

QUEIJOS SANTIAGO

**A Case about Rebranding through Social Media versus Point-of-Sale Marketing
Communication Strategies**



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ABSTRACT

Cheese is one of the biggest markets and one of the most consumed segments in Portugal, with consumption by almost 100% of Portuguese families. Nevertheless since the economic crisis the market has been fully concentrated on price promotions, with company's only being able to grow through this path.

Queijos Santiago is Portuguese Cheese Company with almost 100 years in the cheese making process and the market leader in the fresh cheese segment. Throughout its existence, this company has been completely focused on production and has never invested in marketing actions to its consumers. What is more the company has always invested in aggressive price promotions, which made its products very price competitive. The turning point comes when *Queijos Santiago* decided that it no longer wants to be chosen for its price but for its brand and goes for a complete rebranding process, where it starts to communicate with its consumers for the first time through social media networks.

Nevertheless, given the tight marketing budget the company has to decide which is the best way to communicate with its consumers, either through the point-of-sale or through social media channels. This case study presents the singularities of each strategy, while explaining the story of *Queijos Santiago*, the cheese market, its players, trends and consumers that help students decide which the best strategy the company should pursue is.

Key words: Rebranding, social media marketing, point-of-sale marketing, brand architecture

Título: Um caso sobre *rebranding* através de estratégias de comunicação de marketing das redes sociais versus ponto de venda.

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ABSTRATO

O Queijo é um dos maiores mercados e um dos maiores segmentos consumidos em Portugal, com um consumo de quase 100% pelas famílias portuguesas. No entanto, desde a crise económica o mercado está completamente concentrado em actividades promocional no preço, sendo esta a única via de crescimento das empresas.

A Queijos Santiago é uma empresa portuguesa com quase 100 anos no fabrico de queijo, sendo a empresa líder no segmento de queijos frescos. Durante a sua existência, esta empresa esteve completamente focada na produção e nunca investiu em actividades de *marketing* para com os seus consumidores. Para além disso, a empresa sempre apostou em promoções muito agressivas de preço, que tornavam os seus produtos muito competitivos. O ponto de viragem acontece quando a Queijos Santiago decide que quer deixar de ser escolhida pelo seu preço para passar a ser escolhida pela sua marca entrando num processo de *rebranding*, onde começa a comunicar com os seus consumidores pela primeira vez nas redes sociais.

No entanto, devido ao orçamento apertado do departamento de marketing, a empresa tem que decidir qual a melhor maneira de comunicar com os seus consumidores, ou através do ponto de venda ou através das redes sociais. Este caso estudo mostra as singularidades das duas estratégias enquanto apresenta a história da Queijos Santiago, o mercado de queijos, os seus concorrentes, a tendência e os consumidores que ajudam os alunos a decidir qual a melhor estratégia que a empresa deve seguir.

Palavras-chave: *Rebranding*, marketing de redes sociais, marketing do ponto de venda, arquitectura de marcas

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INTRODUCTION

Brands need to remain relevant in order to keep their appeal in a dynamic environment where customers' needs and wants, industry standards and strategic priorities are constantly evolving (Gotsi and Andriopoulos, 2007). For these reasons, rebranding processes clearly demonstrates that this change is inherent in contemporary corporate brand management (Stuart and Muzelec, 2004). The revitalization of a corporate brand through a gradual, incremental modification of its positioning and representation, can be seen as a natural aspect of corporate brand management in response to the ever-changing market environment (Aaker, 1996; Holt, 2004; Kapferer, 1998)

The use of social media and point-of-sale marketing strategies are two tools widely used by marketers to build brand awareness, increase sales and consumer's loyalty towards brands (Tariq & Wahid, 2011, Bianca and Simona, 2008). Though its popularity only started in the 1990s, social media marketing is currently a crucial component of traditional marketing fulfilments, since social media platforms are being used every day by millions of users. Thus, this is a marketing channel which, more than ever, businesses need to invest on (Tariq & Wahid, 2011). On the other hand, point-of-sale marketing activities have been increasingly used along the years and are known strategies for increasing purchases and with a great impact on consumers (Bianca and Simona, 2008).

This case study focuses on rebranding through the use of social media marketing strategies versus point-of-sale marketing strategies illustrating the real-life case of the rebranding process undergone by *Queijos Santiago*. With this case, instructors are able not only to teach students about rebranding strategies, but also to emphasize the importance of social media and point-of-sale strategies in current marketing strategies.

The case is divided in two parts: the first part concerns the case where students can learn more about the background of the company, the cheese industry in Portugal, its main players and also the dilemma faced by *Queijos Santiago*. This case study aims at answering the following research question:

RQ: What is the best communication channel for a small-medium enterprise such as *Queijos Santiago*?

The second part consists of a teaching note for exclusive use of instructors, where they can find a guide on how to use the case, as well as questions that students should answer after reading and analysing the case.

CASE STUDY

Introduction

It was already thirty minutes past eleven when Teresa Moniz finally entered her car and left the parking lot of *Queijos Santiago* factory, a family-owned business of cheese making. Her mind could not stop thinking of the meeting she had just left with the company's CEO João Santiago and her superior, sales director Nuno Torgal. Being the marketing director, and only person dedicated to marketing in the entire company, Moniz was confronted for more than five hours the reason why most of the budget of her department had been dedicated to online marketing.

Though Moniz knew the company had never invested in marketing activities before her arrival one year before, she wondered whether this was move that *Queijos Santiago* consumers wanted. After all, the company was about to celebrate its 100th anniversary without a year of continuous growth and a 100% focus on production always aiming at the lowest prices. Should not the next 100 years continue to be like the first ones? Both Santiago and Torgal were inclined in keeping the entire marketing budget in promotional activities at the point-of-sale, something that *Queijos Santiago* had adopted from its early days and so far had worked extremely well.

Yet Moniz knew her investment in online marketing, more specifically in social media marketing, had a fundamental role in the rebranding process the company had undergone. But how could she prove it to her superior and CEO? It was hard to assess short term results, in an investment she knew was long-term. Santiago made it clear: Moniz had one month to prove she was not wrong.

When she finally got home, she sat at her sofa and wrote the questions she hoped to answer in the next weeks:

1. What is the best communication method for a small company as *Queijos Santiago*?
2. How should her budget be divided between social media and point-of-sale marketing actions?

But ultimately, other questions did not leave her mind. Who were *Queijos Santiago*' consumers? What did they expect from the company – a low price but quality brand or a strong brand with quality which they could relate to? This was something Moniz still could not answer, even after being in the company for one year.

Context- The story of Queijos Santiago

Queijos Santiago is the biggest national producer and the leader company in the fresh cheese segment, where it holds a 70% market share. This family-run business was founded in 1918, when Joaquim Santiago, a milk producer and João Santiago's grandfather, decided to start using the milk of his 300 sheeps to make cheese. At the time, Santiago was able to produce 50 litres of milk per day and the cheeses later sent to Lisbon to be sold at local markets.

In 1969, business became prosperous and with its growth, Joaquim Santiago moved the production and his entire family to Lisbon. With the help of his son, they opened the first factory of fresh cheese in Portugal, which by then was called *Santiago & Santiago*. Already in the hands of the third generation of Santiago, *Queijos Santiago* detains four units of production in Montemuro (Mafra), Monforte (Portalegre), Maia (Porto) and Palmela (Setúbal) [Appendix I].

Brand Architecture of Queijos Santiago

Queijos Santiago is mainly known for its fresh and curd cheeses, the products which gave origin to the company and where it is the market leader in terms of sales and production. Nevertheless, with its expansion along the years *Queijos Santiago* acquired several of its competitors, which brought to its portfolio other types of cheese that can be divided in two more categories: ripened cheese and sliced/grated cheese.

Regarding its main segment, fresh and curd, its main brand and most famous is the company's name *Queijos Santiago*, but it also produces in the segment for its sub-brand *Campainha* that joined the portfolio when the company acquired its main competitor, *Lacticínios Campainha*. The types of cheese range from low-fat to semi-skimmed and lactose-free and are made with cow and goat milk. This segment represents 45.1% of the total sales of the company.

Its ripened cheese segment represents 30.39% of the total sales of the company and is the segment where the company has been investing more in the last years. The main brands are *Cerrado do Vale*, *Quinta do Olival*, *Convento*, *Cardeal* and *Herdade do Barão*. Inside the ripened cheese segment, *Queijos Santiago* also produces some D.O.P cheeses (*Denominação de Origem Protegida – Protected Denominated Origin*), which are cheeses that belong to special regions of the country and which milk comes exclusively from the animals of the area.

In this sub-segment are cheeses such as the *Queijo de Nisa* and more recently *Queijo de Azeitão* which the company started producing in the end of 2015.

Regarding its sliced and grated cheese segment, although the company detains a big portfolio, is not a segment where *Queijos Santiago* invests and only represents 24.49% of sales. This is due to the fact there is very strong competition in the segment in the market thus being very hard to grow and gain market share.

Together, the entire portfolio of the company sums to 63 different types of cheese [Appendix II]. Several cheeses have been awarded with national and international prizes. Its ripened D.O.P cheese *Queijo de Nisa* has been considered by Wine Spectator one of the best 100 cheeses worldwide, while its ripened cheese *Cerrado do Vale* one of the best 58 cheeses worldwide by The World Cheese Award in 2013. In 2014 and 2015, ANIL (*Associação Nacional dos Industriais de Lacticínios – National Association of the Dairy Industrial*) distinguished fresh cheese *Queijos Santiago* and curd cheese *Divinus* the best fresh cow milk cheese and best curd cheese of sheep respectively.

- *Production of Private Labels*

Queijos Santiago is also the producer of cheese for private labels such as *Continente* (from *Sonae*) and *Pingo Doce* (from *Jerónimo Martins*). For *Pingo Doce*, the company produces references in fresh, curd and ripened cheeses. As for *Continente*, it produces ripened and sliced cheeses.

A story of success

From a small traditional production to the biggest producer of fresh cheese, *Queijos Santiago* story is a case of success. Throughout its almost 100 years of existence, the company was able to establish successful relationships with the main players of the Portuguese market mainly *Sonae* and *Jerónimo Martins* which together represent more than 60% of the company's sales [Appendix III] and which opened the door for *Queijos Santiago* to deliver its cheeses to more than 2000 points of sale every day. From hypermarkets to supermarkets, discount stores and the HORECA¹ Channel, *Queijos Santiago* is present in the main insignias of the Portuguese market [Appendix IV].

¹ HORECA is an acronym that stands for Hotels, Restaurants and Cafés channel according to: http://www.portais.ws/?page=art_det&ida=22224 visited at 16th May 2016

Even though it is no longer the producer of its main raw material, milk, the company relies on the exclusive supply of 97 local Portuguese producers [Appendix V]. In 2015 these suppliers supplied *Queijos Santiago* more than 12 million liters of cow milk, 2.2 million liters of goat milk and 1.9 million liters of sheep milk.

Nevertheless the company still participates actively in all stages of the value chain having its own fleet to collect the milk, to transport and to distribute its cheeses thus guaranteeing that its products arrive safely and with the best conditions at the point of sale. Another important aspect of *Queijos Santiago* is its constant investment in Research & Development. Every trimester, the company brings a new innovation to the market, with the three fundamental aspects of each innovation being quality, flavour and tradition. According to the CEO João Santiago, the company motto is:

“Quality at fair prices. By investing in quality, flavour and innovation we are able to have a solid strategy based on the quality of our cheeses that distinguishes us from the market. These are exactly the characteristics that make *Queijos Santiago* consumers to continue to prefer our cheeses. We also believe that it is important to bring new products to the market, since our consumers are always looking for new flavour or solutions. In this way every trimester we bring an innovation to the market either in flavour or new formats”.

In 2015 the business volume of the company was of almost 38 million euros, representing a yearly growth of 5%. This growth came mainly from its fresh and curd cheese segment. In 2014, the fresh and cheese market grew 3% in volume and 4% in value², while *Queijos Santiago* grew 26% in terms of value and 25% in terms of volume making it the 3rd company that most grew in volume in the cheese market. Only in its factory of Montemuro, 150.000 fresh cheeses and 20.000 regional cheeses are produced daily, accounting for an annual production of 3.500 tons of fresh and curd cheese, 1.200 of ripened cheeses and 2.500 tons of sliced cheeses and grated cheese.

However, with such growth and focus on production, never came a coherent communication. The company was never able to build a strong and cohesive brand awareness and recognition in the Portuguese cheese market. Indeed, until recently, *Queijos Santiago* never invested on marketing actions toward its consumers. Instead, its strategy had been completely focused on B2B (Business to Business). Every time it entered a new segment or launched a new product its communication was never in line with the products that already existed in the market. Even for its collaborators it was hard to see a connection between products.

² Nielsen, 2015

In order to solve the problem, CEO João Santiago invited Teresa Moniz to create a marketing department, the first one in the company. She became the person responsible for the rebranding of *Queijos Santiago*, by establishing an umbrella brand to all its products and create for the first time a communication bridge between the company and its consumers.

The Cheese Market in Portugal

The cheese market is the second biggest segment in the food market in Portugal [Graph I]. In 2015 this segment was worth 452.14 million euros in terms of value, and 56.82 million tons in terms of volume³, representing a positive growth of 3% in terms of versus 2014.

