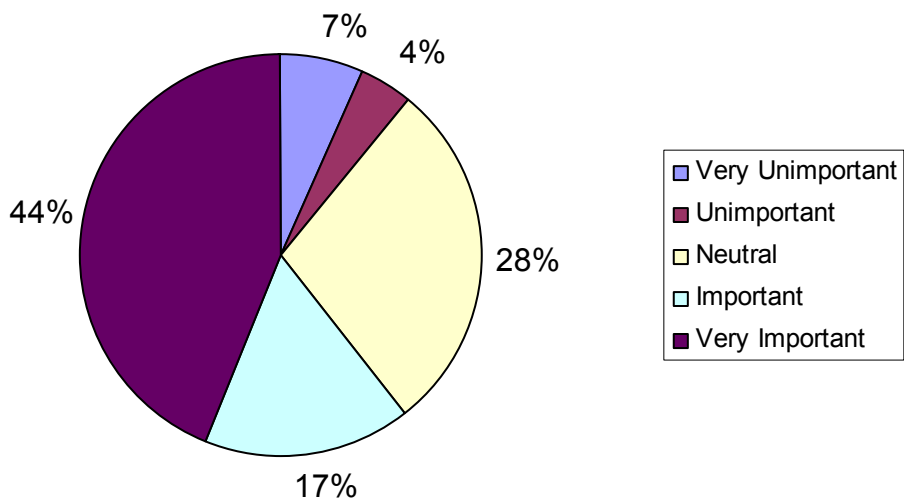
**Appendix C
Survey Charts**



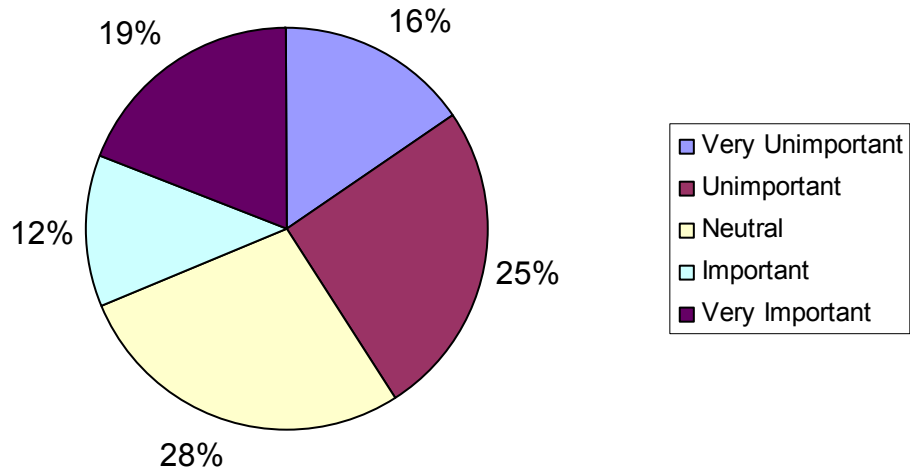
When do you purchase chocolate macadamia nut products the most?



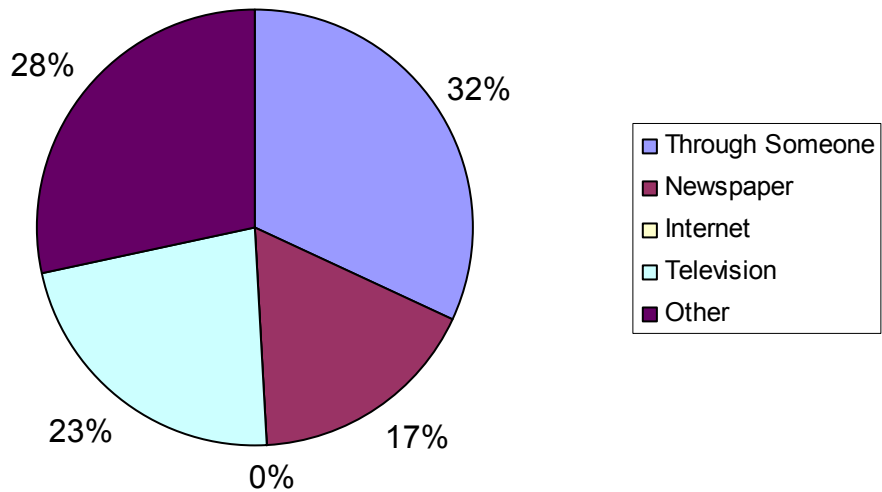
When purchasing chocolate macadamia nut products, how important is price?



