Booklet 2 of 2

A Work Project, presented as part of the requirements for the Award of a Master Degree in Management from the NOVA – School of Business and Economics.

Value Creation Wheel Applied to Jerónimo Martins Distribuição de Produtos de Consumo and Whymob.

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A Project carried out on the Master in Management Program, under the supervision of:
Professor Luís Filipe Lages

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Appendix 1 – Acknowledgments

The completion of these projects would not have been possible without the collaboration of some people, to whom we would like to express our gratitude.

First of all, we want to thank Professor Luís Filipe Lages, our Advisor, for all the help, counsels and patience. His dedication to the Value Creation Wheel is remarkable, and his knowledge and experience were fundamental to attain the final outcomes.

We would like to express our thankfulness to Paula Hortinha, Managing Director of Jerónimo Martins Distribuição de Produtos de Consumo (JMD), and to Marta Lopes, our Advisor in the company, for their guidance and feedback throughout the process. Likewise, we offer our gratitude to all JMD's workers, who participated and contributed with their knowledge to the project, specially in the phase of ideas' generation.

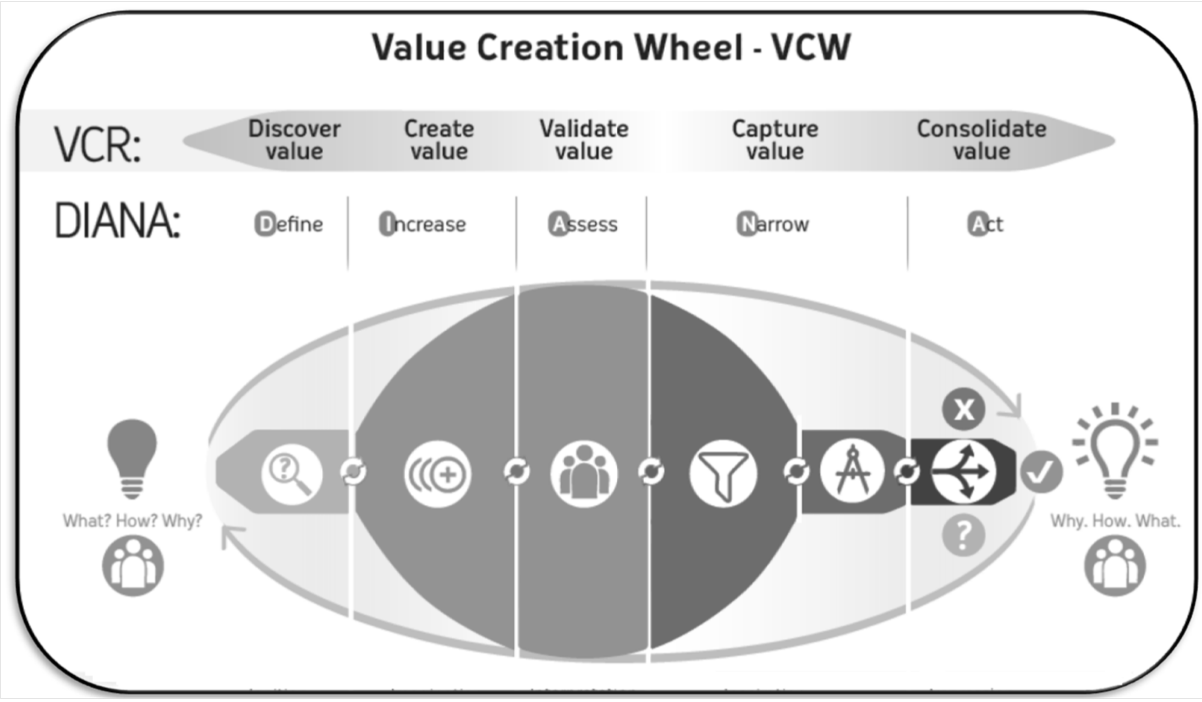
Equally, we express our gratitude to Paulo Pires, CEO of Whymob, and to Henrique Ahnfelt, CSO of Whymob, for all the insights and feedback, essential to understand the product and the market, and to progress with the project.

Our gratitude is obviously extended to all the stakeholders involved, for their availability and willingness to join brainstorming sessions, interviews, and focus groups, as well as to all the respondents of online surveys and questionnaires realized by the VCW team. Their participations were essential to achieve the final conclusions.

To our families and friends, thank you for all the help, patience and encouragement to overcome obstacles and to maintain the motivation.

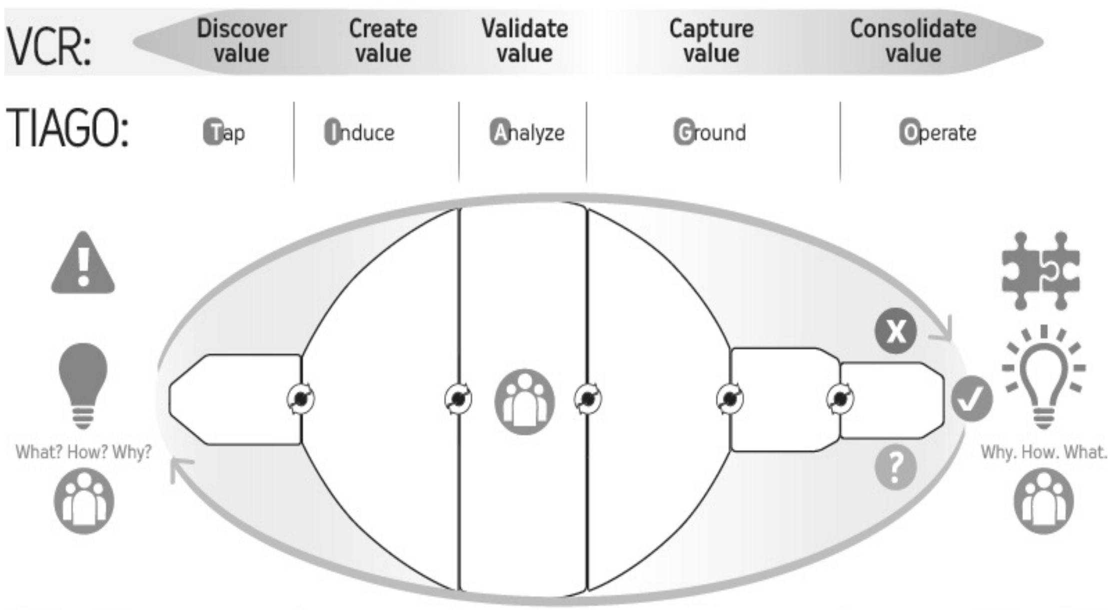
Finally, within the VCW team we would like to thank each other, for all the collective experience, learning and help. All the moments shared were fundamental throughout this challenging experience.

Appendix 2 – DIANA Framework



Source: Lages, L. F. (2016). VCW—Value Creation Wheel: Innovation, technology, business, and society. *Journal of Business Research*. DOI: 10.1016/j.jbusres.2016.04.042.

Appendix 3 – TIAGO Framework



Source: Lages, L. F. (2016). VCW—Value Creation Wheel: Innovation, technology, business, and society. *Journal of Business Research*. DOI: 10.1016/j.jbusres.2016.04.042.

Appendix 4 – Poker Method

Source: Lages, L. F. (2015). How to grow, create and capture value in domestic and international markets? *Nova SBE Working Paper #599*.

Appendix 5 – European Union Cosmetic Regulation

European Union Cosmetic Regulation

According to the Article 2 of the European Union Cosmetic Regulation (Regulation (EC) No. 1223/2009), a **cosmetic product** is defined as "any substance or mixture intended to be placed in contact with the various external parts of the human body (epidermis, hair system, nails, lips and external genital organs) or with the teeth and the mucous membranes of the oral cavity with a view exclusively or mainly to cleaning them, perfuming them, changing their appearance and/or correcting body odors and/or protecting them or keeping them in good condition." This regulation states that in order to a product to be considered a cosmetic product, it should address three different requests – purpose, site of application and product composition – and should comply with the norms and structure that each one of the request demands. Besides, this type of regulation enables the European Union to ensure product safety (through legislation of the manufacturing process and distribution) and to promote innovation and competitiveness among the sector (European Commission).

Source: European Commission

Appendix 6 – Consumer Habits in Cosmetic Market Online Survey Template

Consumer Habits in Cosmetic Market

I am a finalist student of the Master in Management at Nova School of Business and Economics and I am currently writing my master thesis, which is focused on strategy and innovation in the cosmetic selective area. This questionnaire aims to understand final customers' perception regarding availability, diversity and easy to buy cosmetic products in different points of sales.

Thank you for your cooperation and time.

*Required

1. **Gender:** *
Mark only one oval.

- ◯ Feminino
- ◯ Masculino

2. **Age:** *
Mark only one oval.

- ◯ <18
- ◯ 18-25
- ◯ 25-40
- ◯ 40-60
- ◯ >60

3. **Do you usually use cosmetic products?** *
Mark only one oval.

- ◯ Yes
- ◯ No *After the last question in this section, stop filling in this form.*

4. **How often do you buy your cosmetic products?** *
Mark only one oval.

- ◯ Weekly
- ◯ Monthly
- ◯ 1-3 month
- ◯ 3-6 month
- ◯ > 6 month

5. **Which type of cosmetic products do you usually buy? (You can select more than one option)** *

Tick all that apply.

- [ ] Make-Up
- [ ] Skin-Care
- [ ] Body-Care
- [ ] Hand-Care
- [ ] Nail-Care
- [ ] Fragrances
- [ ] Sun-Care
- [ ] Hair-Care
- [ ] Shaving Products
- [ ] Depilatory Products
- [ ] Other: ______________________

6. **Where do you usually buy your cosmetic products? (You can select more than one option)** *

Tick all that apply.

- [ ] Super e Hypermarkets
- [ ] Catalog (eg: Oriflame, Avon)
- [ ] Specialists Retailers (eg: Sephora, Kiko, Perfumes e Companhia)
- [ ] Pharmacy
- [ ] Online
- [ ] Drug Stores
- [ ] Other: ______________________

7. **Which is the average price you spend in your cosmetic products?** *

Mark only one oval.

- ◯ <10€
- ◯ 10€ - 20€
- ◯ 20€ - 30€
- ◯ 30€ - 50€
- ◯ 50€ - 70€
- ◯ 70€ - 90€
- ◯ >90€

8. **Which aspects you value the most when choosing a cosmetic product? Classify by order of importance, being 1 the least important and 5 the most important** *

Mark only one oval per row.

	1	2	3	4	5
Price	⬭	⬭	⬭	⬭	⬭
Brand	⬭	⬭	⬭	⬭	⬭
Promotions	⬭	⬭	⬭	⬭	⬭
Quality	⬭	⬭	⬭	⬭	⬭
Quantity	⬭	⬭	⬭	⬭	⬭

9. **Do you use any cosmetic product that is not sold in Portugal?** *

Mark only one oval.

⬭ Yes

⬭ No

10. **If yes, which one?** *

____

____

____

____

____

If the following questions, classify in a 1-5 scale:

11. **Purchase products from natural or organic ingredients** *

Mark only one oval.

	1	2	3	4	5	
Not Relavant	⬭	⬭	⬭	⬭	⬭	Very Relevant

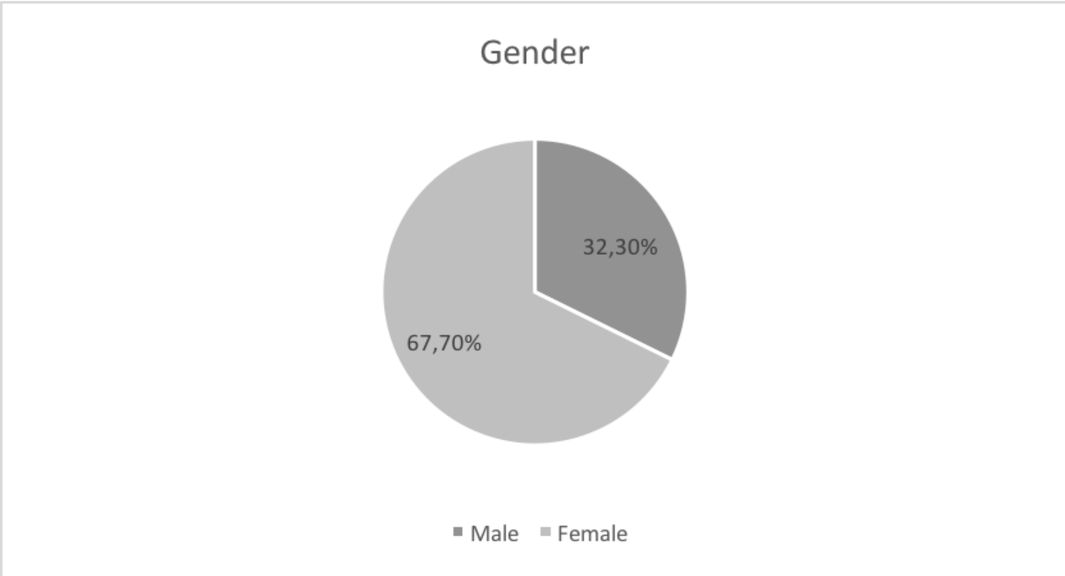
12. **Purchase products that are not tested in animals** *

Mark only one oval.