The dairy category, the biggest category family of food consumed by the Portuguese families [Graph II] worth 1.329 million of euros in 2015 and where segments such as cheese, milk, yogurts and cream are included, has been decreasing drastically in terms of value. Such fall has been due to the fall in the prices of milk, worsened by the interruption of milk quotas by the European Union in April 2014 milk, and to the reduction of milk consumption by Portuguese families⁴. Nevertheless, cheese which weighs 33% of the sales in the category has been one of the few segments that has been growing (+1% vs -4% dairy industry) [Graph III].

In Portugal, consumption of cheese is estimated at 10Kg/per capita/per year⁵. The segment can be divided between processed cheese, such as spreadable and processed cheese, which represented a share of 3.8% in 2015, and unprocessed cheese, such as hard and soft cheese with 87.5% of the segment⁶. In the segment as a whole, flamengo cheese is the most consumed type of cheese, representing 37% of consumption, followed by ripened cheese in 2nd with 29% and fresh and curd cheeses in 3rd which together weigh 13% [Graph IV]. In terms of sales of unprocessed cheese in 2015, flamengo cheese represented 50,1% while fresh 15,8% and curd 5.1% with all growing in sales since 2010 [Graph V].

Looking at the distribution of sales of cheese, these come mainly from supermarkets which represented 64% of all sales, followed by hypermarkets (25%), and lastly traditional channels with 11% [Graph VI]. The two big urban centres, Lisbon and Oporto, summed together represent 50% of total cheese sales [Graph VII].

³ Data provided by Queijos Santiago according to Nielsen in 2014

⁴ <https://www.publico.pt/economia/noticia/queda-no-consumo-e-de-13-no-preco-do-leite-esmaga-produtores-1705567>, consulted on the 2nd May 2016

⁵ Nielsen, 2014

⁶ Euromonitor, 2015

Competitive landscape

Just like *Queijos Santiago*, there are around 400 players in the Portuguese market from small traditional units that still manufacture the cheeses by hand, to cutting-edge factories that use the latest technologies⁷.

The market is divided between the presence of big international brands such as *Bel Portugal*, *Lactalis Portugal* and *Kraft Foods Portugal*, while large Portuguese players include *Lactogal*, *Queijo Saloio* and *Queijos Santiago*. The industry also comprises many small independent manufacturers producing and selling local specialities. In 2013, private labels such as the ones from *Sonae* and *Jerónimo Martins* detained 33% (+4% vs 2012)⁸ of the market in terms of value while branded cheese detained 67% of the market (-2% vs 2012).

The three biggest brands in terms of value are *Bel Portuguesa*, *Lactogal* and *Queijos Santiago* which together have 31% of the market value (versus 30% of private labels). The three companies are also the three biggest in terms of volume holding 30% of the market (versus 30% of private labels)⁹. In 2015, *Queijos Santiago* had approximately a 1% market share in the cheese market that came essentially from its strong presence in fresh cheeses. The cheese under the brand *Queijos Santiago* also accounted for nearly 1% in market shares in the market¹⁰. Though the number of players in the market is high, the main direct competitors of *Queijos Santiago* are the following:

Figure 1. Competitor's overview

⁷ HiperSuper, Especial Queijos 2013

⁸ Nielsen Market Track (incl. Lidl), week44/2013

⁹ Nielsen, 2015

¹⁰ Euromonitor, 2015

Company's Name	Market Share (2015) ¹¹	Types of Cheese	Main Brands	Brand's Market Share (2015) ¹²
<i>Bel Portuguesa</i>	21.1%	<ul style="list-style-type: none"> Flamengo Processed Ripened 	<ul style="list-style-type: none"> <i>Limiano</i> <i>Terra Nostra</i> <i>Pastor</i> <i>A vaca que ri</i> 	11.7% 6.1% 2.7% 0.6%
<i>Lactogal</i>	16.6%	<ul style="list-style-type: none"> Ripened Flamengo Fresh Curd Ripened Processed Mozzarella 	<ul style="list-style-type: none"> <i>Castelões</i> <i>Agros</i> <i>Matinal</i> <i>Serra Dourada</i> 	5.6% 4.3% 0.8% 1.5%
<i>Queijos Saloio (since 1968)</i>	4.8%	<ul style="list-style-type: none"> Ripened Fresh Curd Grated Processed 	<ul style="list-style-type: none"> <i>Palhais</i> <i>Saloio</i> 	2.8% 2%
<i>Montiqueijo</i>	<1%	<ul style="list-style-type: none"> Fresh Curd Ripened 	<ul style="list-style-type: none"> <i>Montiqueijo</i> 	<1%
<i>Queijos Tavares</i>	<1%	<ul style="list-style-type: none"> Ripened Curd Fresh 	<ul style="list-style-type: none"> <i>Seia</i> <i>Fraga</i> 	<1% <1%
<i>Queijos Tété (sold mainly at the HORECA channel)</i>	<1%	<ul style="list-style-type: none"> Fresh Curd Ripened 	<ul style="list-style-type: none"> <i>Tété</i> 	<1%

Source: Euromonitor. 2015

- Fresh and curd cheese*

In 2015 the fresh and curd cheese segment accounted for 9.67 million tons and 63.14 million euros of value, representing a growth of 2 and 1% respectively. As previously mentioned, *Queijos Santiago* is the market leader in the segment both in terms of value and volume. In terms of value, *Queijos Santiago* together with *Philadelphia* and *Montiqueijo* sum 24% of the value of the market (versus 32% of private labels), while in terms of volume the three brands sum 24% of the volume (versus 37% of private labels).

¹¹ NBO (National Brand Owner) Company Shares of Cheese: % Retail Value – Euromonitor 2015

¹² LBN (Local Brand Name) Company Shares of Cheese: % Retail Value – Euromonitor 2015

To be noted the particularities of the fresh cheese market. Although brands such as *Philadelphia* and *Matinal* sell fresh cheese, this is a processed fresh cheese while the fresh cheese produced by *Queijos Santiago*, *Montiqueijo*, *Tété* and *Queijos Saloio* is an unprocessed one. Also there are many small cheese artisans that produce fresh cheese that has no brand and is not directly comparable to those produced by *Queijos Santiago*;

- *Ripened cheese*

The ripened cheese segment represents 20.70 million tons and 186.72 million euros in terms of value, representing a growth of 2% when compared to 2014. The three main brands in terms of value are *Castelões*, *Paiva* and *Babybel* with together sum 14% of the market (versus 21% of the market), and in terms of volume are *Castelões*, *Paiva* and *D.Pedro* summing 16% in terms of volume (versus 26% of private label);

- *Grated cheese*

The grated cheese segment is worth 19.67 million euros (-3% vs 2014) and 2.48 million tons (+6%). In terms of value the main brands are *President*, *Terra Nostra* and *Campainha* (*Queijos Santiago*) summing 16% (versus 86% of private labels) and in terms of volume are *Campainha*, *President* and *Terra Nostra*. In terms of volume the main brands are *Campainha*, *President* and *Terra Nostra*;

The consumers

Cheese as a segment, is consumed by 96% of Portuguese families which on average bought cheese 22 times per year with an average quantity of 0.42kgs per visit and an average purchase of 2.96€ in 2014¹³. Inside the consumers of the dairy category, cheese is the most consumed segment [graph VIII and IX]

The crisis brought profound transformations into the purchasing habits of Portuguese families. Household consumption decreased steadily, from -2.4% in 2014 vs. 2013 and -1.9% in 2014 vs 2012¹⁴. Consumers visit supermarkets less frequently than before [Graph X], though there was a modest increase in each purchase [Graph XI]. The crisis only started to smooth a year before at the end of 2013, with levels of confidence by consumers growing for the first time and spending habits returning to more normal patterns¹⁵: for the first time consumers were

¹³ Nielsen, 2014

¹⁴ Nielsen, 2014

¹⁵ Euromonitor, 2015

having more disposable income for out-of-home activities [see graph XII], and there was a decrease in the number of families that after finishing paying their main expenses did not have any money left [Graph XIII]. At this point, there is also a transition of consumption from basic fresh products such as fruit, ham and vegetables to special fresh products which have been growing, especially foreign cheese 14%, culinary cheese 8%, fresh cheese 6% and flamengo cheese 1%¹⁶.

According to Nielsen, in 2014 there are three trends in the Portuguese consumer: health, convenience and impulse. On the one side, consumers look for more healthy, fresh, natural and less processed products with the healthy category growing more quick than the indulgent ones. Young people are also willing to pay more for products with healthy attributes. On the other side, consumers also look for products ready to eat and also for impulse products.

- *Cheese consumption trends*

There are several consumption trends in the market in 2015 according to *Euromonitor*. The first trend is that cheese as a product is still an expensive food, and amidst signals of economic recovery, Portuguese consumers are still very price sensitive and tend to buy more affordable products.

The second trend is that consumers also like to diversify their purchases and are becoming more aware of the origin, composition and production methods, thus buying more different cheeses than the ones they used to buy before. Therefore successful company strategies focused on price promotions, have attracted the attention of price sensitive consumers and enabled branded players to maintain volume sales¹⁷.

The war of promotions

Since 2012 the food market has been highly concentrated in promotional activities, a trend incited by the main retail brands such as *Sonae* and *Jerónimo Martins*. Such trend has forced brands and companies to respond to this demand. In 2014, nearly 38% of all the sales done in the food market were done through promotions, a number which grew from 27% in 2013 and

¹⁶ Nielsen Homescan, 2014

¹⁷ Euromonitor, 2015

25% in 2012¹⁸. With the growth of promotional activities also came a growth in the average of discount, from 29% in 2013 to 32% in 2014¹⁹.

In terms of household consumption this represents at least one product bought in promotion in 51.5% of the purchases done in the FMCG (Fast Moving Consumer Goods) segment²⁰. With consumers more informed and attentive, products in promotion are more than ever the preferred choice during shopping. Since private label products do not accompany the promotional activities of branded goods, purchases of private labels have fallen 4.4%²¹ in the first trimester of 2015 while branded goods have grown 3.2% in the same period.

Nielsen already classifies to Portuguese consumers as “promodependent”, with a growing number of consumers addicted to promotions and who switch shops to look for the best promotions [Graph XIV]. Nevertheless, even with more promotions than ever, consumers are not buying more products. In 2015, despite the fact that there were 28% more promotional activities when compared to the same period in 2014, there was a decrease in the volume of purchase of 2.1%²².

The turning point for *Queijos Santiago*

It was in the end of 2014, when CEO João Santiago had his annual meeting with Nuno Torgal, the sales director. It had been a good year for *Queijos Santiago*, with continuous positive growth as registered in the previous years. With an expected investment in the modernization of its factories which would bring an increasing in production, sales were expected to continue growing in the following year:

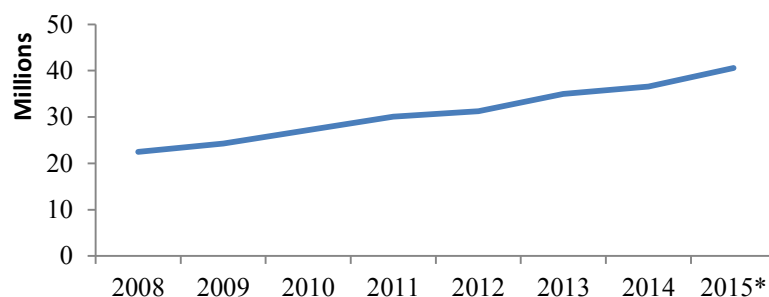


Figure 2. *Queijos Santiago* Sales Evolution

¹⁸ Nielsen, 2014

¹⁹ Kantar, 2015

²⁰ Kantar Worldpanel, 2014

²¹ Kantar, 2015

²² Kantar, 2015

As Torgal recalls from the meeting:

“We were having a good performance for already more than ten years. During this time we launched new references, kept our leading position in the fresh cheese segment and reinforced our position in the ripened cheese. Our sales were barely touched by the economic crisis; nevertheless we knew that most of our growth was due to our investment in more promotional activities. At that time of the meeting we were unsure of the reason why our consumers preferred us; sure our products were of good quality, but our prices were so competitive that our competitors could hardly keep up with us”

In 2014 promotions weighted almost 50% of the sales of *Queijos Santiago*. Nevertheless, competitors went in the same path: for *Lactogal* promotions also represented 50% of the sales and *Bel Portuguesa* had only been able to grow their market quota through sales promotions; *Queijos Saloio* had only grown through their investment in promotional activities²³.

Despite the fact both Santiago and Torgal knew that the company’s investment in promotions were necessary for *Queijos Santiago* future growth, such investment was not sustainable in the long term. What is more, both were aware that the brand *Queijos Santiago* was not strong in the market, which made it highly difficult for the company to keep its consumers if it decided to start reducing its investment in promotions. Though Santiago had previously hired some marketers to help establish a strong brand, nothing had been done:

“The situation was very chaotic within the company. When someone came to work in marketing at *Queijos Santiago* they never ended up doing so. We were growing at such a rapid pace that there were many holes to be covered, so we were never able to address the branding problem with efficacy”, explained Torgal

At the end of the meeting, Santiago and Torgal had already defined the strategic axis of *Queijos Santiago* for 2015:

1. Establish proximity to the final consumer;
2. Architecture of the product range;
3. Uniformization of products and coherence in communication.

The person invited to solve these problems came only some weeks later, by the name of Teresa Moniz. She was in charge of doing a global rebranding to *Queijos Santiago* as a strategy to value the brand and to reinforce its tradition in the market.