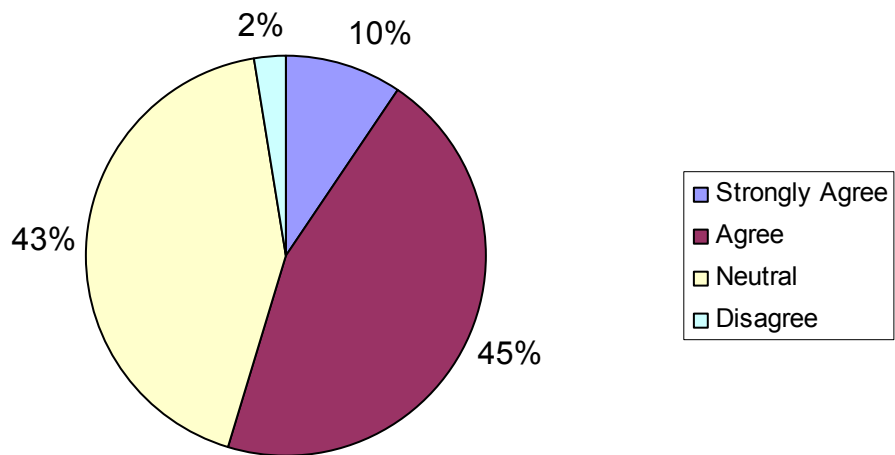
When purchasing chocolate macadamia nut products, how important is brand?



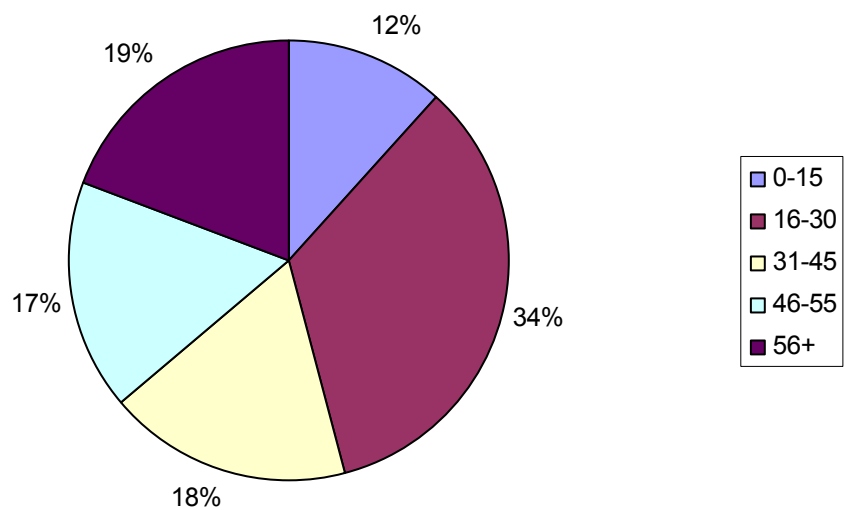
How did you hear about Menehune Mac?