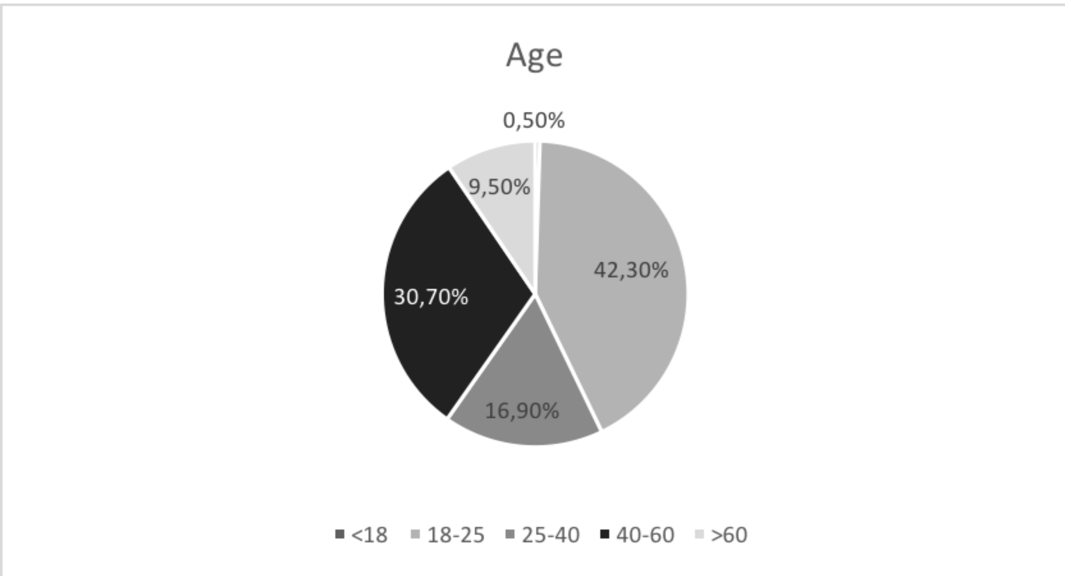
	1	2	3	4	5	
Not Relevant	⬭	⬭	⬭	⬭	⬭	Very Relevant

Appendix 7 – Consumer Habits in Cosmetic Market Online Survey Results

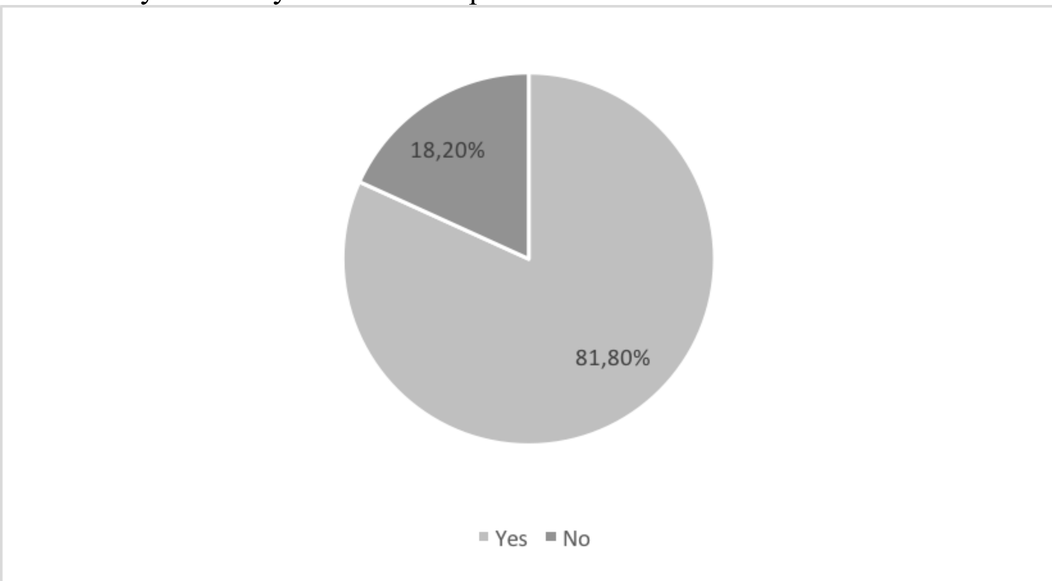
1. Gender



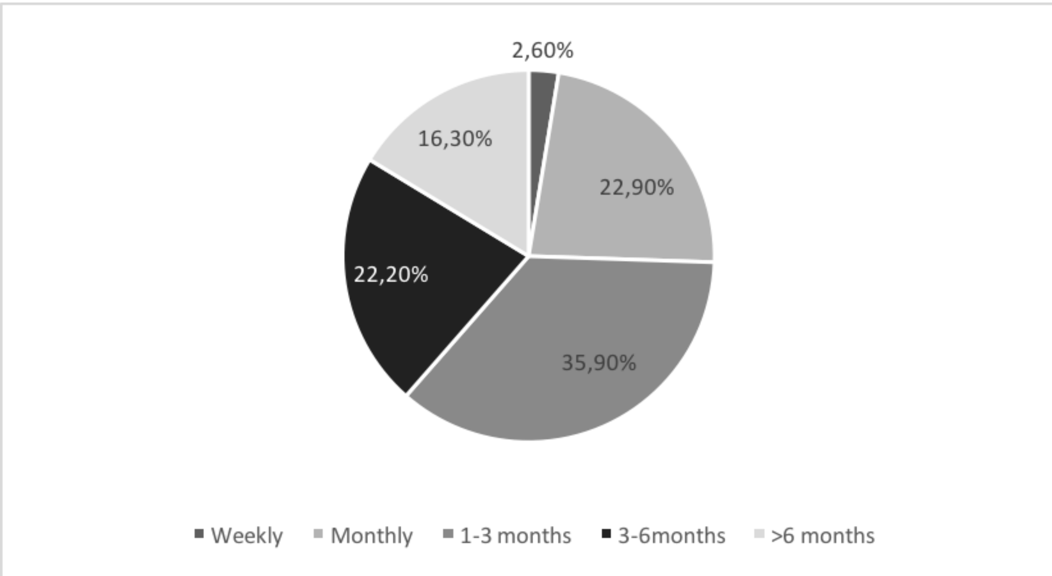
2. Age



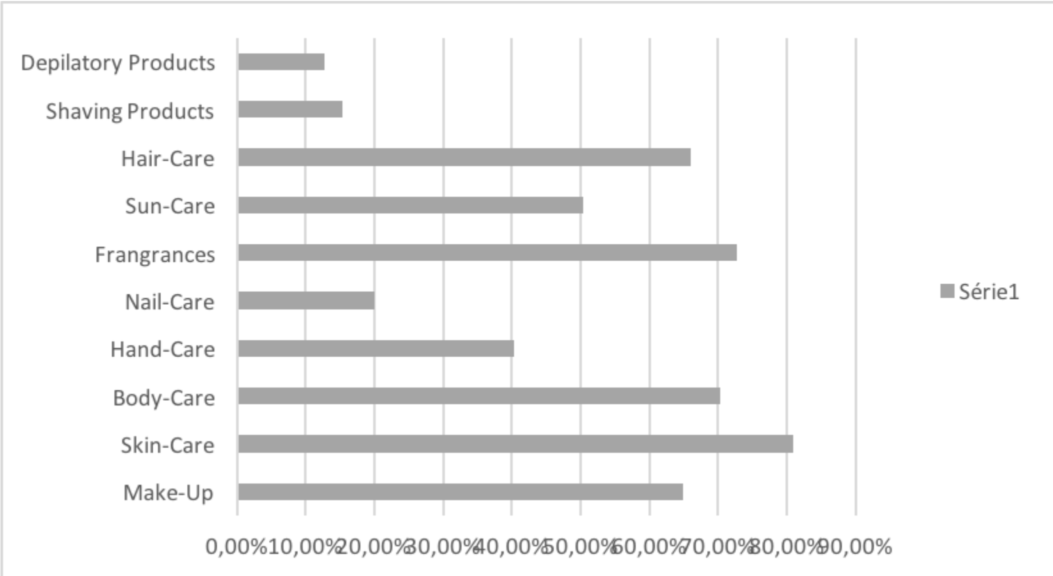
3. Do you usually use cosmetic products?



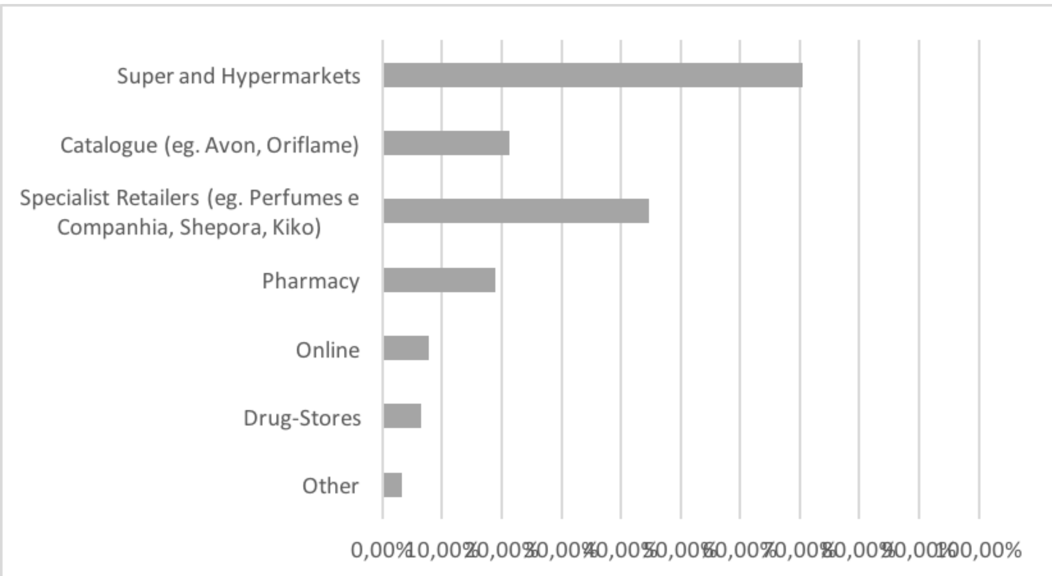
4. How often do you buy your cosmetic products?



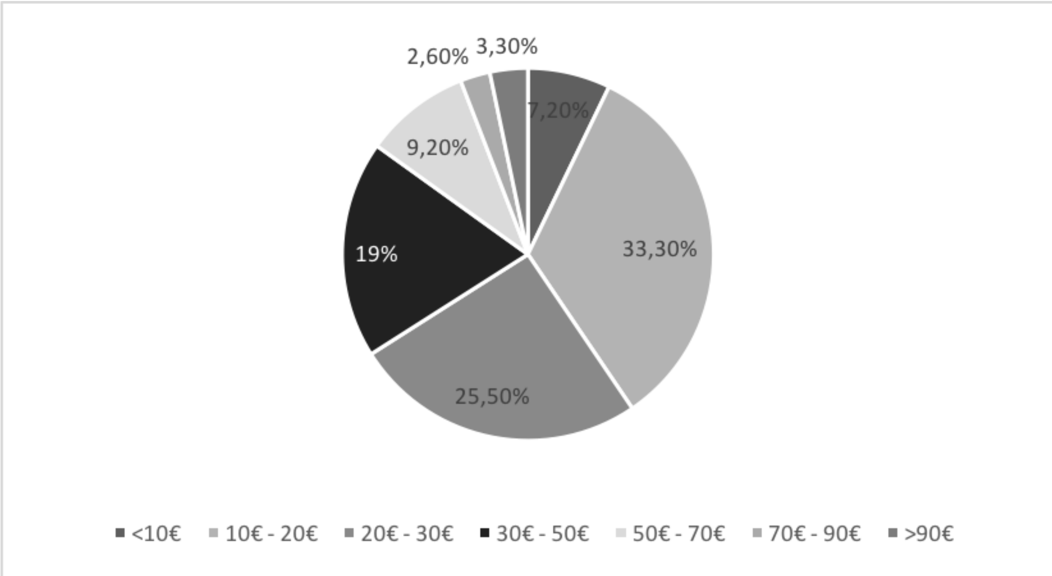
5. Which type of cosmetic products do you usually buy?