²³ Revista distribuição Hoje

The Rebranding of Queijos Santiago

“Marketing is building a brand in the mind of consumer. If you can build a strong brand you have a powerful marketing program. If you cannot, then no advertising, no creative packaging nor all public relations in the world will help you reach your goals” - Ries and Rise (2003)

Moniz was completely new in the industry. After almost 20 years in the marketing division of luxury dermocosmetic brands, she felt curious and excited to embrace a new project from its root. Despite her initial conversations with Santiago, who warned her of the present challenge of the company, she encountered an even worse situation than the one she expected. The portfolio was not only extremely incoherent among itself, but also the products conveyed different messages and did not seem to belong to the same brand. Also there were various kinds of logos to the different kinds of cheese that create a sensation of disorganization.

After spending some weeks with Torgal visiting the brand at the point-of-sale, it was clear for Moniz that *Queijos Santiago* needed a 360° rebranding, where not only an umbrella brand was needed but also a positioning and claim that applied to all cheeses. She then launched an agency quest that aimed at choosing one agency that would work with her throughout the whole rebranding. In the end, two agencies were chosen. *Happy Brands* [Appendix VI] was selected to work with everything related to image and brand activation while agency *Young and Network* [Appendix VII] was chosen as the press assessor and public relations.

- *Creation of the umbrella brand – the name*

The first modification done by Moniz and the agency was to change the company name from *Santiago & Santiago* to *Queijos Santiago* (Santiago Cheeses). *Santiago & Santiago* had been the name established when the founder Joaquim Santiago built the first factory of the company with the help of his son, thus naming the company with his and his son’s last name. Moniz and the agency used Santiago and “Queijos” which means cheeses, thus “Queijos Santiago” became the umbrella brand of all products;

- *Creation of the umbrella brand – the logo*

When deciding for the logo, Moniz briefed the agency that it would have to be an object associated to the company. The agency then presented the idea of the mold used in the production of every fresh cheese. The mold would be green since it was the colour associated with the packaging of the semi-skimmed fresh cheeses, the most famous product produced by *Queijos Santiago* [Appendix VIII];

- *Creation of the umbrella brand – the slogan*

At the same time it was important to find a claim that could be used to the entire portfolio, from the fresh to grated and ripened cheeses. The logo chosen came from the long and traditional knowledge the company had in making cheeses “Saber” (Knowledge) and the same good taste and quality as ever before “*Sabe bem*” (Tastes Good), thus the logo “*Saber que Sabe Bem*” (Knowledge that Tastes Good). In the new logo, it was also communicated the year of the creation of the company (since 1918), to reinforce its knowledge in making cheeses [Appendix IX];

- *Repackaging*

All products suffered a transformation in terms of packaging. Firstly, the new logo was incorporated in a way to give visibility to the brand while the colours of the packaging became more attractive and several SRP (Shelf Ready Packaging) [Appendix X] were created in order to raise awareness at the point-of-sale [Appendix XI];

- *Communication with the press*

Moniz also knew that for her rebranding to be successful she would need the press to be talking about *Queijos Santiago*. Even though the company was very old, it had never communicated with the press. The first buzz came with the quest for the agency, followed by the rebranding process. It was also the first time CEO Santiago started to give press interviews [Appendix XII];

- *Taking Queijos Santiago to the online*

As soon as Moniz started working with the agencies, it was understood that *Queijos Santiago* had almost no online presence. Its website was completely outdated and the brand had never been on the social media. What was even more worrying was the fact that its direct competitors had long established an online presence.

The agency then launched a new website [Appendix XIII] with the new logo, where it was highly communicated the story of the company and its products. Some weeks later, *Queijos Santiago* gave its first steps in the social media field with the creation of a Facebook [Appendix XIV] and LinkedIn page [Appendix XV]. This was the first time the company started to communicate with its consumers and vice-versa, by making teasing posts and launching competitions that required the interaction of the fans of the page.

According to Torgal,

“With the launch of our Facebook page, all consumers can follow news, tips and suggestions of *Queijos Santiago*. In this way, we believe this channel is a fundamental bridge to establish a close and daily contact with our consumers so that we are able to transmit the essence of our brand, as well as our differentiation in the market”.

Both Moniz and the agency set as a priority to enrich *Queijos Santiago* Facebook page with some branded content. For this reason several exclusive partnerships were established: cook Mónica Pereira [Appendix XVI] who was asked to create exclusive recipes using the company’s cheeses, which were later posted on its the Facebook page and nutritionist Iara Rodrigues [Appendix XVII] was invited to talk about the importance of eating fresh and curd cheeses in a balanced and healthy diet.

Additionally, *Queijos Santiago* also promoted culinary workshops and degustation sessions where famous bloggers and celebrities were invited to participate. All the participants would communicate such activities in their own social media pages with the goal to redirect buzz to *Queijos Santiago* page. Lastly, several competitions and games were promoted in the Facebook where cheese baskets were awarded to the winners.

Some months later an Instagram account was created [Appendix XVIII]. The main types of posts in this social media were traditional sayings that applied to cheese in line with the new claim of the brand, “Knowledge that tastes good”;

- *Communication at the point-of-sale*

While *Queijos Santiago* maintained its promotional activity at the point-of-sale to keep up with the market, Moniz reinforced such promotions with tasting sessions at selected supermarkets [Appendix XIX]. Promotions also stopped being so focused on price, which the company had traditional used mainly -20, -30 and -50% reduction in the final price. New strategies focused on price consisted on the model “Take 6, Pay 2”, “Buy 1 take 1 free” [Appendix XX]. Promotions also switched to promotions that offered gifts such as thermal bags to transport the cheeses [Appendix XXI], or packages of ready to eat salads.

Nevertheless, since the company kept on buying space in the main supermarkets and hypermarkets especially near the bakery and at the central corridors. The main types of products representations were end of aisle [Appendix XXII] which are exposures at the end of the same shelf where there are all products of a particular category²⁴ and islands [Appendix XXIII] which consists of a grouping of products placed in the middle of the main aisles

²⁴ Garrido-Morgado and Gonzalez-Benito, 2015

usually in places where there is more traffic²⁵. These representations were generally accompanied with promotions. Also the company also kept on buying space on retailers main promotional brochures [Appendix XIV];

- *Internal relaunch*

But at the same time, Moniz also focused on organizing inside *Queijos Santiago* since many of its the workers had been in the company for a very long time and were not prepared for such a change. She then set up a plan that started to make all collaborators feel integrated in the process. When the new logo was launched, a big internal event was organized to celebrate the occasion. At the same time all collaborators received formation about the rebranding process, why it was necessary for the company and what changes would happen.

The quest for the right path

After one year, *Queijos Santiago* brand was aligned. In the factory of Montemuro, the walls were painted with the new logo and claim; a newsletter was released every two months for all collaborators [Appendix XXV]; the work-uniforms exhibited proudly the new logo.

On the night of the meeting, both Santiago and Torgal were satisfied with the rebranding that Moniz had performed. But the marketing budget was one issue that still troubled both. For the past year, and apart from the costs associated with the whole rebranding process, the marketing budget had focused mainly on online activities. Such an investment had sacrificed a lot of activities at the point-of-sale.

Every time a Facebook campaign was created, a special task at the point-of-sale was scarified. Which was the best way? Moniz decided that the best way to justify her actions was to discover who were the consumers of *Queijos Santiago*, mainly the consumers of its fresh cheeses. Nevertheless, there was no market study about the consumption of fresh cheese. In order to solve the problem, Moniz contacted agency *Happy Brands* to conduct focus groups to discover:

- Who are the consumers of fresh cheese in Portugal?
- Which factors influence their purchase?
- How is their consumption done?
- How does *Queijos Santiago* fresh cheese position itself against its competition?

²⁵ Garrido-Morgado and Gonzalez-Benito, 2015

Results from the focus groups revealed that fresh cheese consumer look for a quality brands and not so much price [Graph XX]. Consumption of fresh cheese is done in all moments of the day [Graph XXII] and mainly eaten simple [Graph XXI] (with salt and pepper) or with bread and that consumer usually buys fresh cheese at hypermarkets and supermarkets [Graph XXIII].

Regarding the positioning of the company, the agency found that *Queijos Santiago* had the highest brand recall [Graph XXIV] and was the company with the highest willingness to pay, although with a very similar rating in terms of quality when compared to *Queijos Tété*. This may be due to the fact that *Queijos Tété* is mainly consumed at the HORECA channel, thus being perceived of higher quality.

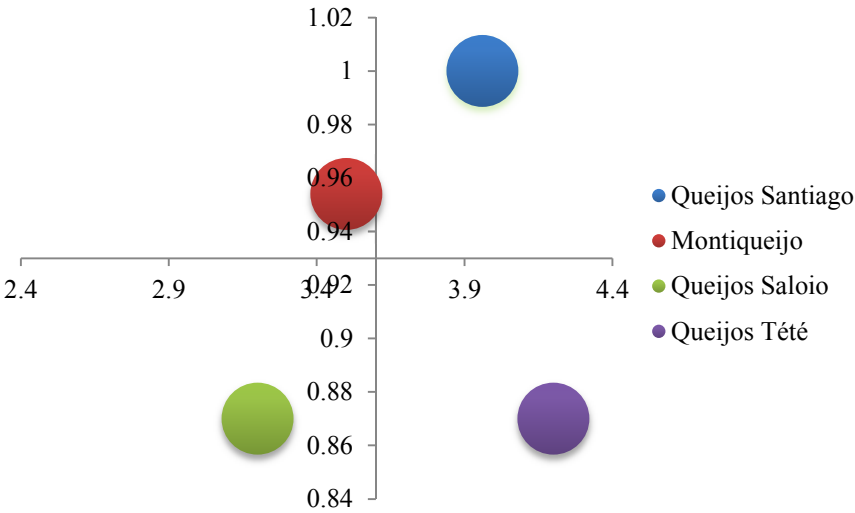


Figure 3. Perceptual Map of Queijos Santiago

What is more, through the focus groups Moniz also gathered other important insights. Many of the consumers when asked which brand they consumed referred to “the brand of the green and white squares”, alluring to the traditional white and green packages of the semi-skimmed fresh cheeses. Nevertheless almost none of the consumers of *Queijos Santiago* were aware that the company detained other types of cheese, mainly ripened and grated.

Building a strategic plan for the next months

Moniz took these findings into consideration when deciding the marketing strategy for the months to come. The rebranding process the company had undergone had been an important step for consumers to start associating the name *Queijos Santiago* to fresh cheeses and

through the focus groups it was clear *Queijos Santiago* was perceived as top of mind brand of fresh cheese for consumers. Nevertheless there was still no linkage among the portfolio and its main competitors were very close to the brand in terms of price and quality.

Moniz knew that at this point it was high time to start creating a love brand. A brand and products which consumers could proudly state “*I consume Queijos Santiago!*”. And such strategy had to go through the two points where the brand was more visible to consumers: firstly the point-of-sale, the moment of purchase and social media platforms the moments consumers connected and talked to the brand. Moniz was aware that the current point-of-sale model was not viable in the long term and that its social media marketing strategy had to do a turnaround.

- *Point-of-sale marketing activities*

Although Moniz knew the company had to continue investing at the point-of-sale, the differentiation strategy to that of its competitors would have to stop being exclusively the price. She then designed activities at the point of sale that could involve the participation and attention of consumers. She firstly contacted Mónica Pereira, the cook which the company had established an exclusive partnership to invite her to an exclusive show cooking on store “*Santiago’s show cooking*” [Appendix XXVI]. This would consist of a live cooking show in several of the biggest supermarkets that would use the cheeses of *Queijos Santiago* in exclusive recipes.

Moniz also create a special tour for the company’s cheeses “*Santiago’s on the road*” [Appendix XXVII], where fresh, curd and ripened cheeses would be sold at a special island in the main hypermarkets. The main objective of the “road trip” was to introduce consumers to the *Queijos Santiago* portfolio, and make them start associating the brands name not only with fresh but also with ripened cheese. The event would include special discounts in price in all cheeses and a special offer for those who bought at least three cheeses, including one ripened cheese [Appendix XXVIII];

- *Social Media Marketing activities*

Before Moniz designed a strategy for her social media marketing, she downloaded the latest report of *Queijos Santiago* Facebook page. In the last month *Queijos Santiago* page had paid to reach more people and although page views did increase by 45% [Appendix XXIX] compared to the previous month where there was only organic reach, the likes of the page were decreasing. What is more, the post interaction was still very low for the reach it achieved,

with an average of 3% per post/visualization [Appendix XXX]; this number had in fact been decreasing since the page had been launched and had already stabilized for several months [Appendix XXXI].

By demographics, the majority of the visitors of the page were woman aged between 25-44 years old and the page was mainly visited through mobile devices [Appendix XXXII]. The two most visited sections of the page were the timeline and the homepage [Appendix XXXIII]. Regarding the competition, *Queijo Saloio* and *Queijos Santiago* were the two pages with most likes nevertheless the first one had the double of likes of the second. What is more *Montiqueijo* was getting 68.21 times more interaction than *Queijos Santiago* [Appendix XXXIV].

For Moniz the strategy was clear: on the one hand increase the number of interactions per post and on the other hand the number of likes per page as well as bring more organic traffic to the page. She defined some aspects the Facebook page could use, such as talk more about the history and curiosities of *Queijos Santiago* during its 100 years of existence, promote socially and environmentally responsible actions and communicate them on the Facebook page, find an endorser to the brand or invite consumers to share how they eat the company's cheeses or in which recipes they use the cheeses.