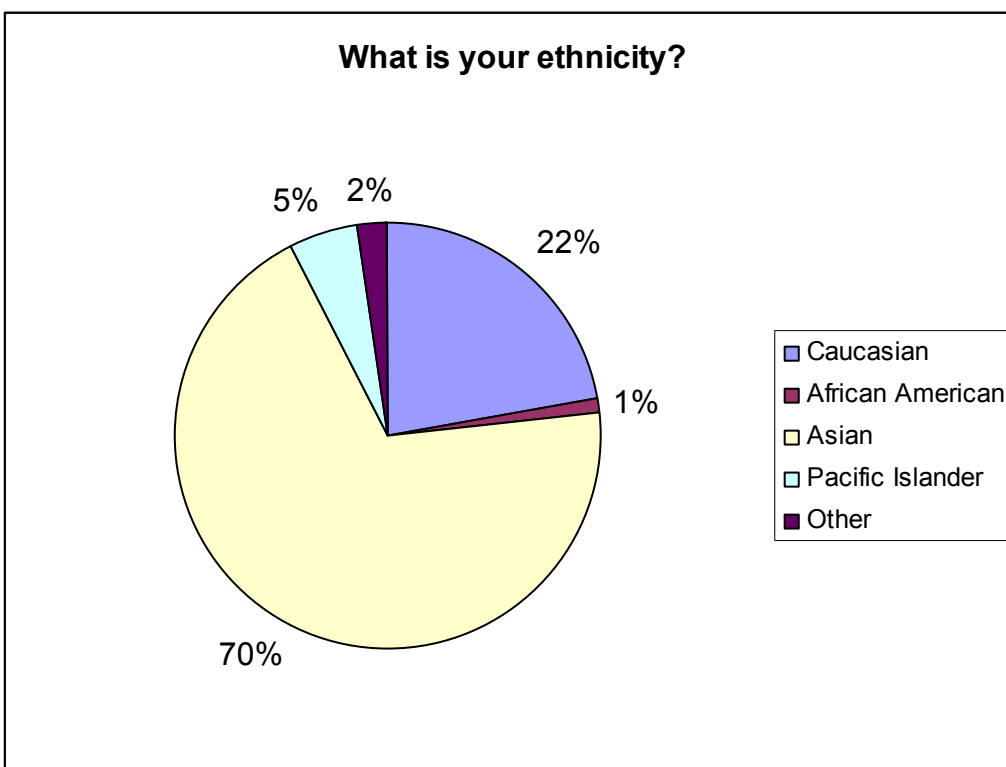
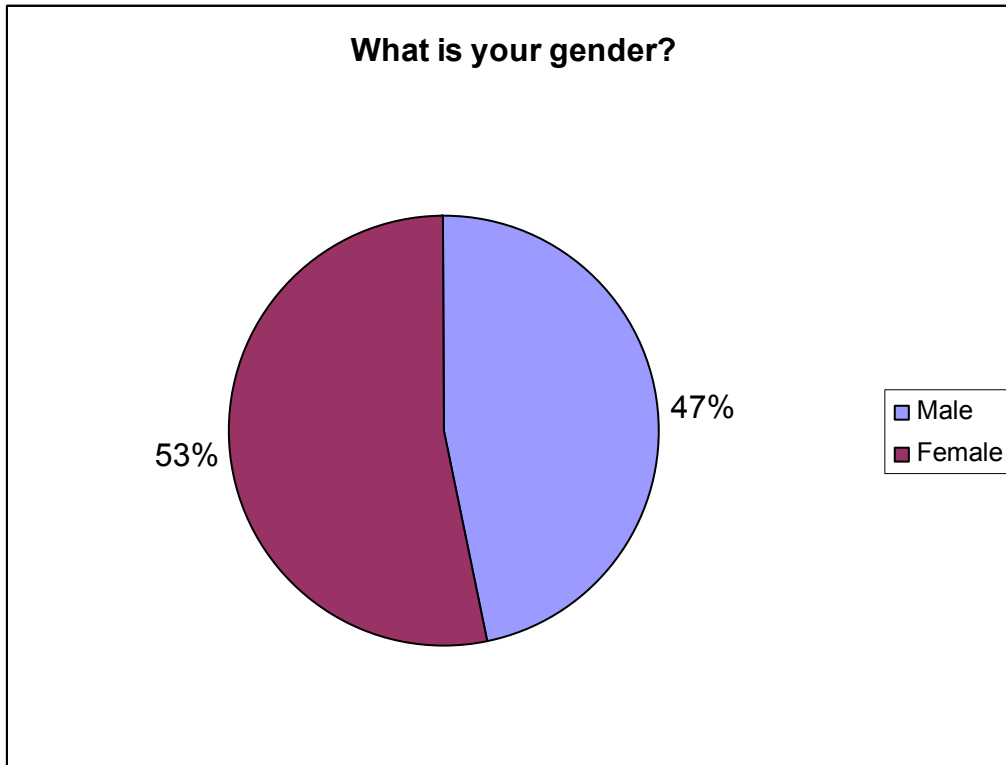


The packaging of Menehune Mac products is appealing.



Which age group do you belong to?





Appendix D Pictures

Picture 1: Menehune Mac's Kapalama Factory is located on the corner of Waikamilo and Halumualii St.



Picture 2: Parking Sign located to the left of parking lot.



Picture 3: Menehune Mac's main building signage



Picture 4: Clear containers holding free samples



Picture 5: The Primary Chocolate Melter



Picture 6: Current Menehune Mac packaging designs



Picture 7: Menehune Mac gourmet candy (Koko Mac, Matcha Latte, Ohelo Papa) in makeshift crate shelves



Picture 8: (left) Sauce, jam, and jelly variety by Menehune Mac.



Picture 9: (above) Metal racks holding Menehune Mac special cookies and macadamia party mix.