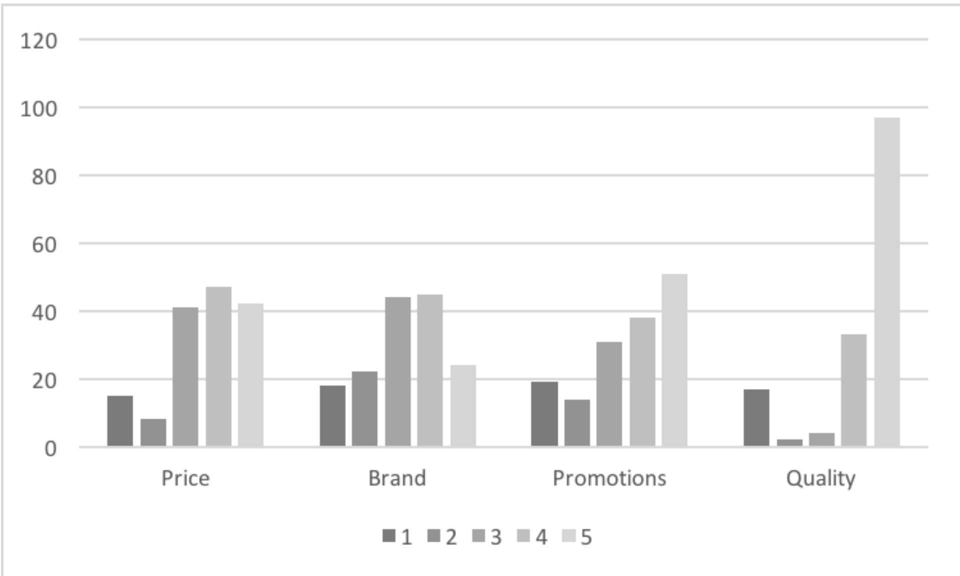
6. Where do you usually buy your cosmetic products?



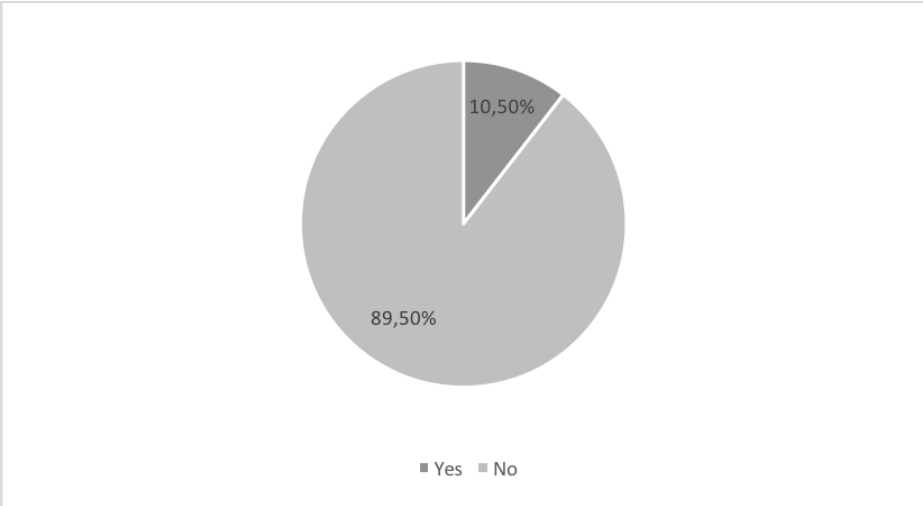
7. Which is the average price that you spend per month in cosmetic products?



8. Which aspects you value the most when choosing a cosmetic product? Classify by order of importance, being 1 the least important and 5 the most important



9. Do you use any cosmetic product that is not sold in Portugal?

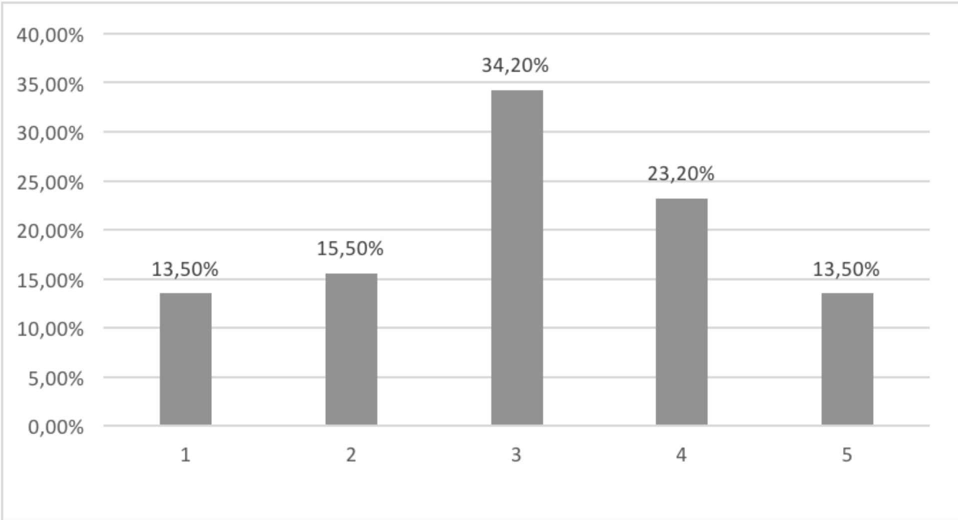


A. If Yes, wich?

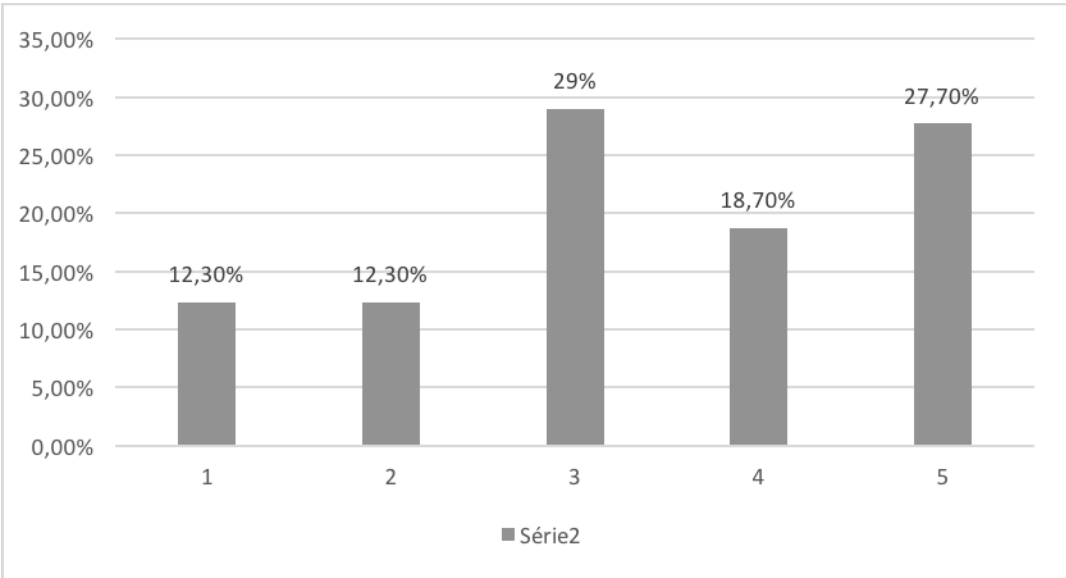
List of Brands	
Nars	Surrat Beauty,
Pola Orbis	Kat Von D.
Kosé	By Terry
Royale Bouquet	Bobbi Brown
Lee Stafford	NYX
Barry M.	Batiste, Macadamia
Dunno	MakeupGeek Cosmetics
Biodroga	Morphe Brushes
Nars	Olay
Tatcha Beauty	HEMA

10. Classify in a 1-5 scale:

A. Purchase Products from natural or organic ingredients



B. Purchase products that are not tested in animals



Appendix 8 – Induce Solutions: Outside-In View (Market-pull mindset)

Who cares? (TARGET MARKET)	What do they care about? (PROBLEM, PAIN, NEED)	What can we offer? (PRODUCT/SERVICE ATTRIBUTES)	The Unique Experience (IDEA/MARKET FIT)
End Consumer	- Price - Discounts and Special Offers - Quality - Availability in store - Variety - Customer Relationship Management (CRM) - Customized Products - Fashion Products - Product Visibility - Easy to access	- Fashionable Product - Product with high quality - Product that follow consumer's trends and desires - Customization - Product with strong online media presence	Creation of a Website - The site promote the products and give beauty advices: tips for treatments, make-up demonstration videos - Partnership with make-up schools and hairdressers
End Consumer	- Price - Discounts and Special Offers - Quality - Availability in store - Variety - Customer Relationship Management (CRM) - Customized Products - Fashion Products - Product Visibility - Easy to access	- Fashionable Product - Product with high quality - Product that follow consumer's trends and desires - Customization - Product with strong online media presence	Endorse with an existing App - The customer have the possibility to try on the make-up products/hairstyles and if he/she wants to purchase it is redirected to the brand's website

Who cares? (TARGET MARKET)	What do they care about? (PROBLEM, PAIN, NEED)	What can we offer? (PRODUCT/SERVICE ATTRIBUTES)	The Unique Experience (IDEA/MARKET FIT)
Specialists Retailers	- Stock and Order management - Supplier Relationship Management (SRM) - Delivery Time and Place - Easiness of Orders Placement	- Previous Know-How in Cosmetic Distribution - High Market Coverage across the country - Technology Innovation - Good Relationship with Distributors - Partnerships with Small Distributors (HoReCa and Impulse channel)	Online Order Placement for Cosmetic Stores - Able to meet cosmetic stores inventory demands in real time
Brand and Distributors	- Growth in the channel - Good Relations - Effectiveness - Efficiency	- Create learning opportunities - Team with strong distribution experience - Know-how in marketing and distribution operations	Channel Evaluation - Possibility to evaluate the current system, make suggestions and changes to create more efficiency
JMD	- Reputation (represent premium brands) - Brand portfolio - Growth and profitability - Distribution Network - Communication Strategy	- Specialized Marketing service - Fresh insights - Time saving	Marketing Outsource Contract an outsourced team to be responsible for the communication in the cosmetic segment