One week later Moniz sent the mood boards and guidelines to the agency to produce the new activities at the point-of-sale. In a few days she would also seat with the agency to discuss the strategies on the social media channel for the following months. She felt happy with the progress she had done so far and knew the concepts she had just developed had a great potential.

In two years the company would celebrate its 100th anniversary and Moniz was sure that by then she would have to had the brand *Queijos Santiago* with a strong awareness from the market. But for the challenges she had now in hands some things still had to be improved, nevertheless she still had time until the final deadline Santiago had put on her.

TEACHING NOTES

Queijos Santiago is a case study written by Mariana Torgal da Cunha Freire under the supervision of Professor Paulo Alexandre Gonçalves Marcos within the Marketing Case Studies dissertation seminar at Católica-Lisbon School of Business and Economics.

This case study is a teaching tool to be used during marketing classes and aims at helping instructors to illustrate ranges of learning objectives, to incite students' participation and debate by illustrating actual experiences based on real life events. Nevertheless, proprietary data has been disguised to help preserve confidentiality but keeping all essential facts and relationships intact.

Likewise, this case study should not be seen as an endorsement of the company hereby presented, nor a source of primary data and neither an illustration of effective or ineffective management.

Synopsis

Queijos Santiago is a family-run company that started with the production of fresh cheeses and with the years expanded its portfolio to curd, ripened, flamengo and grated cheese. During its almost one-hundred years of existence, *Queijos Santiago* was able to establish a great presence in the main retail channels, and has been for some years the number one company in the fresh cheese segment. The company has always experienced positive growth; nevertheless this growth was not accompanied by the establishment of a strong brand in consumer's mind. This was due to the fact that during its existence *Queijos Santiago* only focused on production and never on marketing.

With the cheese market fully concentrated on promotional activities, the company had been investing in many price promotions. However, it realized that this strategy was not sustainable in the long term and decided to invest in a rebranding process and establish for the first time a communication bridge with its consumers. In this way, *Queijos Santiago* hoped to be chosen for its brand and not its price. For this task, the company hired a marketing director which performed a 360° rebranding on the company, launched the brand on social network platforms for the first time, established partnerships with famous chefs and bloggers, all in order to create a brand within consumer's mind and build brand awareness and recognition. Nevertheless, given the tight budget of the marketing department, every online action that was taken sacrificed an action made at the point of sale. What is more, the company did not know

if their consumers wanted to buy a branded product or rather if they preferred price. For this reason, this case-study aims at discussing the strategy that *Queijos Santiago* should adopt in order to establish a brand in consumers' mind, either by focusing their marketing activities on the point of sale or by focusing it to the online.

Suggested Assignment Questions

The following suggested questions aims at guiding students throughout their reading and analysis of the case study. Through the questions, students can structure their ideas to present a solution to the dilemma hereby described. For these reasons, students are expected to answer the following questions in a one and a half hour class:

- a) Describe the current situation of *Queijos Santiago* using the 5Cs model (10 minutes) ;
- b) Perform a SWOT analysis for *Queijos Santiago* (10 minutes);
- c) Discuss the rebranding process of *Queijos Santiago* and comment which aspects did you find more and least relevant in the process? (15 minutes);
- d) Describe the current model of point-of-purchase marketing communications used by *Queijos Santiago* and explain how the company can maximize its rebranding process through it (10 minutes);
- e) Describe the current model of social media marketing communications used by *Queijos Santiago* and explain how the company can maximize brand awareness through social media (10 minutes);
- f) Evaluate the outcomes of *Queijos Santiago* to (1) focus its marketing strategies on the online or (2) focus entirely on the point-of-sale (10 minutes).

Teaching Objectives

Queijos Santiago case study has the following teaching objectives:

- To acquaint students about the various steps of a rebranding process;
- To explain how the cheese market has evolved during the years and which trends currently affect the market;
- To present the various stages that can exist during a brand building process;
- To highlight the importance of having a brand positioning;

Use of the Case Study

Queijos Santiago is a case study intended to be used in different marketing class for undergraduate and graduate students. This case study allows students to create perspectives on brand building, brand awareness, consumer behaviour, social networks and point-of-sale marketing strategies. It can be used during the classes of Brand Management, Consumer Behaviour and Digital Marketing.

This case study has been designed for a ninety-minute lecture. Students should read the case before-hand and prepare their answers to the question presented in the Suggestion Assignment Questions above.

Suggested Readings

In order to enhance student's better interpretation of the case study, and a better understanding of rebranding processes and social networks and point-of-sale marketing strategies, the following readings are recommended along with this case study:

- Stuart, Helen; Muzzelec, Laurent; (2004), *Corporate makeovers: Can a hyena be rebranded?* Journal of Brand Management VOL. 11, NO. 6, 472–482.
- Orzan G. et al.. (2016). *Conceptual Model Regarding The Influence Of Social Media Marketing Communication On Brand Trust. Brand Affect And Brand Loyalty.* Economic Computation and Economic Cybernetics Studies and Research.. 50(1). pp.141–156.
- Bianca, C.I. & Simona, T.A., 2008. Some Aspects Regarding The Importance Of Point Of Purchase Communications In The Marketing Communication Mix. *Annals of the University of Oradea, Economic Science Series*, 17 (4), pp. 807.
- Garrido-Morgado, A. and Gonzalez-Benito, O., 2015. Merchandising at the point-of-sale: differential effect of end of aisle and islands. *Business Research Quartely*, 18(1), pp. 57-67.

Literature Review

Rebranding

Rebranding can be described as a revitalizing and repositioning of a brand through a gradual and incremental modification of the brand proposition and marketing aesthetics as a natural and necessary part of brand management in response to changing market conditions (Aaker 1991; Kapferer 1998).

According to Muzellec and Lambkin (2006), the characterization of a rebranding is the creation of a new name, term, symbol, design or a combination of these factors for an established brand with the intention of developing a differentiated and new positioning in the mind of stakeholders and competitors; it is a marketing transformation and a very strong signal to stakeholders that something about the corporation is about to be changed.

Usually a rebranding involves a change in the name, and since the underlying value of a brand name is its set of associations (Aaker, 1991) a rebranding which involves a change of name can theoretically wipe out the positive mental images that brands usually stimulate. Thus the main objective of a rebranding is to reflect a change in the organization and to foster a new image.

Nevertheless a rebranding can have several objectives. On the one hand it can come from a change in the corporate brand driven by changes that have affected the company's structure and organization such as mergers and acquisitions or private to public ownership. On the other hand it can come as the need to foster a new image or to rationalise the brand portfolio and reveal a rebranding approach that is also a strategic decision in its own right. Finally a rebranding can also occur when the objective concerns brand architecture, which has the objective to integrate diverse brands or geographic markets under a single corporate brand or the equivalent concept of a master brand (Muzellec and Lambkin, 2006).

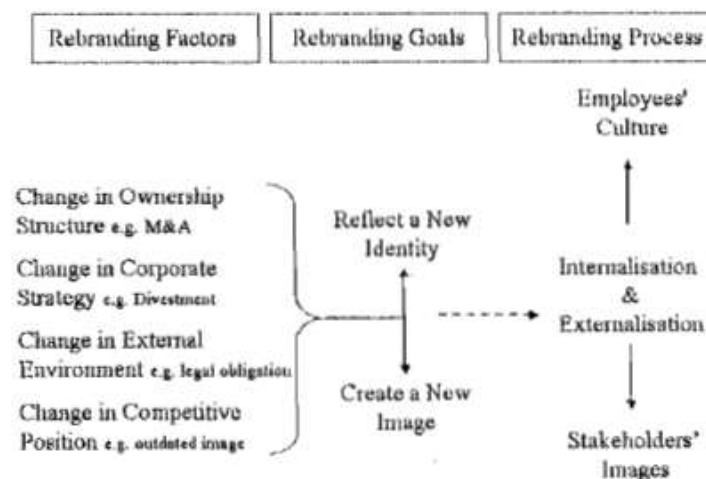


Figure 4. A model of the rebranding process (Muzellec and Lambkin, 2006)

According to Stuart and Muzellec (2004), it is very hard to assess the success or failure of a rebranding process, since each corporate rebranding has to be evaluated with regards to its

initial goals. Nevertheless, as noted by Ind30, ‘Consistency is a virtuous circle.’ In this way, organisations should think carefully about corporate rebranding, and if they cannot be consistent when rebranding, at least they should think about continuity issues.

Social Media marketing communications

Marketing communications can be described as a shared term that describes all the types of planned messages that are used to build a brand (Ouwersloot and Duncan. 2008). Social media is currently one of the most used marketing communication strategies (Orzan et al. 2016).

Social media is a unique tool that crosses cultural reaching and utilization. With the increase of global communications, there are growing opportunities for businesses, marketing and consumers (Coleman et al. 2013). Types of social media include Facebook with 800 million active users. Twitter with 140 million active users, 800 million unique users of YouTube and 150 million global users of LinkedIn (Kumar and Sundaram. 2012). In 2009, Nielsen stated that on average the global consumer spends around five and a half hours a day on social network websites such as Facebook and Twitter, a number representing an 82% increase from the prior year’s survey.

Marketers have been highly using social media due to its different characteristics and multiple advantages (Orzan et al. 2016). Firstly, social media is a useful tool to analyse both customer and business aspects. In the customer side, searches for product information, online reviews, rating of goods, give marketers optimal ways to determine marketing strategies (Wang and Chang 2013). Secondly, with the help of social media, companies are able to establish proximate relationships with consumers which lead to a bigger involvement with brands and also a higher brand loyalty (ORZAN et al. 2016). Thirdly, social media helps business to make higher profit as it allures potential buyers through social channels. (Shadkam and O’Hara. 2013) and also creates trust in the business transaction (Moscatto and Mostaco. 2009).

At the same time and according to Orzan et.al (2016), social media helps companies to reduce costs in terms of marketing and customer service operations. In fact, social media is cheaper than conventional forms of traditional marketing. The use of social media is of high volume, but low expense, while conventional marketing is low volume, but high expense.

All in all, social media benefits both consumers and companies in terms of public relations, advertising, brand exposure, communication, review, recommendations, information exchange, improving access, interactive communication, building a relationship, improved sales and a rich and wider audience (Smedescu. 2012; Carim and Warwick. 2013; Fensel et al.. 2014).

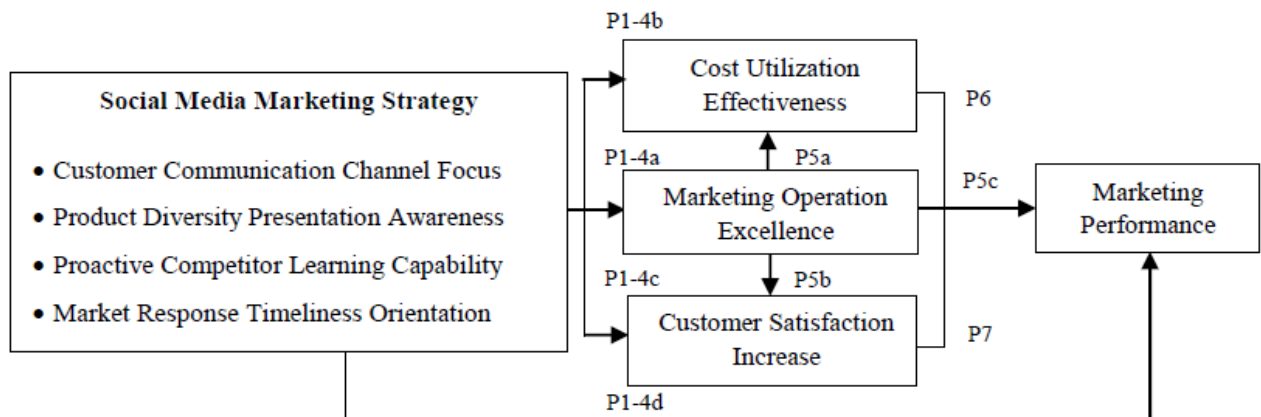


Figure 5. Conceptual framework of social media marketing strategy (Orzan et.al, 2016)

Nevertheless, Hoult (2009) argues that despite hopes that companies have in forging relationships with their consumers through the creation of branded content through the social media, few have been the brands that have generated meaningful consumer interest in the online. With the rise of new technologies, it has been harder for brands to buy frame, with companies let to be to believe that by creating impressive content in the online they would be able to engage with huge audiences.

Point-of-sale marketing communications

Point-of-sale (POS) marketing communications can be defined as any promotional materials placed at the point-of-purchase including interior displays, printed materials at shop counters or windows displays, in-store broadcasts, video screen demonstrations, shopping-trolley advertising, shelf talkers, coupon dispensers, wastepaper baskets and interactive kiosks.

Therefore, point-of-sale marketing communications comprise all aspects of the store and the store environment that transmit customer's characteristics such as quality, price and product assortment and that can be initiated either by the retailer or the manufacturer (Bianca and Simona, 2008). POS strategies have been increasing steadily over the years: whereas in 1968

this number was of 28% of promotional dollars (Food Marketing Institute year) in 2010 it was of 60% (Kellen and Kaiser 2010).