Picture 10: Containers of free cookie samples, and tongs for easy picking

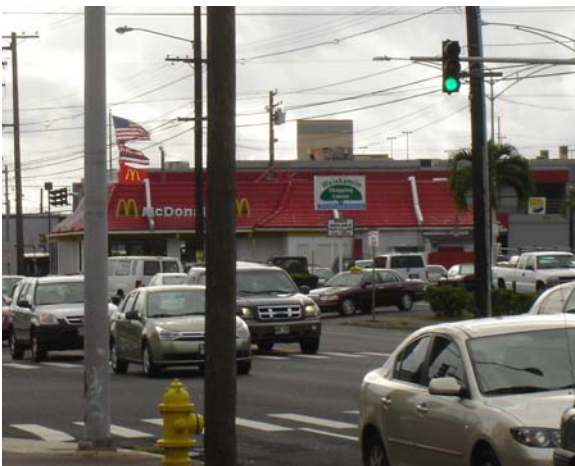


Picture 15: Dillingham Shopping Plaza, located across Menehune Mac Kapalama Factory

Picture 19: Set of businesses located on the back left side of Menehune Mac



Picture 16: (below) McDonald's, located to the left of the Dillingham Shopping Plaza.



Picture 17: Housing complex directly across Menehune Mac Kapalama Store



Picture 18: (above) Kahala Mall signage



Picture 19: (above) Side Christmas products on sale at the Kahala Mall seasonal store



Picture 20: (left) Shelves holding Menehune Mac products at the seasonal store.



Picture 21: (right) Menehune Mac seasonal store located in Kahala Mall

Picture 22: Menehune Mac Windward Mall seasonal store.



Picture 23: (right) Christmas gift baskets and product bundles.

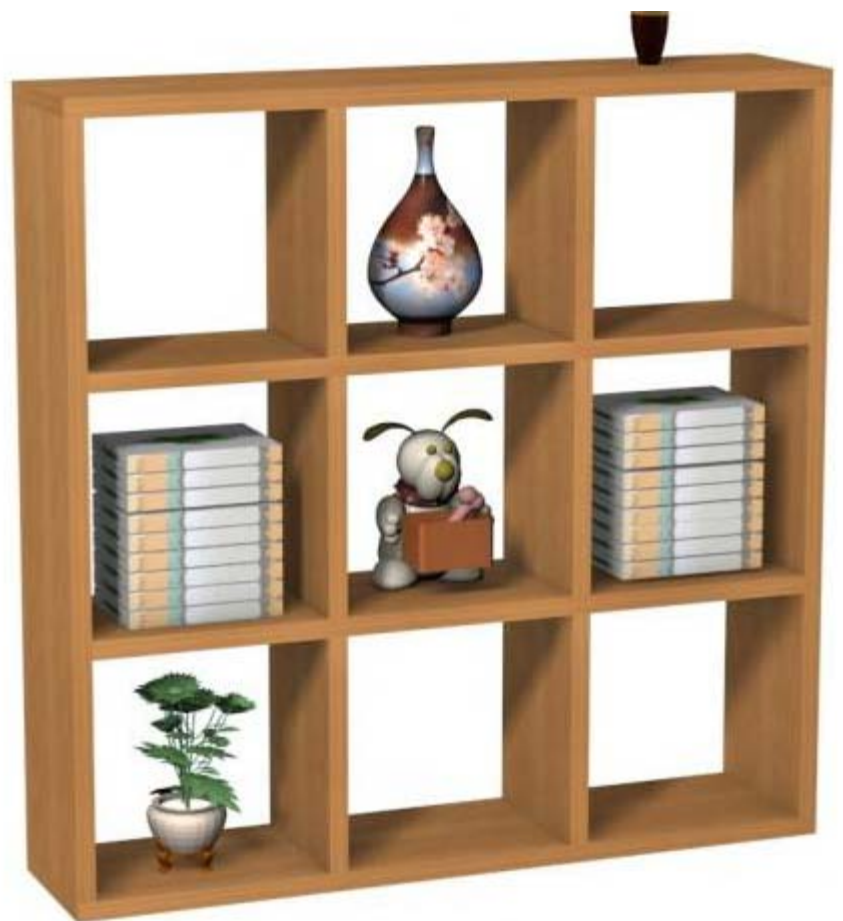


Picture 24: Products offered by Menehune Mac; Lilikoi Crunch (purple box)

Appendix E
Promotional and Collateral Material



Item #1: Logo for premium line of Kahala Chocolates



Item #2: New shelving for Menehune Mac.
9-compartment ornament shelving from Deals Direct.

Item #3: Flyer to be passed out at events.



Item #4: Boxes to be used for new packaging
(note the elegant ribbons).



Item #5: Mene Rewards



Item #6: Particularly basket#419 to be chosen as the ideal Mini Basket



Item #7: Variety box choice packaging (6-piece assortment)



Item #8: Menehune Mac coupon to be passed out in the Menehune Mac kiosks.