Source: Developed by the VCW team

Appendix 9 – Ideas Streaming

List of Final Ideas for Validation
Analyze the market to predict innovation tendencies across countries and new consumer trends: UK, USA, Nordic and Asian countries using tools as YouTube, Instagram and Pinterest
Select a brand that is not present in Portugal, with attractive growth and that is considering expand their operations internationally – propose JMD has their distributor in Portugal
Analyze the Portuguese Market and Portuguese consumer trends
Create a store under JM's name
Create a brand under JM's name
Partnerships with online business stores (eg. La Redoute, Asos) to sell cosmetic products: take advantage of their distribution channel.
Invest in more than one category in products under the same brand: portfolio and risk diversification
Enter in B2B: Instead of end-store distribution, invest in the distribution of raw materials to the cosmetic chains (For example, distribution of butters/vitamins/solvents used to manufacture cosmetic products, if the production is made in Portugal) ▪ Develop and online B2B platform ▪ Develop a B2B catalogue of products ▪ Coverage other types of business (eg. Oral and Dermatology Cosmetic Chain)
Explore M&A in the market
Select a category that has a competitive price inside the premium sector – compete on price instead of product premium position
Select a brand present in Portugal that is experiencing high growth rates and want to expand its market coverage: propose JMD as their outsource distributor
Acquire a small distributor that already has a successful distribution model in the cosmetic channel (instead of implement their own distribution channel)
Check the current partnerships inside JM group to see if they are present/want to expand their operations into the cosmetic segment: suggest JMD has their distributor
Invest in cross-selling products that complement the cosmetic sector: focus on fitness and healthy beauty (eg. Products as fitness teas, skin drinks, loose-weight drinks). For example: Fittea, Nudey Tea, I am Natural (Well-being section).
Invest in cosmetic support products (eg. Make-Up brushes accessories)
Invest in Korean and Japanese brands: sector with high growth that is expanding their operations across Europe. JMD can take advantage from their innovative technology, low price products within the premium category and perception of high quality products
Look for partnerships with the main industry players: L'óreal, Estee Lauder, Beiersdorf (that has some premium brands as Eucerin)
Select a brand with high investment capacity that offers the possibility to extend its offerings outside store: spas, beauty centers.
Invest in the Baby Cosmetic sector – linked to the natural cosmetic market: Noodle&Boo, Sophie La Girafe
Invest in niche markets to enter: biological, natural or organic cosmetic
Invest in green cosmetic lines – linked to Social and Environmental Responsibility
Invest in Handmade Cosmetic products (eg. Lush)
Invest in Health Issues niches - Cosmetic that address problems as allergies, skin problems

Invest in non-animal testing Products
Invest in 'Busy Life Style' Products that redefined the concept of hygiene. Example: Spray shampoo (no water needed)
Invest in cross-selling distribution: extend the sell of the selective cosmetic products to clothes and jewelry stores
Make the distribution through current distributors. Eg. Sogenave
Re-connect the contact with the distribution network JMD used when it was responsible for the CK distribution and make adjustments to the new brand requests
Enter in the pharmacy segment with specialized products
Contract a specialized team to work in full-time on the Project
Take advantage from the current channels the company already has. ▪ Food Service sector: HoReCa channel – distribution to Hotels and Spas ▪ Impulse channel: distribution to airport's specialists department stores
Invest in customization: 'make the product your way'
Synergies with current distributors
Create an independent distribution network specific for this area
Invest in Online Business
Invest in Digital Marketing Strategies: strong presence in social media and online platforms
Establish partnerships with beauty schools and/or beauty spaces in order to build consumers' trust in the product.
Invest in in-store promotion and outdoor marketing
Be involved in 'Real Beauty' Campaigns (eg. as Dove from Unilever)
Be present in fashion social events: opportunity for networking and contacts
Invest in Celebrity Endorsement taking into account that the choice should be adapted to the brand's target
Benchmarking: marketing strategies, product diversification strategies, distribution strategies
Creation of a Website -The site promote the products and give beauty advices: tips for treatments, make-up demonstration videos -Partnership with make-up schools and hairdressers
Endorse with an existing App: The customer have the possibility to try on the make-up products/hairstyles online (as L'Óreal App) and if he/she wants to purchase it is redirected to the brand's website
Online Order Placement for Specialist Retailers Stores and Departments: Able to meet cosmetic stores inventory demands in real time
Outsource Marketing: Contract an outsourced team to be responsible for the communication in the cosmetic segment

Source: Developed by the VCW team

Appendix 10 – Filters Streaming

List of Final Filters for Validation
Product/Service/Technology/Person
Relevant Categories to add to JMD's distribution portfolio
Possibility to/not to extend the portfolio of products under the same brand
Brand's willingness to expand their operations to Portugal
Brand's market coverage request
Technology level of adaptation (eg. For the online and social media presence)
Brand's category size, growth rate and profitability
Brand's recognition: will affect the level of market penetration
Time to adapt to new customer's tendencies and innovations
Set of competences of the team that is dealing with the cosmetic market: know-how about the cosmetic market and its dynamic, about the product.
Business platform to cover cosmetic requests
Time to implement a cosmetic business platform
Market/Competition
Resistance of specialist retailers to introduce non-European brands
Distributors' scale
Willingness of cosmetic players to establish partnerships
Enter in a segment with well-positioned players: competitors' established network, distribution channels and clients
Mass market highest % of coverage
Market Forecast in terms of growth, volume of transactions and profitability
Extent to which the brand can stay competitive (eg. constantly research to discover new ingredients, utilize existing ingredients in new applications)
Business Uncertainty
% of coverage of specialist retailers and specialized department stores in the market – can influence the choice of the category. For example, the deodorant segment has a heavy penetration in the mass market so it may not make sense to invest in a category with such a low penetration in the selective segment.
Team/Company
Production type and content of the product – the brand to represent will depend on the level of Corporate Social Responsibility of the company
Limited distribution channels when compared to Food Area: may not fit in the client's market coverage request
Lack of a specialized team
Financial condition of the selected company
JMD expected growth for the cosmetic segment
Investment in cross-selling distribution
Expected revenues
Expected growth inside the channel
% that selective cosmetic channel will represent in the overall business
Expected market coverage
Look for partner interested in the Business Model of JMD
JMD's business model
Negotiation Power

Estimated Delivery Time
Minimum Quantity Ordered
Intended market penetration
Logistics Plan
Work in exclusivity distribution terms
Lack of the experience in the cosmetic segment from the retailer's point of view – the specialist retailer may prefer a distributor with know-how and high level of expertise in the channel
Customer Retention Ratio
Investment to acquire small distributors
Brand's level of reputation
Level of risk diversification
Alignment with JMD's Strategy
Alignment with JM Group Strategy
JMD Current Join Ventures (Puig) – Could limit the scope of categories to select
Limitations in the implementation of new supply chain modes
Investment Capacity in a specialized Team to deal only with the cosmetic segment: recruitment, training, support
Investment capacity in an online business platform
Investment in relationship with new retailers to create a solid distribution network
Investment capacity in marketing (Marketing Budget): support in-store promotion and outdoor marketing
Implementation costs of a new distribution network
Cost of investment in an IT platform and material to support the cosmetic business operations
Opt for an European Brand
Opt for non-European Brands
Opt for brands already present in Portugal
Environment
European Commission Cosmetic Directive
Infarmed Legislation
Environmental Concerns
Cultural factors – customer's resistance to foreign products
Keep up with customer's trends
Product Safety

Source: Developed by the VCW team

Appendix 11 – List of Ideas with the Highest Potential

List of Ideas with the Highest Potential
1. Invest in baby cosmetic sector – linked to the natural cosmetic market: Noodle&Boo, Sophie La Girafe
2. Invest in in-store promotion and outdoor marketing
3. Select a brand that is not present in Portugal, with attractive growth and that is considering expand their operations internationally – propose JMD has their distributor in Portugal.
4. Be present in fashion social events: opportunity for networking and contacts
5. Invest in Digital Marketing Strategies: strong presence in social media and online platforms
6. Invest in Korean and Japanese brands: sector with high growth that is expanding their operations across Europe. JMD can take advantage from their innovative technology, low price products within the premium category and perception of high quality products
7. Invest in more than one category in products under the same brand: portfolio and risk diversification
8. Analyze the market to predict innovation tendencies across countries and new consumer trends: UK, USA, Nordic and Asian countries using tools as YouTube, Instagram and Pinterest
9. Select a brand with high investment capacity that offers the possibility to extend its offerings outside store: spas, beauty centers.
10. Select a brand present in Portugal that is experiencing high growth rates and want to expand its market coverage: propose JMD as their outsource distributor
11. Check the current partnerships inside JM group to see if they are present/want to expand their operations into the cosmetic segment: suggest JMD has their distributor
12. Take advantage from the current channels the company already has. ▪ Food Service sector: HoReCa channel – distribution to Hotels and Spas ▪ Impulse channel: distribution to airport's specialists department stores
13. Create an independent distribution network specific for this area
14. Benchmark: marketing strategies, product diversification strategies, distribution strategies

Source: Developed by the VCW team

Appendix 12 - List of Filters with Highest Potential

List of Filters with the Highest Potential
Qualifiers
Relevant Categories to add to JMD's distribution portfolio
Alignment with JMD's Strategy
Alignment with JM Group Strategy
Infarmed Legislation
Product Safety
Need of a specialized team to work in the project
Work in exclusivity distribution terms
Ranked Filters (from most to least important)
1. Brand's category size, growth rate and profitability
2. Investment Capacity: specialized Team, marketing & promotion and distribution channel
3. Lack of a specialized team
4. Set of competences of the team that is dealing with the cosmetic market: know-how about the cosmetic market and its dynamic, about the product.
5. Market Forecast in terms of growth, volume of transactions and profitability
6. % of coverage of specialist retailers and specialized department stores in the market – can influence the choice of the category. For example, the deodorant segment has a heavy penetration in the mass market so it may not make sense to invest in a category with such a low penetration in the selective segment.
7. Expected revenues
8. Resistance of specialist retailers to introduce non-European brands
9. Keep up with customer's trends
10. Investment in relationship with new retailers to create a solid distribution network
11. JMD Current Join Ventures (Puig) – Could limit the scope of categories to select
12. Lack of the experience in the cosmetic segment from the retailer's point of view – the specialist retailer may prefer a distributor with know-how and high level of expertise in the channel
13. JMD expected growth for the cosmetic segment
14. Distributors' scale

Source: Developed by the VCW team

Appendix 13 - Consumer Food Service by Location in Portugal

Food Service operators can be divided into independent and chained operators. The first dominate in standalone locations while the second are concentrated in non-standalone locations such as shopping centers. An analysis by location allowed to understand that standalone locations, in 2013, accounted for 80,1% of the 6,1 billion euros sales in Consumer Food Service. Moreover, the number of outlets is also higher in standalone locations (see **Exhibit 1**). Forecasts for Consumer Food Service segment for the period 2013-2018 expect standalone locations to persist as the major contributor both in terms of units of outlets and sales in Consumer Food Service market. However, Consumer Food Service through Retail is expected to grow 8,4% in number of outlets and 1,5% in sales (see **Exhibit 2**). Shopping centers concentrate different types of Food Service outlets, such as fast food, full-service restaurants, cafés/bars and street stalls/kiosks, which benefit from high consumer density in these places. Additionally, Food Service outlets located in shopping centers usually are chained operators, benefiting from brand reputation and low penetration costs due to the advantage of having an already established network. Within Consumer Food Service through Retail, Fast-food and 100% Home Delivery operators are the ones expected to grow the most in terms of sales, recording a growth of 17,4% and 14,3%, respectively (see **Exhibit 3**).

As a whole, Global Food Service operators account for a high percentage of Consumer Food Service total market value (see **Exhibit 4** and **5**). In 2013, McDonald's, Pizza Hut, TelePizza, Bom Bocado e H3 were between the brands with the highest share in chained Consumer Food Service, amounting to 32,9%, 7,8%, 5,9%, 4,6% and 3,9%, respectively.

The implementation of low-cost Food Service chains, as A Padaria Portuguesa and Low-Cost.Come, has been a key trend in Consumer Food Service market. This type of business has been welcomed by consumers since it offers attractive prices, fulfilling consumers' concern of value for money.