Hwang and Thomadsen (2016) studied how purchase variation in top national brands is driven by five POS marketing mix elements: assortment share, price, feature, display and promotion intensity. In their study they found that these five elements alone account for nearly 56% of the explained variation in purchase shares but that relative prices and assortment shares have the largest impact in purchasing shares.

The main objectives of inside store communications techniques are to capture customers' attention and to stimulate their purchase that have as objectives:

- Attract the customer attention and differentiate the brand from the competition;
- Remind the customer of on-going advertising, sales promotions or other communication campaigns;
- Inform the customer about the product;
- Influence the customer in their decision-making and trigger impulse purchase;
- Reinforce the brand's image.

- *Merchandising*

Merchandising refers to any commercial actions done at the point-of-sale that have the objective of stimulating consumer's purchase as soon as they enter the shopping establishment (Butler. 1984). The investment in merchandising has been growing and such a growth is due to studies that show that unplanned purchases constitute 46% to 70% of total purchases (Bezawada et al.. 2009; Inman et al.. 2009; Bell et al.. 2011), thus making purchases very influenced by commercial activities. With growing competition on shelves and the development of private labels, it is important to enhance consumer's attention on store (Garrido-morgado & Gonzalez-Benito. 2015). Many studies have proved that the use of merchandising techniques stimulates sales of products (Chevalier. 1975; Wilkinson et al.. 1982; Bemmaor and Mouchoux. 1991; Narasimhan et al.. 1996; Inman et al.. 2009; Bezawada et al.. 2009).

Merchandising techniques along with price promotions increase the effectiveness of each of the techniques (Fader and Lodish. 1990; Narasimhan et al. 1996; Van Heerde et al. 2000 2004; Lemon and Nowlis. 2002). Firstly, if promotional activities already get the attention of consumers, with the help of merchandising this measure can be more easily converted to sales

(Chandon et al., 2009). What is more, when a product is displayed in a different way than its competitors, consumers tend to overestimate it (Inman et al., 1990; Smith and Burns. 1996; Valenzuela et al.. 2013).

Garrido-Morgado and Gonzalez-Benito (2015), studied the impact of two merchandising techniques, end-aisles and islands, on consumer's response and sales. Despite the fact that all merchandising techniques help the stimulation of sales, there are differences in the different techniques. End-aisles can be defined as an exposure at the end of the same shelf where products from the same category are inserted. Islands are when a product is placed out of its normal place, usually in the middle of main aisles where there is more traffic of consumers. Islands have a bigger visual impact (Diez-De Castro et al., 2006; Varley. 2006), thus having the ability to capture the attention of consumers and increase the probability of purchase (Burton et al.. 1999; Inman et al.. 2009). Moreover, islands give consumers the impression that there are more price advantages and they are also able to save time (Inman et al.. 1990; Smith and Burns. 1996). Islands and end-aisles work well with promotions. While the last ones attract the attention of price-sensitive buyers, merchandising techniques work with impulsive buyers who require less information (Cricq and Bruel, 1975; Inman et al.. 1990; Mourton, 1990; Diez-De Castro et al., 2006).

Methodology

In order to collect some information regarding who were the consumers of *Queijos Santiago*, how did they perceive and position the brand relatively to its main competitors and which factors affected their purchase, a survey was conducted.

With the survey, 170 answers were gathered. The survey was organized in two parts: in the first part there were general questions regarding cheese consumption were asked, while the second part focused on the consumption of fresh cheese. Respondents belonged to both sex groups [Graph XV], ages [Graph XVI], and financial availabilities [Graph XVII], with the majority being daily users of the social media channels [Graph XVIII].

Regarding the first part of the focus group, respondents chose flamenco cheese (47.1%) as their preferred type of cheese, immediately followed by fresh and ripened cheese [Graph XIX] As for the most important attributes when purchasing a cheese, brand (46.6%) is considered the most important factor, followed by price in the second place for 46.2% and promotions in the 3rd place by 43% [Graph XX].

As for the second part of the focus group It was asked how [Graph XXI] and when [Graph XXII] they consumed fresh cheese, and also where they bought the product [Graph XXIII]. It was asked which three brands of fresh cheese first came to their mind [Graph XXIV], being *Queijos Santiago* was the first brand recalled by 40.6% of respondents but immediately followed by “I do not know” by 22.9%. In fact when asking for a second and third brand the majority of people answered “I do not know” 45.9% and 68.8% respectively.

Followed came some questions with the purpose to position *Queijos Santiago* to its main direct competitors in the fresh cheese segment namely *Queijos Saloio*, *Montiqueijo* and *Tété*. It was first asked consumers whether they knew the each of the companies [Graph XXV] and whether they had already consumed their cheeses [Graph XXVI]. For those who had already tried each of the brands presented, it was asked their willingness to pay for a small fresh cheese [Graph XXVII] and also to rate the cheese in terms of quality [Graph XXVIII].

To be noted that in order to evaluate each brand consumers had to had previously tried it. For this reason, *Queijos Santiago* results come from the answers of 117 people, *Queijos Saloio* 107 people, *Montiqueijo* 66 people and *Queijos Tété* 37 people. *Queijos Santiago* was the brand with the highest willingness to pay of 1.007€ for a small unit of 80grames, followed by *Montiqueijo* 0.954€ and *Queijos Saloio* and *Queijos Tété* both with 0.87€. Nevertheless in terms of quality of the cheese, *Queijos Tété* had the higher score of 4.2 stars out of 5, followed by *Queijos Santiago* with 3.96 starts while *Montiqueijo* 3.5 stars and finally *Queijos Saloio* 3.2.

Analysis and Discussion

This section presents several questions and its respective answers to help instructors lead class discussion. The class discussion should begin with a brief summary of the case study. It is expected that before answering the following questions, students are aware of the background of the company, the market situation, the problem the company faces and have in mind solutions to the dilemma presented.

In this way, it is suggested that the following questions are used during class discussion:

a) Describe the current situation of Queijos Santiago using the 5Cs model (10 minutes)

With this first question students are expected to recall important aspect from the first two sections of the case study “The story of Queijos Santiago” and “The cheese industry”. In

order to answer this question, students are expected to use the 5Cs analysis when describing the market:

Company: *Queijos Santiago* is a company with almost 100 years in the market detaining a long knowledge and experience in the process of cheese making. It started with the production of fresh cheeses, where it is the market leader and which represents the biggest part of its production and sales; currently it also detains ripened, grated and sliced cheese having a total of 63 references. The company aims at quality at fair prices and brings an innovation to the market every trimester.

Collaborators: *Queijos Santiago* relies on the exclusive supply of local producers of milk to have the necessary raw material to produce its cheeses. It has also established excellent relationships with the main retail brands, mainly *Sonae* and *Jerónimo Martins* where delivering daily its products.

Customers: Cheese is the segment within the dairy category which is most consumed by Portuguese families. The consumption of cheese is estimated at 10kg/per capita and is a segment highly consumed by Portuguese families (with 96% of consumption). Families bought the cheese segment 22 times per year with an average purchase of 0.42kgs and 2.96€. The economic crisis highly impacted household consumption with less frequent visits to the supermarket and consumers looking for more promotions than ever. There are three trends in Portuguese consumers: health, convenience and impulse. There are also two trends in cheese consumption: the first one is that cheese on average is still expensive and despite signals of recovery consumers are still very price sensitive; the second trend is that consumers look for different products and are more aware of the origin of products.

Competitors: There are 400 players in the cheese market that go from small traditional units to giant international players. The big main direct competitors of *Queijos Santiago* are: *Bel Portuguesa* with 21.1% market share and competing with *Queijos Santiago* with its flamenco cheeses under its brands *Limiano* (MS: 11.7%) and *Terra Nostra* (MS: 6.1%) and ripened with its brand *Pastor* (MS: 2,7%); *Lactogal* with 16,6% market share competes with *Queijos Santiago* with its ripened cheeses under the brands *Castelões* (MS: 5.6%), *Serra Dourada* (MS: 1.5%) and flamenco cheese with its brand *Agros* (MS: 4.3%); and *Queijos Saloio* with its ripened cheese *Palhais* (MS:2.8%) and curd, fresh and ripened cheese brand *Saloio* (MS: 2%). Regarding smaller competitors that also compete with *Queijos Santiago* are *Montiqueijo*,

Queijos Tavares and *Queijos Tété* all with less than 1% market share with the brands *Montiqueijo*, *Seia* and *Fraga* and *Tété* for fresh, curd and ripened cheese (MS: <1%).

Context: The cheese market is a big market both in terms of value and volume, reaching in 452.1 million euros in value and 52.82 million tons of volume. In 2015 this market presented positive signs of recovery after stagnation and decline in the previous years, due to a decline in sales and the crisis in the milk sector. The most consumed type of cheese is flamenco cheese followed by ripened and fresh and curd cheese. The cheese segment is mainly bought at supermarkets and hypermarkets with the two main urban centres consumed 50% of cheese. Promotional activities: the main retail brands namely Sonae and Jerónimo Martins have been investing in promotions. thus forcing brands do it as well and that consumers have become addicted to promotions.

b) Perform a SWOT analysis for *Queijos Santiago* (10 minutes)

In this question students should use a SWOT analysis model so as to look at the company's Strengths, Weaknesses, Opportunities and Threats.

Strengths

Genuinely Portuguese: *Queijo Santiago* is a 100% Portuguese company funded solely on Portuguese capital and using milk from local Portuguese supplier;

Almost 100 years in the market: the company was founded in 1918, by Joaquim Santiago, the current CEO's grandfather and has been in the Santiago's family for the 3rd generation already;

Quality of the products: *Queijos Santiago* cheeses are renowned to be of high quality by its consumers and have already won several national and international awards;

Diversification of portfolio: the company has a wide portfolio that goes from fresh and curd cheese, to ripened, grated and sliced cheeses;

Nationwide coverage with daily delivery: *Queijos Santiago* is present in the main market insignias and delivers to more than 2000 points of sale across Portugal.

Talent for innovation: The company is constantly investing in research and development and every trimester delivers an innovation in the market.

Opportunities

Growing concern over healthy products: Since the company has a great investment in innovation it could invest in products that target consumers concerned with health issues;

Environmental and social responsibility: So far, *Queijos Santiago* has never invested in these fields so it could be an opportunity to undertake especially regarding its rebranding process;

Brand expansion in the gourmet channel: *Queijos Santiago* has a wide presence in the mass market nevertheless with the rebranding it could explore more premium segments especially for its ripened cheese segment;

Threatens

Sustaining the leading position in the Fresh Cheese sub-segment: *Queijos Santiago* is the market leader in the fresh cheese sub segment, nevertheless the environment is very competitive with big companies operating on it which threatens such positioning;

Strong competition: there is the presence of strong companies in the market such as *Bel Portuguesa* and *Lactogal* which detain very strong cheese brands in the market;

Difference in consumption between the various regions: the majority of cheese consumption is done in the major sub-urban areas which create a lot of dependence in these areas;

Pressure from the clients in doing promotions: The two main retail brands, *Sonae* and *Jerónimo Martins* have been increasing promotional activities on price which oblige brands and companies to follow this trend;

Fluctuation in the prices of raw materials: The milk industry is going through a crisis due to the drop in the price of milk, which compromises the production of cheeses since it uses milk as its main raw material;

Weaknesses

Proximity to the final consumer: Throughout its 100 years of existence, *Queijos Santiago* had a 100% focus on production thus focusing on the B2B channel and never on the B2C;

Brand Architecture: the company had many types of brands but not an umbrella brand too all its cheese. Its portfolio was incoherent with cheeses conveying different logos and claims and did not seem to belong to the same company;

Problems with the uniformization of products: it was very hard to see a connection between products as they did not relate to each other;

Lack of coherent communication: *Queijos Santiago* portfolio conveyed different messages, logos and claims making it highly difficult to create a brand in consumers' minds;

c) Discuss the rebranding process of *Queijos Santiago* and comment which aspects did you find more and least relevant in the process? (15 minutes)

In order to answer this question, students should firstly think about the reasons for a company to go through a rebranding process. According to Stuart and Muzzelec (2004) these can be summarized into the following:

- Mergers & acquisitions and divestitures;
- Shifts in the market place due to competitors that have merged/acquired/divested;
- New competitors;
- Changed economic or legal conditions;
- Need to change image that is outdated;
- Need for new focus or vision.

Queijos Santiago rebranding can be inserted in the last two reasons. Firstly, the company wanted to shift its focus on production to its consumers; secondly the company wanted to create a new image in the market, more modern and easily recognized by its consumers and that could be applied to its portfolio of products.

Following, students should mention the types of change gone through the rebranding process. Stuart and Muzzelec (2004) describe such changes as falling in three categories: changes in name and logo, name logo and slogan, logo only, logo and slogan and finally slogan only. In case the change results in only one of the elements changed, then it will be an evolutionary change. In case it is a change in all elements it will be called a revolutionary change with all three elements being changed simultaneously. Students should state that *Queijos Santiago* rebranding went through a revolutionary change as all three elements were changed simultaneously. It is expected that students then describe the change done in all elements:

Name: While changing the name of a company can be a risky strategy as it may miscommunicate what the organization is committed for (Stuart and Muzzelec, 2004), this was a good strategic move to *Queijos Santiago*. The company was previously called *Santiago & Santiago*, the last names of the founder and his son together, and was changed during the

rebranding to “Queijos Santiago”, which means Santiago’s Cheeses since the company is only focused on cheese making thus the new name reinforces its expertise in cheese making;

Logo: the logo should relate to the company in terms of its colours, shapes or both (Stuart and Muzzelec, 2004). The logo chosen was the shape of a mold with a green colour. The shape of the mold was chosen since molds are objects used in the production of every fresh cheese and since *Queijos Santiago* started with the production with this kind of cheese and it is also the market leader in the segment, thus the mold was the object behind the mold. On the other hand, the colour green which was previously used in the package the most famous fresh cheeses the semi-skimmed cheeses, was kept so as to consumers to keep associating *Queijos Santiago* with it.

Slogan: Slogans reflect the positioning and strategy of the corporate brand (Stuart and Muzzelec, 2004). The slogan chosen was “Saber que sabe bem”; “Saber” which means knowledge, reflects the expertise the company has on cheese making since it has been on the market for almost 100 years; “que sabe bem” means “which tastes good” to reinforce the idea that all the company’s cheeses are delicious and also do good for the health mainly the fresh cheeses which have high quantities of proteins. Finally the slogan also included “since 1918” which was the year the company was built thus reinforcing the idea of an established presence in the market.

In the next part of the question students should describe the steps taken following these changes. Firstly all products suffered a change in its package which became more attractive and modern and incorporated the new name, logo and slogan. Secondly, *Queijos Santiago* invited the press for the first time to know its company and achievements as a way to advertise itself. Thirdly the company gave its first steps in the online world, by renovating its website and launching itself on the social media mainly on Facebook, LinkedIn and Instagram, and with such a launch, the company established exclusive partnerships with a cook that created special recipes with the cheeses, and nutritionist who was invited to explain the nutritious value of cheese. Famous bloggers and celebrities were invited to degustation and cooking sessions in order to raise brand awareness through the social networks.

Also, students should mention that the rebranding was not only made externally but also internally. Upon the launch of the new name, logo and slogan there was an internal party thrown at *Queijos Santiago* where all its collaborators were invited to celebrate the rebranding. What is more, all collaborators received training upon the rebranding and that inside the

factories the new logo was painted and the working uniforms were changed so as to remember people of the new image of the company.

Finally students can mention some strong and weak points regarding the rebranding process such as:

Strong Points	Weak Points
Internal and external rebranding	Rebranding done without any consumer insight
Touched both the online and the offline	No strategic plan in the long term

d) Describe the current model of point-of-purchase marketing communications used by *Queijos Santiago* and explain how the company can maximize its rebranding process through it (10 minutes)

In the first place students should recall what aspects can be considered point-of-sale communications: these are all factors that signal to consumers about quality, price or product assortment with the main objective of attracting shoppers' attention and stimulate their purchase (Bianca and Simona, 2008).

Students can also refer to other objectives of point-of-sale communications such as:

- Remind consumers of ongoing or previous advertising or other forms of promotion like public relations, sales promotions, or other previous campaign, reinforcing, thus, the communications message;
- Inform consumers about the product;
- Persuade consumers to enter in the store or to buy some specific products, to influence their decision-making at the point of sale and to trigger impulse purchase;
- Building an image, point-of-purchase communication also can serve to help with building an image for the retailers and for the manufacturers.

Following, students should describe the model of point-of-sale used by *Queijos Santiago*. Firstly, the company has always invested on aggressive price promotions activities at the point-of-sale, and such promotions were generally accompanied with the use of end-of-aisles and islands.

Students then should refer some advantages of using such techniques, which according to Smith and Burns (1996), Valenzuela et al. (2013), Burton et al. 1999 and Inman et.al (1990) are the following:

- Islands and end of aisles are situated in areas where there is more traffic thus getting more attention from consumers;
- Consumers associate the isolation with the existence of higher discounts, increasing the willingness to buy;
- Have a greater visual impact on consumers response; thus if products have more visibility the probability of purchase will increase;
- Placed far away from the competition which prevents price comparisons
- Gives buyers a sense that there is a price advantage and time-saving.

Secondly, students can also refer some activities done at the point-of-sale upon the rebranding of *Queijos Santiago* such as degustation sessions at the main supermarkets and hypermarkets and exclusive offers when purchasing the cheeses.

Lastly, students should state that as *Queijos Santiago* focus on such strategies it can use this factor to reinforce its rebranding communication. It can also position all its cheeses, ripened, fresh, curd, sliced and grated together in the islands and end-of-aisle so as to show consumers their entire portfolio.

e) Describe the current model of social media marketing communications used by *Queijos Santiago* and explain how the company can maximize brand awareness through social media (10 minutes).

Students should begin to answer this questions by giving a broad definition of social media marketing , giving for example the one set by Barker et.al 2013 and Evans (2010) that define social media as the scope of marketing activity, sales, public relations and customer service through social networking, online communities, or any online collaborative media to gain superior performance achievement.

In the second place, students should enumerate some of the advantages of marketing a brand through social which according to Best, Manktelow & Taylor, 2014 are the following:

- Building customer relationships;
- Public communication;

- Digital content diversity channels;
- Advertising flexibility;
- Low cost operations;

Nevertheless, students should also mention that the mere presence of a brand in social media will not be able to provide benefits unless it is accompanied by the consumers' involvement (Holt 2016); that is, it is necessary that consumers identify themselves with the brand and develop a long-term relationship with it (Orzan et al. 2016).

Students should go on to mention the steps *Queijos Santiago* did on social media:

- Partnerships with cook and nutritionist;
- Events with famous people and bloggers;
- Raffles;
- Posts that present the portfolio of the company.

Finally, students can suggest ways to *Queijos Santiago* to create even more brand awareness:

- Have a brand endorser that people can relate to the brand;
- Reinforce more its history and give more curiosity facts about the company;
- Promote social responsibility actions;

f) Evaluate the outcomes of *Queijos Santiago* to (1) focus its marketing strategies on the social media or (2) focus entirely on the point-of-sale (10 minutes).

In order to answer this question, students should reflect in the answers given on the last two questions and also at the information given in the case study.

Regarding the first point of the question (1), point-of-sale marketing communications, this has been a path that the company has always taken and was successful. Nevertheless, with the rebranding process, it could reinforce such activities at the point-of-sale by better communicating the new image and also doing cross-selling with its different types of cheese so that its consumers try the least known products. As studied by Hwang and Thomadsen (2016), the bigger the assortment share the largest the impact in purchases.

Nevertheless, the company should be aware of very intense price promotions, especially upon the rebranding since it can deteriorate the value of the brand, which later on will be very hard to regain, as described in the paper by Sotgiu and Gielens (2015). According to the same authors, after a period of very intense price competition, as the one *Queijos Santiago* currently faces, there can be a distortion in consumer's price perception with more premium and high-priced brands being at an disadvantage when compared to economy brands or private labels, once this period is over. Therefore, successful point-of-sale strategies will focus on valuing the brand at the point-of-sale and generate trial to other products of the company. In case such strategies are successful, the brand can gain more sales and market share.

As for the second point of the question (2), social media marketing communications can be the right path to create brand awareness, brand loyalty and interaction with its consumers (Orzan et.al 2016). What is more, for a small-medium enterprise as *Queijos Santiago* with a tight marketing budget, social media can be the right option since it is much cheaper than other conventional ways of marketing such as television or street advertisement (Orzan et.al 2016). Nevertheless, the Facebook page of *Queijos Santiago* has not been able to generate a lot of interaction [Appendix XXX], therefore the company should rethink of new ways to create more interaction. However, as Holt (2016) argues "*Companies have sunk billions of dollars into producing content on social media, hoping to build audiences around their brands. But consumers haven't shown up*". In this way *Queijos Santiago* should carefully analyse which are the best ways to communicate with its consumers through the social media so as to not end up investing money that brings no return.

Appendix

Appendix I – Production Units of *Queijos Santiago*



Appendix II– *Queijos Santiago* Portfolio of Products

Fresh Cheeses





Curd Cheese Santiago



Sheep Curd Cheese Santiago



"Atabafado" Curd Cheese Santiago



Fresh Cheese (L) Santiago



Low-Fat FC (L) Santiago



Curd Cheese (L) Santiago



Sheep Curd Cheese (L) Santiago

Ripened Cheese



Aged Cheese Convento - Santiago



Aged Cheese Cardeal - Santiago



Spicy Aged Cheese *2 Guardião - Santiago



Aged Cheese Herdade do Barão - Santiago



"Atabafado" Goat Cheese Campainha - Santiago



Goat Aged Cheese Campainha - Santiago

Ripened Cheese D.O.P



Sliced and Grated



Appendix III – Weight of sales per retailer

Clients	Weight on Sales
Sonae	29,67%
Jerónimo Martins	30,56%
Auchan	5,67%
Lidl	6,26%
Dia	7,78%
E.Leclerc	0,64%
Intermarché	1,26%
El Corte Inglés	0,59%

Outros	17,59%
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Appendix IV - National Insignias where *Queijos Santiago* is present



Appendix V – Distribution of the suppliers of *Queijos Santiago*



Appendix VI – Agency Happy Brands



happybrands



Appendix VII – Agency Young and Network



Appendix VIII – Evolution of the logo



Appendix IX – The new claim

SABER QUE SABE BEM

Appendix X – Shelf ready packaging



Appendix XI – Evolution of the packaging



Appendix XII – Communication with the press



Appendix XIII – Website



Appendix XIV – Facebook



Appendix XV – LinkedIn



Appendix XVI – Chef Mónica Pereira



Appendix XVII – Nutritionist Iara Rodrigues



Appendix XVIII – Instagram



Appendix XIX – Promotion at the point-of-sale



Appendix XX – New promotional activities



Appendix XXI – New gifts give at promotions



Appendix XXII – End of Aisle



Appendix XXIII – Islands



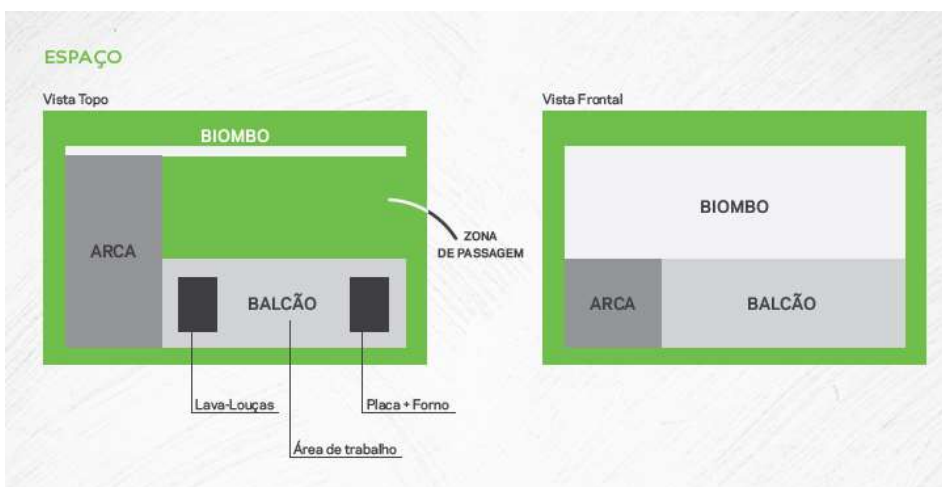
Appendix XXIV – Promotional Brochures



Appendix XXV – Bimonthly newsletter



Appendix XXVI – Santiago’s Show Cooking



Appendix XXVII – Santiago’s on the Road





Appendix XXVIII – Special gift from Santiago’s on the road



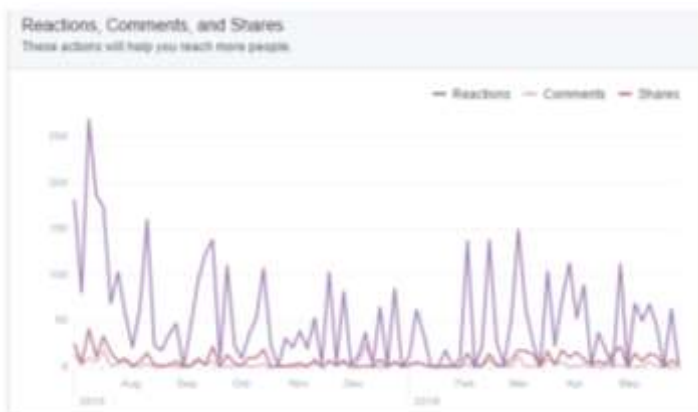
Appendix XXIX – Queijos Santiago Facebook pages views



Appendix XXX – Posts interaction

Published	Post	Type	Targeting	Reach	Engagement	Promote
05/29/2016 9:55 am	Domingo é dia de brunch! Siga a sugestão da Madga do blogue M			945	18 29	Boost Post
05/26/2016 1:45 pm	Reforce o feriado com uma boa dose de energia com este baldo			1.4K	48 29	Boost Post
05/24/2016 9:42 pm	É hoje, na revelação do nosso #diladoquesabem... Apresenta			1.2K	21 56	Boost Post
05/24/2016 9:42 pm	Aqui fica o nosso #diladoquesabem desta semana! É a revista			697	14 25	Boost Post
05/23/2016 9:10 pm	O nossos queijos frescos, Sem Lactose e Meio Gordo, marcaram			1.0K	80 29	Boost Post