Exhibit 1 - Consumer Food Service by Location in 2013

Consumer Food Service by Location: Units/Outlets 2013

		% of Total
Consumer Food Service Through Standalone	62 373	81,5
Consumer Food Service Through Leisure	4 260	5,6
Consumer Food Service Through Retail	5 312	6,9
Consumer Food Service Through Lodging	1 988	2,6
Consumer Food Service Through Travel	2 576	3,4
Consumer Food Service	**76 509**	**100,0**

Source: Euromonitor International, 2014

Sales in Consumer Food Service by Location 2013: in € million

		% of Total
Consumer Food Service Through Standalone	4 895,3	80,1
Consumer Food Service Through Leisure	273,5	4,5
Consumer Food Service Through Retail	586,2	9,6
Consumer Food Service Through Lodging	129,5	2,1
Consumer Food Service Through Travel	230,7	3,8
Consumer Food Service	**6 115,2**	**100,0**

Source: Euromonitor International, 2014

Exhibit 2 - Forecast Consumer Food Service by Location, 2013-2018

Forecast Consumer Food Service by Location: % Units/Outlets Growth 2013-2018

	2013-18 CAGR	2013/18 Total
Consumer Food Service Through Standalone	1,0	4,9
Consumer Food Service Through Leisure	1,3	6,6
Consumer Food Service Through Retail	1,6	8,4
Consumer Food Service Through Lodging	0,7	3,4
Consumer Food Service Through Travel	1,5	7,6
Consumer Food Service	**1,0**	**5,3**

Source: Euromonitor International, 2014

Forecast Sales in Consumer Food Service by Location: % Food Service Value Growth 2013-2018

	2013-18 CAGR	2013/18 Total
Consumer Food Service Through Standalone	-0,7	-3,3
Consumer Food Service Through Leisure	-0,4	-1,9
Consumer Food Service Through Retail	0,3	1,5
Consumer Food Service Through Lodging	-3,2	-14,9
Consumer Food Service Through Travel	0,9	4,5
Consumer Food Service	**-0,5**	**-2,7**

Source: Euromonitor International, 2014

Exhibit 3 - Forecast Consumer Food Service through Retail, 2013-2018

Forecast Consumer Food Service through Retail: % Units/Outlets Growth 2013-2018

% Units/Outlets growth	2013-18 CAGR	2013/18 Total
100% Home Delivery Through Retail	2,5	13,3
Cafés/Bars Through Retail	1,6	8,5
Fast Food Through Retail	2,3	12,0
Full-Service Restaurants Through Retail	1,2	6,1
Self-Service Cafeterias Through Retail	-1,2	-5,9
Street Stalls/Kiosks Through Retail	1,2	6,0
Consumer Food Service Through Retail	**1,6**	**8,4**

Source: Euromonitor International, 2014

Exhibit 4 – Global Brand Owners (GBO): Company Shares in Chained Consumer Food Service, 2013

GBO - Company Shares in Chained Consumer Food Service: % Food Service Value 2013

Company	
McDonald's Corp	33,5
Yum! Brands Inc	9,1
Telepizza SAU	5,9
Galp Energia SGPS AS	5,0
Sonae SGPS AS	4,6
Café 3 Restauração AS	3,9
Starfoods AS	3,7
Compass Group Plc	3,7
Burger King Worldwide Inc	3,4
Agrolimen AS	2,8
Portugália Restauração AS	2,3
Ibersol SGPS AS	2,1
Lucas, Caetano & Martins Lda	2,1
Manuel Mendes da Costa & Filho Lda	1,5
Inter Ikea Systems BV	1,4
Nabeirogest - SGPS, AS	1,3
Multifood Lda	1,3
Jerónimo Martins SGPS SA	1,2
Grill store Portugal	1,2
Grupo Go Natural	1,1
Nestlé SA	1,0
Doctor's Associates Inc	0,8
Prego Gourmet Lda	0,8
CFM - Produtos Alimentares AS	0,8
Jarom Group	0,8
Churrasqueiras Rei dos Frangos, Lda	0,7
Starbucks Corp	0,6
Hard Rock Café International Inc	0,4
Cascata Food Franchise - Gestão de Franchise Lda	0,4
Lacrem AS	0,3
Others	2,3
Total	**100,0**

Source: Euromonitor International, 2014

Exhibit 5 – Global Brands Network (GBN): Brand Shares in Chained Consumer Food Service, 2013

GBN - Brand Shares in Chained Consumer Food Service: % Food Service Value 2013

Company	Global Brand Owner	
McDonald's	McDonald's Corp	32,9
Pizza Hut	Yum! Brands Inc	7,8
TelePizza	Telepizza SAU	5,9
Lojas Tangerina	Galp Energia SGPS AS	5,0
Bom Bocado	Sonae SGPS AS	4,6
H3	Café 3 Restauração AS	3,9
Eurest	Compass Group Plc	3,7
Burger King	Burger King Worldwide Inc	3,4
Pans & Co	Agrolimen AS	2,6
Cervejaria Portugália	Portugália Restauração AS	2,3
Loja Das Sopas	Starfoods AS	2,1
Burger Ranch	Lucas, Caetano & Martins Lda	2,1
Companhia das Sandes	Starfoods SA	1,5
Low-Cost.come	Manuel Mendes da Costa & Filho Lda	1,5
IKEA	Inter Ikea Systems BV	1,4
KFC	Yum! Brands Inc	1,4
Vitaminas	Multifood Lda	1,3
Happy Grill	Grill store Portugal	1,2
Delta Quiosques	Nabeirogest - SGPS, AS	1,1
Go Natural	Grupo Go Natural	1,1
Olá	Jerónimo Martins SGPS SA	1,0
Pasta Caffé	Ibersol SGPS AS	1,0
Subway	Doctor's Associates Inc	0,8
Prego Gourmet	Prego Gourmet Lda	0,8
Casa do Galo	CFM - Produtos Alimentares AS	0,8
Joshua's Shoarma Grill	Jarom Group	0,8
Sical	Nestlé SA	0,8
Rei dos Frangos	Churrasqueiras Rei dos Frangos, Lda	0,7
Starbucks	Starbucks Corp	0,6
McCafé	McDonald's Corp	0,6
Others		5,3
Total		**100,0**

GBN - Brand Shares in Chained Consumer Food Service: Units/Outlets 2013

Brand	Global Brand Owner	Outlets
Lojas Tangerina	Galp Energia SGPS AS	275
McDonald's	McDonald's Corp	138
TelePizza	Telepizza SAU	112
Bom Bocado	Sonae SGPS AS	102
Pizza Hut	Yum! Brands Inc	93
Vitaminas	Multifood Lda	55
Eurest	Compass Group Plc	52
Loja Das Sopas	Starfoods AS	48
Companhia das Sandes	Starfoods SA	44
Pans & Co	Agrolimen AS	42
H3	Café 3 Restauração AS	42
Burger King	Burger King Worldwide Inc	39
Olá	Jerónimo Martins SGPS SA	38
Delta Quiosques	Nabeirogest - SGPS, AS	38
Happy Grill	Grill store Portugal	37
Sical	Nestlé SA	31
Joshua's Shoarma Grill	Jarom Group	30
Burger Ranch	Lucas, Caetano & Martins Lda	29
Low-Cost.come	Manuel Mendes da Costa & Filho Lda	24
Wok to Walk	WTG Groep BV	23
McCafé	McDonald's Corp	22
Casa do Galo	CFM - Produtos Alimentares AS	21
Go Natural	Grupo Go Natural	20
Nicola Quiosques	Nutrinveste SGPS AS	20
Rei dos Frangos	Churrasqueiras Rei dos Frangos, Lda	18
Farggi	Lacrem AS	18
KFC	Yum! Brands Inc	18
Subway	Doctor's Associates Inc	16
Pasta Caffé	Ibersol SGPS AS	15
Cervejaria Portugália	Portugália Restauração AS	12
Others		154
Total		**1 626**

Source: Euromonitor International, 2014

Appendix 14 - JMD's Business Model Canvas

Key Partners	Key Activities	Value Propositions	Customer Relationship	Customer Segments
• Third Party Logistics • Distributors • Other Players in the channel • Brands • HoReCa operators	• Brands' distribution and representation • Marketing, distribution and implementation strategies • Customer Relationship Management	• Brands' status • Adequate formats • Different Food categories • Service Quality	• Visit to the different points of sale • Monitoring of distributors and vendors' activities in the channel	• Food Service Segment •HoReCa channel ○ Hotels ○ Restaurants ○ Cafés •Kiosks & Others • Independent and chained operators
	Key Resources		**Channels**	
	• Brands' reputation • Exclusive contracts with brands • Strong partnerships • Jerónimo Martins Group' know-how in Food Distribution		• Indirect selling • Distributors • Partnerships • Direct sales force (e.g., visit the different points of sale)	

Cost Structure	Revenue Streams
• Distribution Costs • Marketing and Sales costs • Investment costs • Customer Relationship Management • Personnel Costs • Data collection (e.g., market needs, potential clients) • Economies of scope • Cost-Driven business	• Sales in the channel • Variable Pricing

Source: Developed by the VCW team

Appendix 15 - JMD's Distributors per Location

National	01 Distributor (Superikos)
Active in 1 District	19 Distributors
Active in 2 Districts	16 Distributors
Active in 3 Districts	01 Distributors
Active in 4 Districts	03 Distributors

Source: Previous project realized at JMD, 2012

Appendix 16 – HoReCa Questionnaire Template

Thesis Project: Value Creation Wheel

Ana Catarina Mendonça

I am a finalist student of the Master in Management at Nova School of Business and Economics and I am currently writing my master thesis, which is focused on strategy and innovation in HoReCa channel (Hotels, Restaurants and Cafes). This questionnaire aims to understand how products sold in establishments are acquired as well as their relationships with distributors. Besides, it intends to assess final customers' perception regarding availability, diversity and easy to buy food products in this channel.

Thank you for your collaboration.

Establishment: ____

1. Do you work with distributors? Yes ☐ No ☐

1.1.1 If you answered Yes to the previous question, please state the distributors you work with:

____

1.1.1.1 What are the product categories offered by your distributors?

____

1.1.2 If you answered No to the previous question, please indicate how do you acquire products to sell in your establishment:

____

1.1.2.1 Please mention the reasons why you opt to not work with distributors:

____

2. For the following categories, do you consider that you can easily acquire products to sell?

	Yes	No
Coffee and Tea	○	○
Fries and Salty Snacks	○	○
Pastry and Bakery	○	○
Sodas	○	○
Sweets	○	○
Waters	○	○

3. Which aspects do you value the most when acquiring a given product for your establishment? Classify by order of importance, being 1 the least important and 4 the most important.

	1	2	3	4
Brand	○	○	○	○
Price	○	○	○	○
Quality	○	○	○	○
Quantity	○	○	○	○

4. Within the category of Beverages, which are the products that you would like to offer to your clients but you find difficult to acquire?

- ☐ Alcoholic Drinks
- ☐ Beer
- ☐ Energy and Isotonic Drinks
- ☐ Juices and Nectars
- ☐ Soy Drinks
- ☐ Sparkling Water
- ☐ Still Waters
- ☐ Sodas

5. What are the categories of products that are often sought by customers, but you do not have to sell?

6. In order to integrate a brand in your portfolio of products, which factors do you take into account?

7. How would you characterize the relationship with the brands that you sell in your establishment?

8. Do you consider that the presentation and trial of brands in your establishment could influence your decision to sell them?

9. In the future how would you like the supply of your establishment to be made?

Thank you!

Appendix 17 – HoReCa Questionnaire Results

1. Do you work with distributors?

   All the 15 establishments interviewed work with distributors, although 1 of them also has central of purchases that takes care of orders.