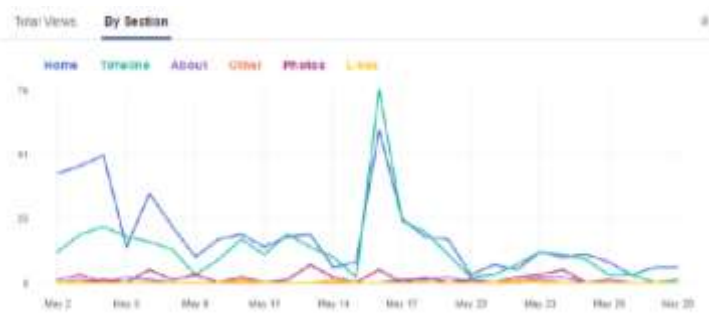
Appendix XXXI – Evolution of posts interaction



Appendix XXXII – Visitors profile



Appendix XXXIII – Visited Sections of facebook page

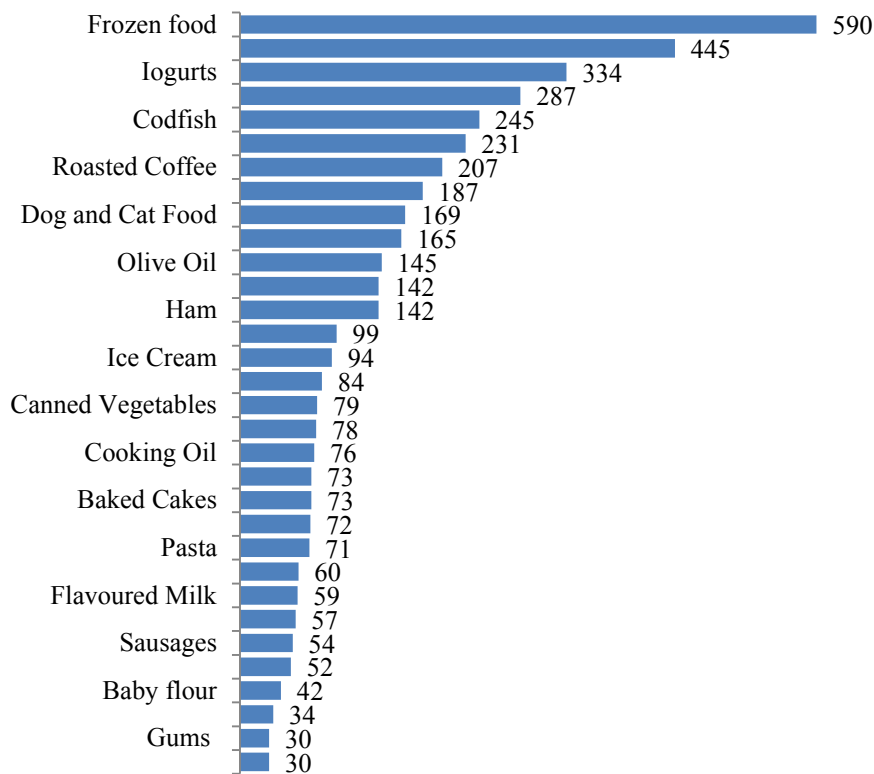


Appendix XXXIV – Queijos Santiago page ranking

Page	Total Page Likes	From Last Week	Posts This Week	Engagement This Week
1  Salato	21.3K	0%	2	7
YOU 2  Queijos Santiago	12.4K	0%	5	148
Keep up with the Pages you watch. Get More Likes				
3  Lactimonta - Queijos	8.4K	+0.2%	4	81
4  Montiqueijo	8.2K	+0.7%	8	400
5  Queijaria Guilherme	8K	0%	0	0
6  Lactínios do Paiva	4.8K	0%	0	0
7  Queijos Tété	4K	+0.9%	3	42
8  Queijaria Da Licíria	2K	+0.4%	0	0

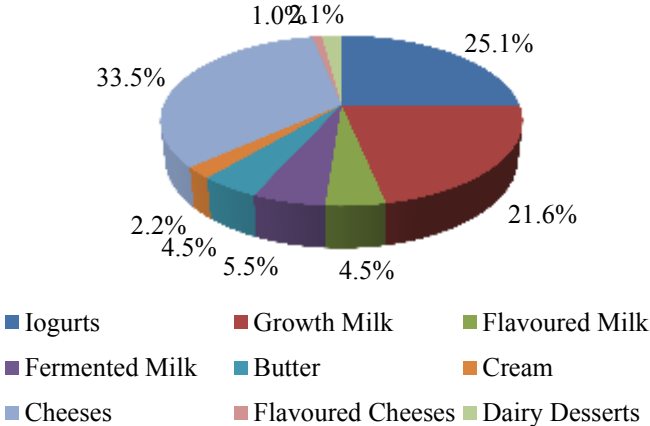
GRAPHS

Graph I - Market Rankings



Source: Nielsen, 2015

Graph II – Dairy Category



Source: Nielsen, 2015

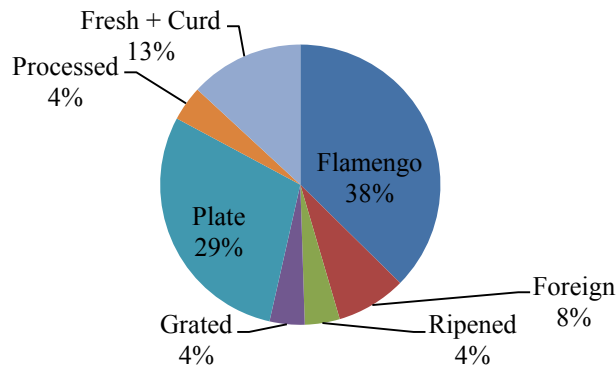
Graph III – Variation in value in the dairy category

Dairy	% of Sales in Value	Variation in value €
Yogurts	27%	-4%
Growth Milk	22%	-13%
Flavoured Milk	4%	-2%
Fermented Milk	6%	+1%
Butter	4%	-3%
Cream	2%	-2%
Cheeses	33%	+1%
Flavoured Cheeses	1%	-8%
Dairy Desserts	2%	+22%

Source: Nielsen, 2015

Graph IV – Distribution of cheese consumption

Consumption of Cheese



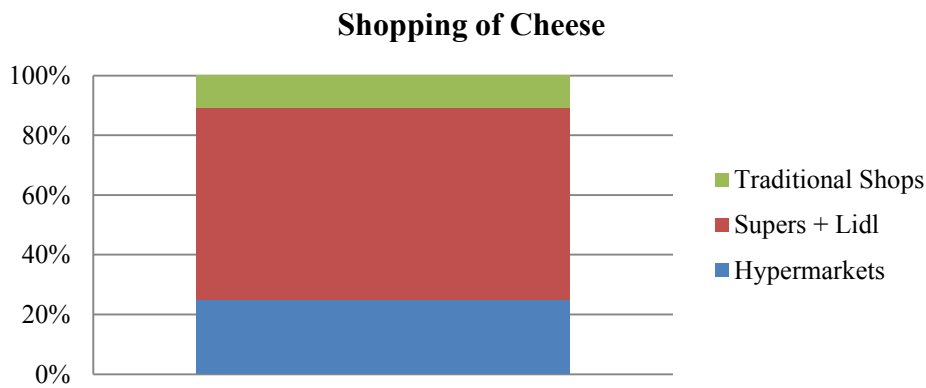
Source: Nielsen Track (Including Lidl). 2015

Graph V – Sales of unprocessed cheese

Sales of unprocessed cheese by type: % value breakdown 2010-2015						
% retail value rsp	2010	2011	2012	2013	2014	2015
Flamengo	42.8	43	43.1	45.3	48.7	50.2
Fresh	14.3	14.2	14	14.1	15.4	15.8
Curd	4.9	5	5	5	5	5.1
Others	38	37.9	37.9	35.7	30.8	29
Total	100	100	100	100	100	100

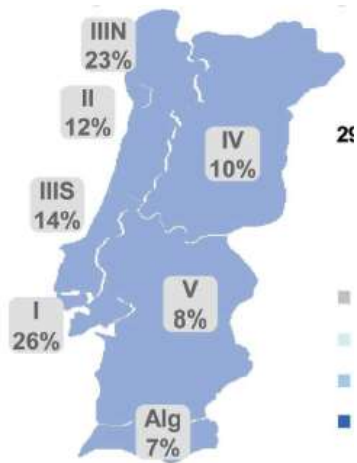
Source: Euromonitor. 2015

Graph VI – Distribution of cheese shopping on the retail channels



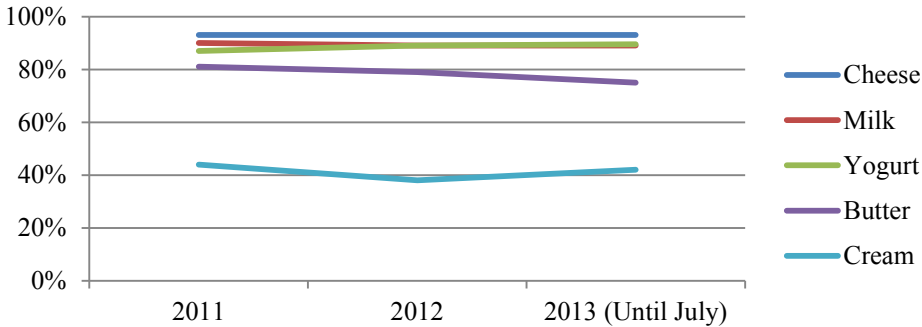
Source: Nielsen Track (Including Lidl). 2015

Graph VII – Distribution of cheese consumption



Source: Nielsen Track (Including Lidl). 2015

Graph VIII - Analysis of Consumption Trends



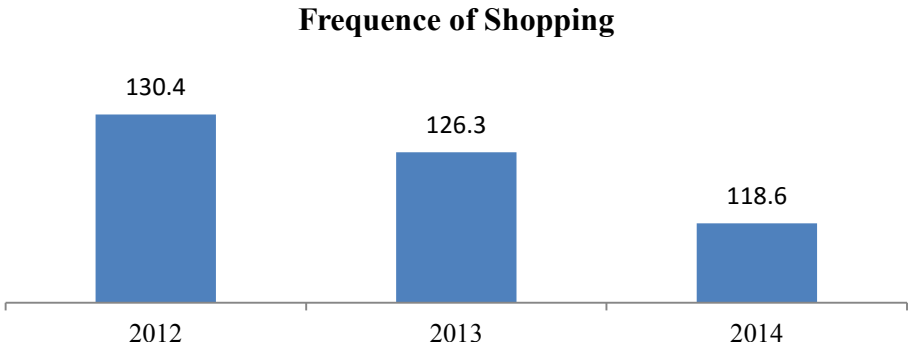
Source: Markttest TGI. 2013 (July)

Graph IX - Analysis of Shared Consumption

%V	Cheese	Milk	Yogurts	Butter	Cream
Cheese	100	93.5	94.6	95.4	95.8
Milk	88.8	100	90.1	90.4	92.2
Yogurts	87.6	87.8	100	89.1	93
Butter	77.5	77.3	78.2	100	84.9
Cream	43.5	44	45.6	47.4	100
Base Analysis	7957	7558	7365	6463	3611

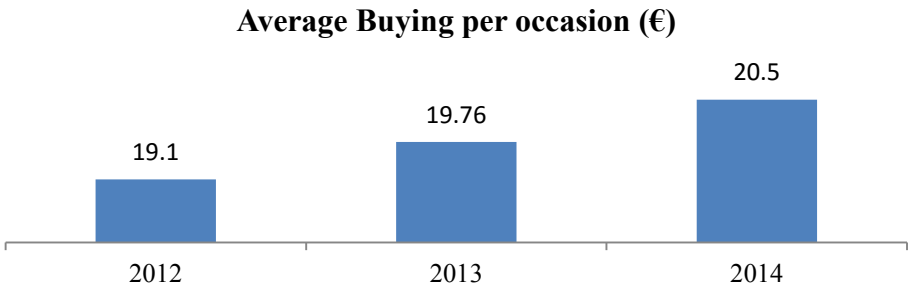
Source: Marktest TGI. 2013 (July)

Graph X – Frequence of Shopping



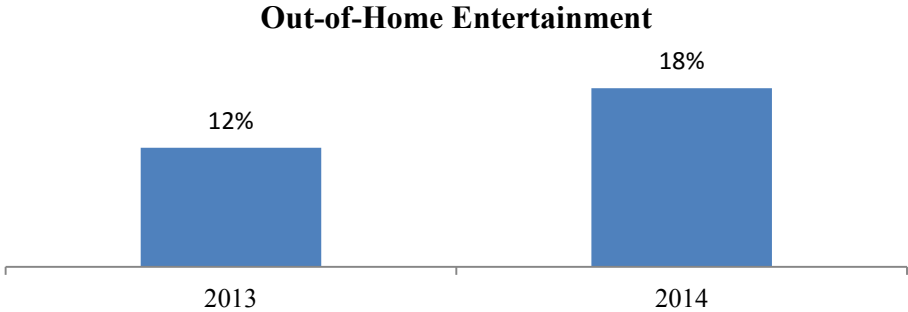
Source: Nielsen Homescan. 2015

Graph XI – Average buying per occasion



Source: Nielsen Homescan. 2015

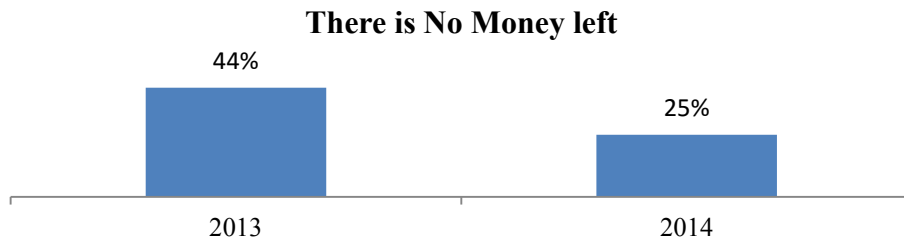
Graph XII - Once you pay your main expenses. what do you do with your money? I spent in...(% of Portuguese vs Previsous quarter)



Source: Consumer Confidence Survey (Q4-14)

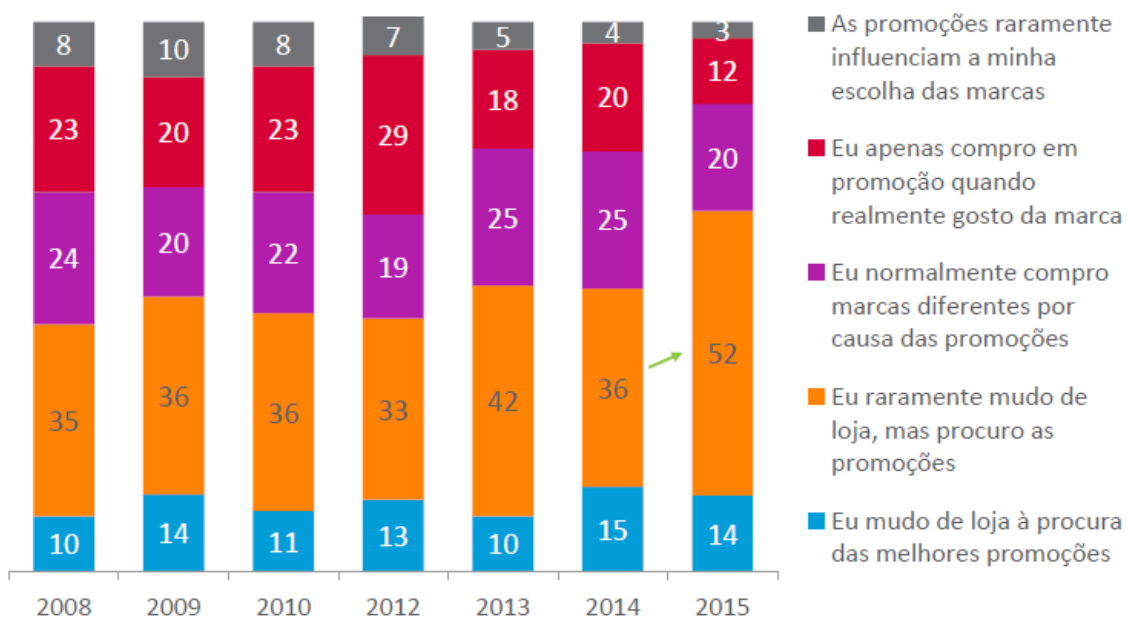
Graph XIII - Once you pay your main expenses. what do you do with your money? I spent in...

(%of Portuguese vs Previsous quarter)



Source: Consumer Confidence Survey (Q4-14). Nielsen

Graph XIV – Influence of promotions in shopping

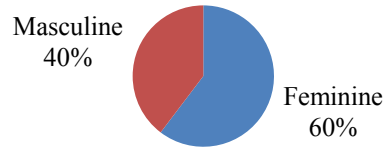


Source: Nielsen. 2014

Survey Responses

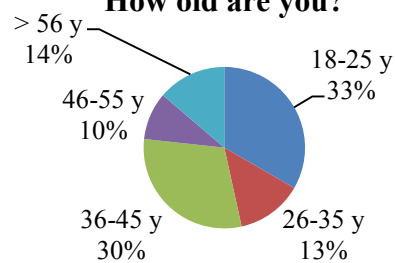
Graph XV – Question 1

What is your sex?



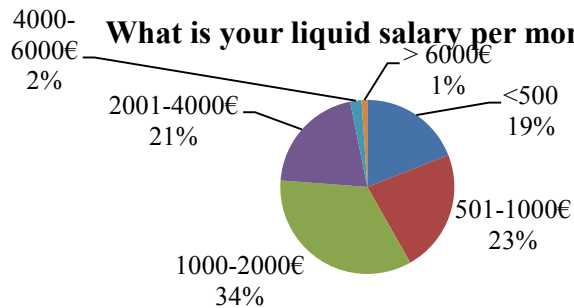
Graph XVI – Question 2

How old are you?



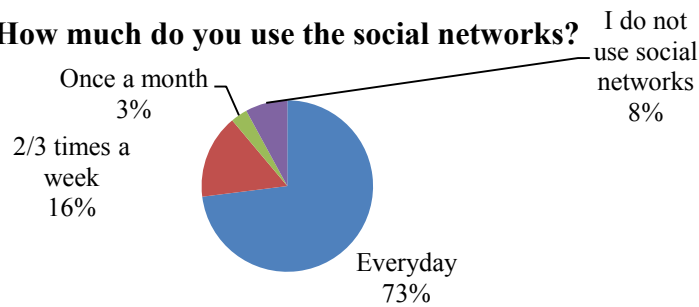
Graph XVII – Question 3

What is your liquid salary per month?



Graph XVIII – Question 4

How much do you use the social networks?



Graph XIX – Question 5

Which types of cheese do you consume the most?

	Flamengo	Mozzarella	Grated	Fresh	Curd	Ripened	
1st option	47.1%	6.9%	3.7%	28.0%	2.6%	11.6%	100.0%
2nd option	17.5%	22.8%	10.6%	25.4%	14.3%	9.5%	100.0%
3rd option	12.7%	16.9%	20.6%	13.8%	20.1%	15.9%	100.0%
4th option	15.3%	20.6%	18.0%	19.0%	16.9%	10.1%	100.0%
5th option	5.3%	22.2%	22.2%	11.6%	24.9%	13.8%	100.0%
6th option	2.1%	10.6%	24.9%	2.1%	21.2%	39.2%	100.0%

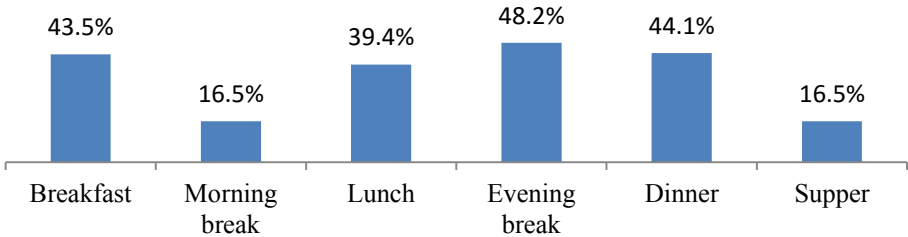
Graph XX – Question 6

Which factors most influence your purchase of cheese?

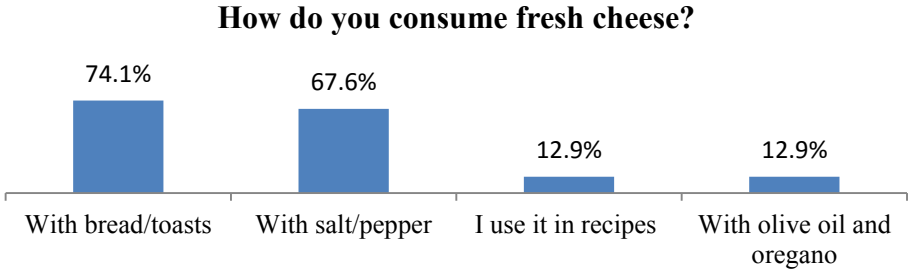
	Price	Brand	Promotions	Innovations	
1st option	27.0%	47.6%	21.7%	3.7%	100.0%
2nd option	46.6%	21.7%	23.3%	8.5%	100.0%
3rd option	23.8%	24.9%	40.2%	11.1%	100.0%
4th option	2.6%	5.8%	14.8%	76.7%	100.0%

Graph XXI – Question 7

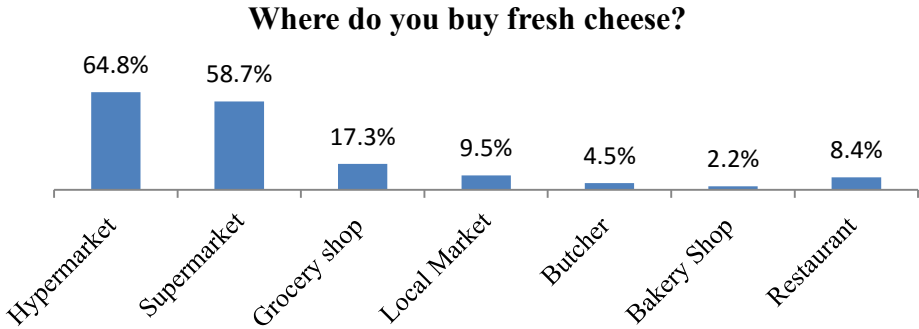
When do you consume fresh cheese?



Graph XXII Question 8



Graph XXIII - Question 9



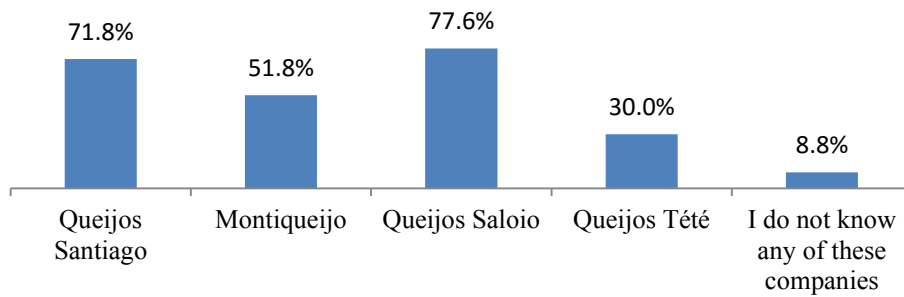
Graph XXIV - Question 10

Which three brands of fresh cheese do you first recall?

	Queijos Santiago	Montiqueijo	Queijos Saloio	Tété	Private Label	NA	Matinal
1st brand	40.6%	1.2%	4.1%	4.1%	12.4%	22.9%	6.5%
2nd brand	4.1%	5.9%	7.1%	4.7%	15.3%	45.9%	5.9%
3rd brand	2.9%	4.7%	3.5%	4.1%	6.5%	68.8%	1.8%

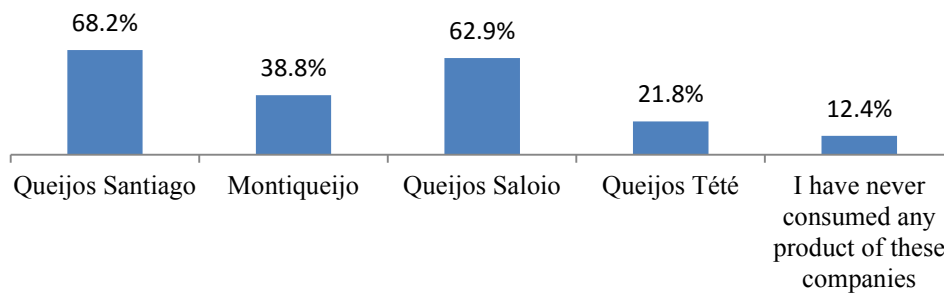
Graph XXV – Question 11

Do you know any of these fresh cheese companies?



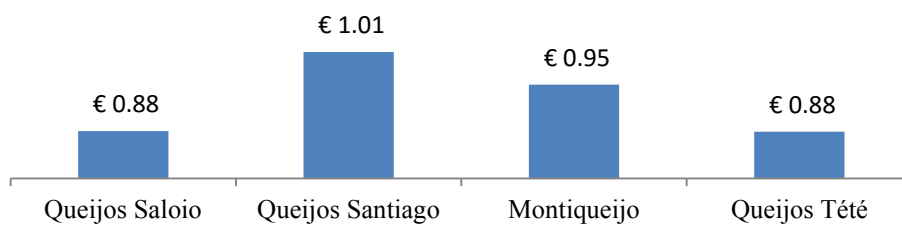
Graph XXVI – Question 12

Have you ever consumed any product of these companies?

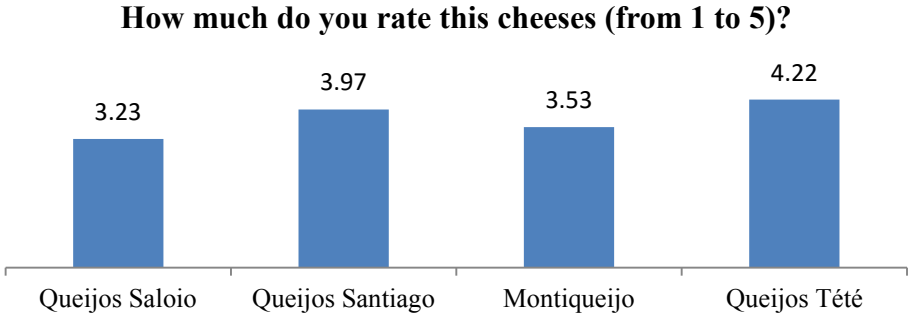


Graph XXVII – Question 13

How much are you willing to pay for a fresh cheese of this company (80gr)?



Graph XXVIII – Question 14



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