1.1.1. If you answered Yes to the previous question, please state the distributors you work with:

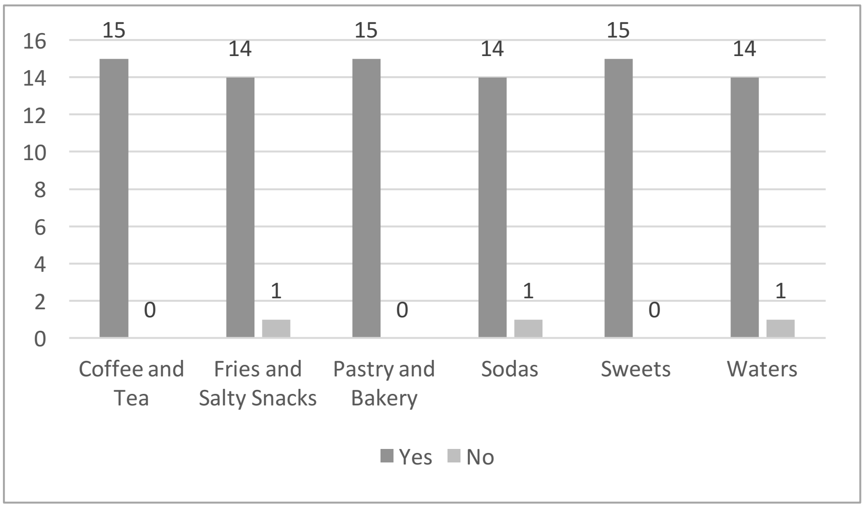
The following distributors were listed

Apapol	1
Café Candelas	1
Café Nicola	1
Carvalhelhos	2
Coca-Cola	4
Delta	4
EuroPastry	1
Fastio	1
Frida	3
Geltejo	1
Makro	1
Matutano	3
Nestlé	1
Nortejo	1
Novadis	4
Panpor	1
Panrico	2
Parmalat	1
Pura Paixão	1
Recheio	3
Saloio	1
Sumol+Compal	4
Tosta Alentejana	1
Transaire	1
Unicer	3

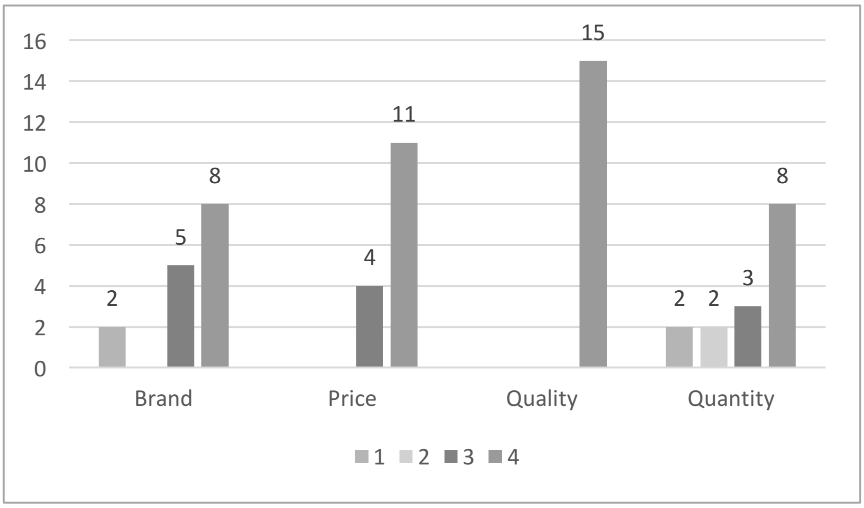
1.1.1.1. What are the product categories offered by your distributors?

Categories supplied by the mentioned distributors included the following: Bakery and Pastries, Beer, Coffee, Dairy Products, Disposables, Fries and Salty Snacks, Frozen Products, Juices, Sodas and Waters.

2. For the following categories, do you consider that you can easily acquire products to sell?

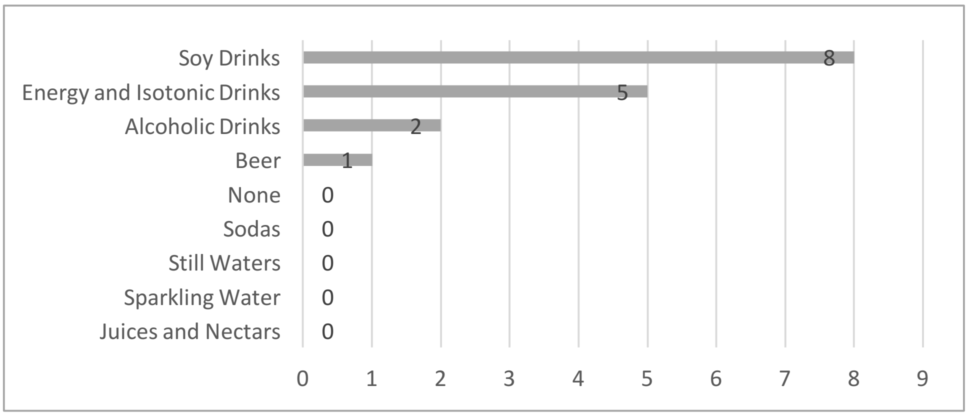


3. Which aspects do you value the most when acquiring a given product for your establishment? Classify by order of importance, being 1 the least important and 4 the most important.



4. Within the category of Beverages, which are the products that you would like to offer to your clients but you find difficult to acquire?

From the 15 establishments interviewed, 8 mentioned Soy Drinks, 5 Energy and Isotonic Drinks, 2 Alcoholic Drinks and 1 Beer.



5. What are the categories of products that are often sought by customers, but you do not have to sell?

From the 15 establishments interviewed, 3 mentioned Vegetarian Food, 2 Light Snacks, and 1 Vitamins and Food Supplements. All the others did not answer.

6. In order to integrate a brand in your portfolio of products, which factors do you take into account?

The following were referred:

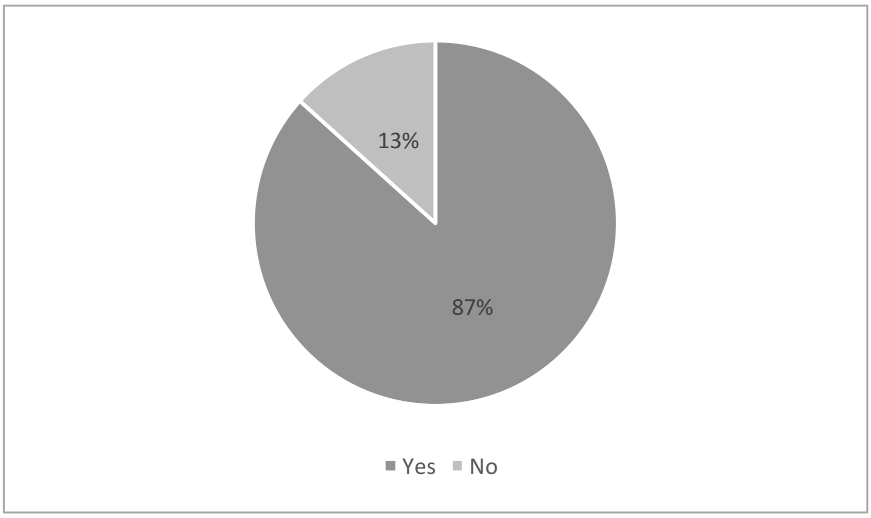
Aspect	7
Distributor	5
Price	11
Promotions	9
Quality	15
Market acceptance	4
Quantity	3

7. How would you characterize the relationship with the brands that you sell in your establishment?

From the 15 establishments interviewed, the majority classified its relationship with brands as good. Some mentioned the importance of vendors' visits to establishments in order to present new products and get feedback, namely regarding consumers' acceptance of products.

8. Do you consider that the presentation and trial of brands in your establishment could influence your decision to sell them?

From the 15 establishments interviewed, 13 answered Yes and some of them added that presentation and trial is crucial, specially for new products.



9. In the future how would you like the supply of your establishment to be made?

From the 15 establishments interviewed the majority considered that the actual model is suitable in the future and did not made any suggestion. Among these, 3 suggested orders to be placed online and 1 suggested a higher number of weekly visits.

Appendix 18 – HoReCa Consumption Habits Online Survey Template

Consumption Habits in HoReCa channel

I am a finalist student of the Master in Management at Nova School of Business and Economics and I am currently writing my master thesis, which is focused on strategy and innovation in the HoReCa channel (Hotels, Restaurants and Cafes). This questionnaire aims to understand final customers' perception regarding availability, diversity and easy to buy food products in this channel.

Thank you for your collaboration.

*Required

1. **Gender** *

   Mark only one oval.

   - Female
   - Male

2. **Age:** *

   Mark only one oval.

   - <18
   - 18-25
   - 25-40
   - 40-60
   - >60

3. **Which is the average price that you spend per meal outside home?** *

   Mark only one oval.

   - 0-5€
   - 5€-10€
   - 10€-15€
   - 15€-20€
   - <20€

4. **Which type of food would you like to find when you visit a Hotel, Restaurant or Café?** *

5. **Do you consider that you can find easily products of the following categories in Hotels, Restaurants and Cafes?** *

Mark only one oval per row.

	Yes	No
Coffee and Tea	◯	◯
Fries and Salty Snacks	◯	◯
Pastry and Bakery	◯	◯
Sodas	◯	◯
Sweets	◯	◯
Waters	◯	◯

6. **Which aspects do you value the most when choosing a given product? Classify by order of importance, being 1 the least important and 4 the most important.** *

Mark only one oval per row.

	1	2	3	4
Brand	◯	◯	◯	◯
Price	◯	◯	◯	◯
Quality	◯	◯	◯	◯
Quantity	◯	◯	◯	◯

7. **What aspects do you also find important in the choice of a given product?**

____

8. **Do you follow a healthy alimentation?** *

Mark only one oval.

- ◯ Yes
- ◯ No

9. **If you answered Yes in the previous question, for the category Healthy Food, which are the products that you consider most difficult to find in Hotels, Restaurants and Cafes?**

Tick all that apply.

- ☐ Bio Food
- ☐ Fair Trade Food
- ☐ Integral Food
- ☐ Gluten Free Food
- ☐ Meal Replacement
- ☐ Sugar Free Food
- ☐ Teas and Infusions
- ☐ Vegetarian Food (e.g., soy products/tofu)
- ☐ Vitamins and Supplements

10. **For the category Healthy Food, do you consider that it is easy to find products in the following sale points?**
Mark only one oval per row.

	Yes	No
Hotels		
Restaurants		
Cafes		

11. **To what extent testing of products in Hotels, Restaurants and Cafes influences your decision to buy the product in the future?** *
Mark only one oval.

	1	2	3	4	5	
No Influence						High Influence

12. **To what extent do you consider that brands sold in Restaurants and Cafes are strongly communicated in stores?** *
Mark only one oval.

	1	2	3	4	5	
Low Communicaton						High Communication

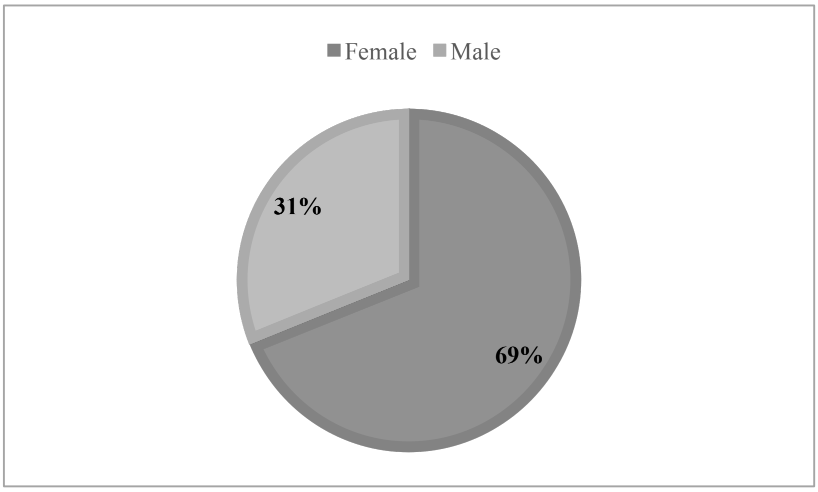
13. **For each of the following brands please state if you associate them with Hotels, Restaurants and Cafes.** *
Mark only one oval per row.

	Yes	No
Heinz		
Pringles		
Sunquick		
Evian		
Guloso		
Kellogg's		
Vive Soy		
Canderel		
Lorenz		
Tabasco		
Barilla		
Badoit		
Lindt		
Merci		
Toffifee		
Droste		
Leche Pascual		
Arla		
Kerrygold		

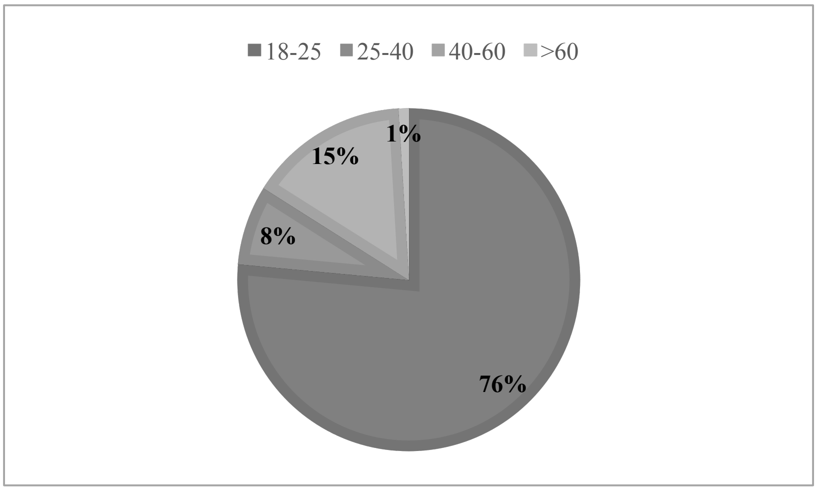
Powered by Google Forms

Appendix 19 – HoReCa Consumption Habits Online Survey Results

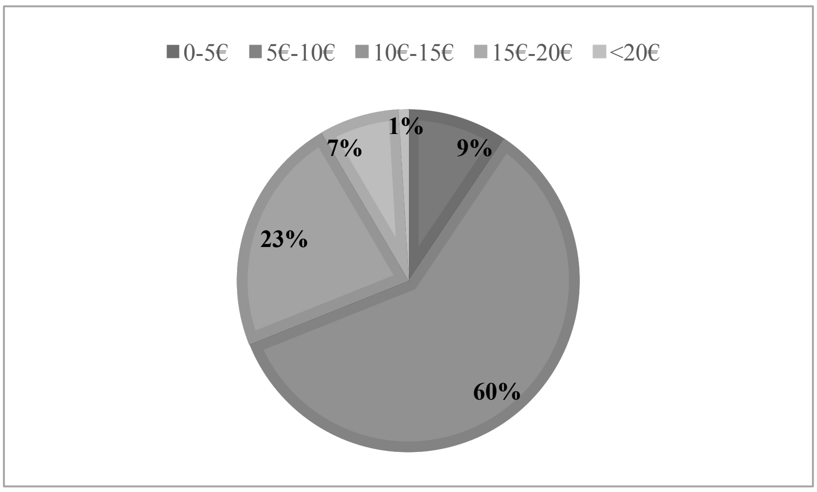
1. Gender:



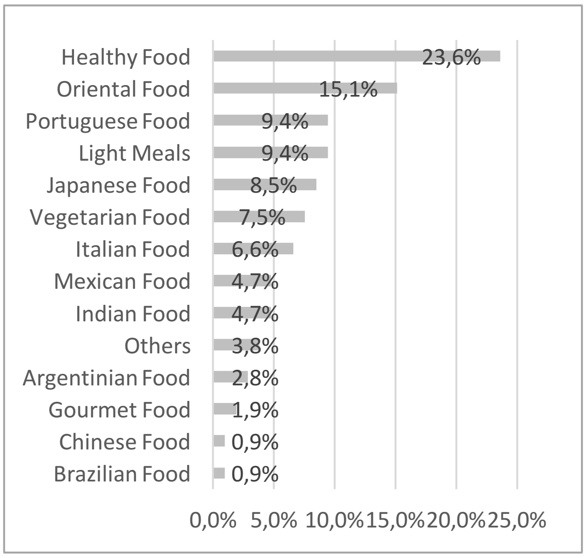
2. Age:

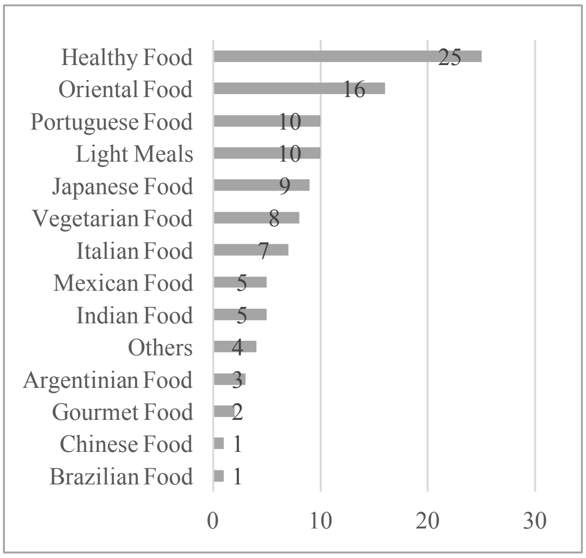


3. Which is the average price that you spend per meal outside home?

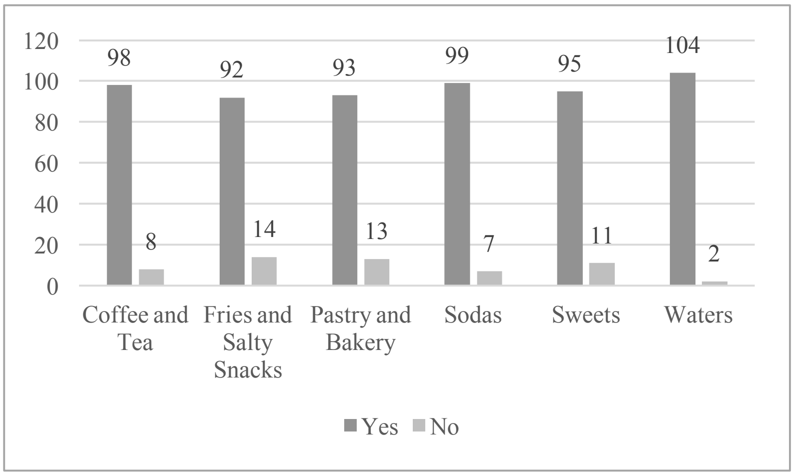


4. Which type of food would you like to find when you visit a Hotel, Restaurant or Cafe?

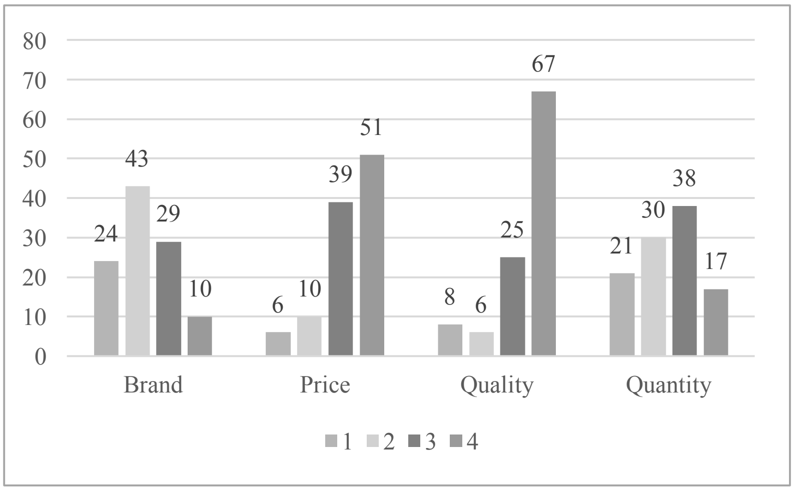




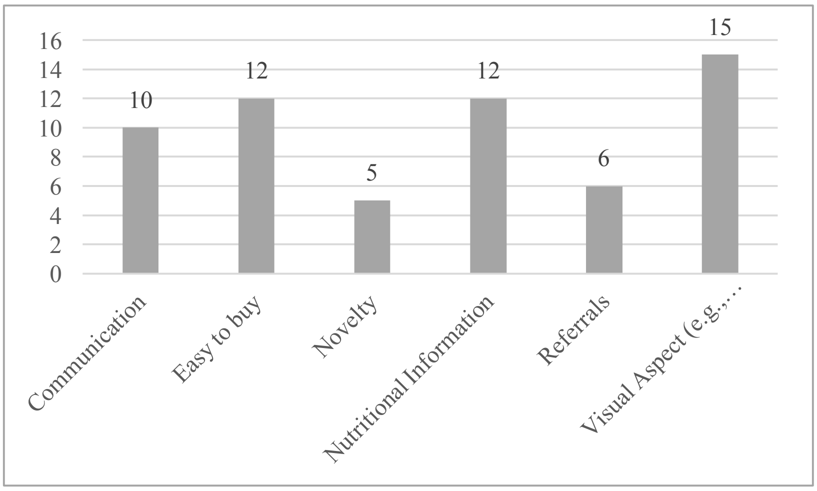
5. Do you consider that you can find easily products of the following categories in Hotels, Restaurants and Cafes?



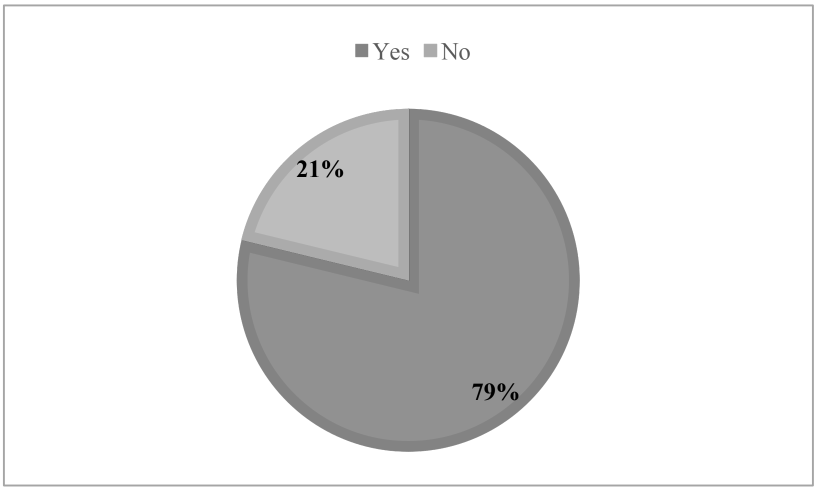
6. Which aspects do you value the most when choosing a given product? Classify by order of importance, being 1 the least important and 4 the most important.



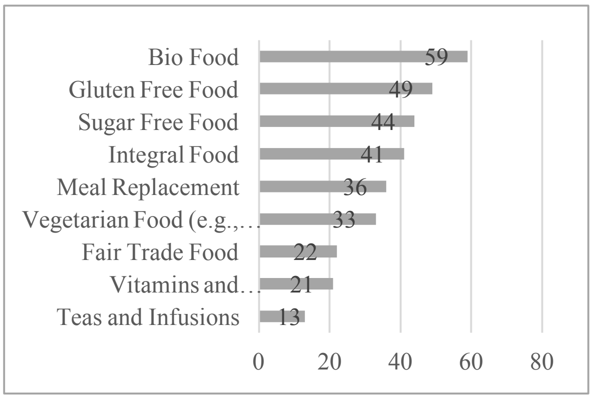
7. What aspects do you also find important in the choice of a given product?

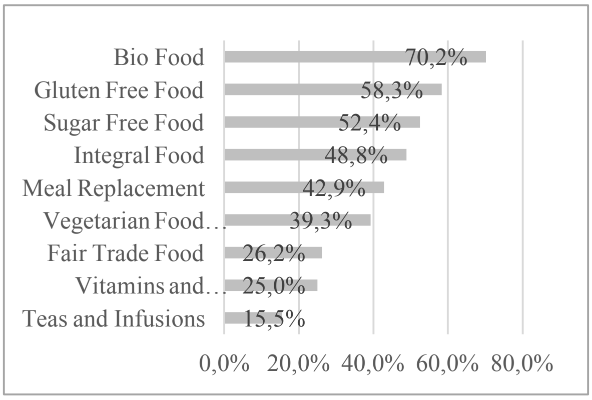


8. Do you follow a healthy alimentation?

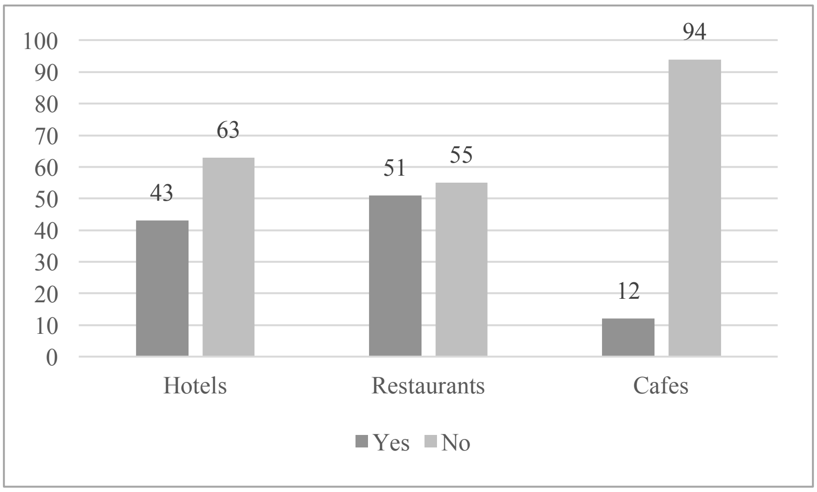


9. If you answered Yes in the previous question, for the category Healthy Food, which are the products that you consider most difficult to find in Hotels, Restaurants and Cafes?

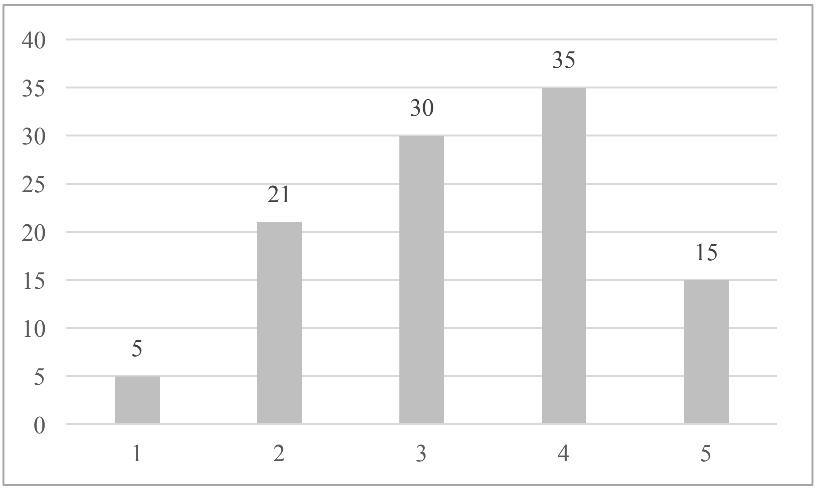




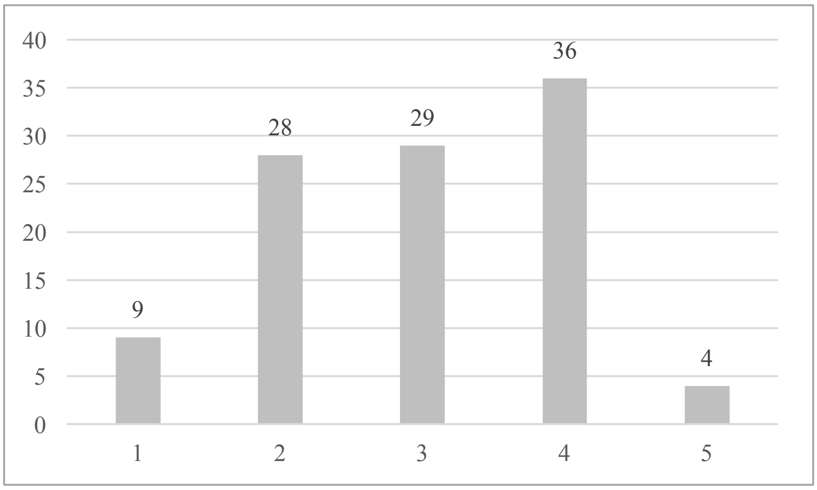
10. For the category Healthy Food, do you consider that it is easy to find products in the following sale points?



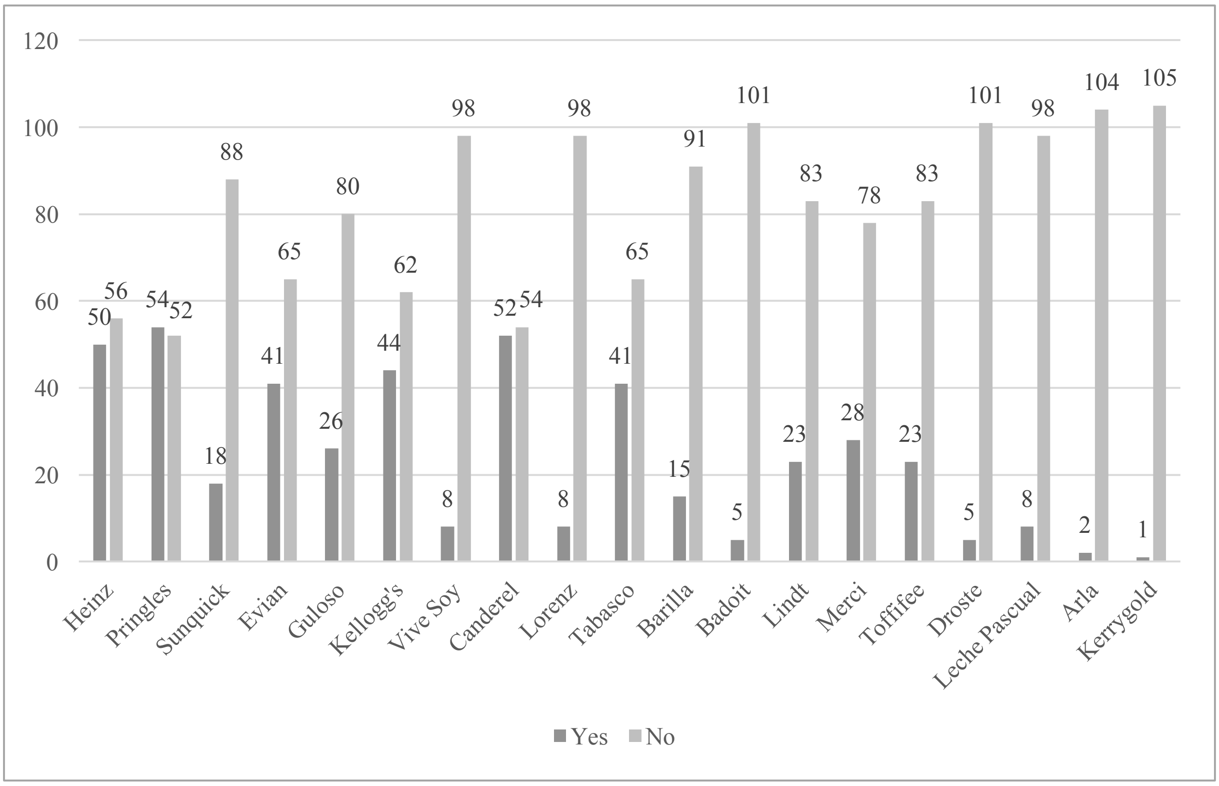
11. To what extent testing of products in Hotels, Restaurants and Cafes influences your decision to buy the product in the future?



12. To what extent do you consider that brands sold in Restaurants and Cafes are strongly communicated in stores?



13. For each of the following brands please state if you associate them with Hotels, Restaurants and Cafes.



Appendix 20 - Induce Solutions: Outside-In View (Market-pull mindset)

Who cares? <u>Who needs</u> & <u>will pay</u> for it? (TARGET MARKET)	What do they care about? (MARKET PROBLEM, MARKET PAIN, MARKET NEED)	What can we offer? (PRODUCT/SERVICE ATTRIBUTES)	THE UNIQUE EXPERIENCE Name/Brand of potential market application (IDEA/MARKET FIT)
Food Service and Impulse Channel	- Quality - Service (accessible and reliable delivery) - Contract Conditions - Quantity - Price - Variety - Formats - Supplier Relationship Management (SRM)	- Exclusive represented brands - Premium brands - Internationally recognized brands - Different categories of products - Solid company - Know-how and expertise regarding food distribution	**JMD Food Solutions** - Website dedicated to HoReCa Services (including testimonials, receipts, brands' presence on media) - Exclusive catalogue to the segment - Customized and personalized services (e.g., packaging with the name of the client)
Distributors, Food Service and Impulse Players	- Supplier Relationship Management (SRM) - Easiness of orders placement - Stocks' Forecast - Stocks' Management - Orders Management	- Integrated system - Know-how and expertise regarding food distribution - Good relations with distributors - Technology innovation	**Bet in digital platforms** - Incentivize innovation in the distribution industry in order to improve the all supply chain (e.g., develop an online platform/system for orders' placement)
Brands	- Revenues - Market position - Customer Relationship Management (CRM) - Reputation	- Good relations with distributors/vendors - Some presence on the field - Perception of HoReCa players market needs	**Food Service Strategies** - Help brands in the design of strategic plans to the Food Service segment (e.g., bet on formats and include the offer of bowls, plates or recipients including the name/logo of the brand – merchandising) - Start with brands with the highest potential. (e.g. Evian, Kellogs, Guloso, Pringles)

Who cares? <u>Who needs</u> & <u>will pay</u> for it? (TARGET MARKET)	What do they care about? (MARKET PROBLEM, MARKET PAIN, MARKET NEED)	What can we offer? (PRODUCT/SERVICE ATTRIBUTES)	THE UNIQUE EXPERIENCE Name/Brand of potential market application (IDEA/MARKET FIT)
JMD, Food Service Segment and Final Customers	- Answer customers' needs - Follow market trends - Revenues - Reputation - Portfolio attractiveness - Variety - Take advantage of the growing trend for Healthy Food	- Know-how and expertise regarding distribution, marketing and representation of brands in Portugal - Established Clients - Different categories of products	**Healthy Lifestyle Promotion** - Look for brands that are focused on the promotion of a healthy lifestyle - Add products in the category of Healthy Food to JMD's portfolio
Food Service Segment	- Provision of needed supplies (food/non-food) - Service - Contract Conditions - Price	- Know-how and expertise regarding distribution - CaterPlus previous experience - Portfolio of Food Brands	**Add to JMD's portfolio non-food products that complement the offer** - Sell brands of products such as disposables, machines, plates and recipients
JMD, Distributors and Food Service Chains	- Quality - Service (accessible and reliable delivery) - Contract Conditions - Quantity - Price - Variety - Recognition - Revenues	- Exclusive represented brands - Premium brands that can complement and add value to the offer of Food Service Chains - Create new product concepts - New consumption moments for the brands represented	**Exclusive and premium offers in Food Service Chains** - Create receipts, products, menu options that include JMD's brands products (e.g., Tabasco Hot Spicy Pizza with Domino's Pizza or Lindt Chocolate Milk at Starbucks) - Exploit new product opportunities with established Chains (e.g., Padaria Portuguesa)

Who cares? <u>Who needs</u> & <u>will pay</u> for it? (TARGET MARKET)	What do they care about? (MARKET PROBLEM, MARKET PAIN, MARKET NEED)	What can we offer? (PRODUCT/SERVICE ATTRIBUTES)	THE UNIQUE EXPERIENCE Name/Brand of potential market application (IDEA/MARKET FIT)
Brands, Distributors and Food Service Segment	- Improve the way the channel works - Efficiency - Effectiveness - Growth - Future relations	- Bring together the different parties' opinion and vision - Benchmark of good practices - Create a moment for discussion and learning (win-win situation)	**Channel Evaluation** - Launch periods for joint evaluation of the whole system in order to improve the same, present ideas and recommendations
JMD, Food Service Segment	- Relation with the representative of the brands in Portugal - Closer contact with a possible manager/key account of JMD - Higher number of visits from JMD, including degustation and presentation of products more often	- Focus more in the Clients and their needs - Divide better the whole segment (e.g., Hotels, Restaurants and Cafés) - Differentiate even further the offerings (Chained vs. Independent Clients) - Approach a higher number of clients, with the possibility to increase the number of Clients - Be recognized as a company/brand that offers good solutions to the segment	**JMD Food Service Team** - Create a team focused on this channel - Segment the channel either by type of Client, location or product - Institute a Door-to-Door strategy (increase market coverage) - Define KPIs according to the segmentation done - Benchmark how other players in the market approach this channel (e.g., Nestlé, Makro, Mondelez, Pepsico, Gordon Food Service, Gira Food Service) - Promote the visit of the assistants, key accounts or managers with know-how of the products to the different points of sale

Source: Developed by the VCW team

Appendix 21 - Induce Solutions: Inside-Out View (Tech-push mindset)

What is the offer? (PRODUCT/ATTRIBUTE /SERVICE)	Who cares? Who needs & will pay for it? (TARGET MARKET)	What do they care about? Benefits: (ADRESS MARKET PROBLEM, MARKET PAIN, MARKET NEED)	THE UNIQUE EXPERIENCE Name/Brand for market application (IDEA/MARKET FIT)
- Exclusive represented brands - Premium brands - Create new consumption moments - Proximity with customers - Different categories of products	**Final Consumers**	- Changing consumption habits (eat-on-the-go) - Facility to buy - Variety - Price - Quality - Location	**Jerónimo Food-to-Go** - Open groceries in strategic locations with products of the brands represented (e.g., public transports stations)
- Exclusive represented brands - Premium brands that can be bundled with other brands - Possibility to market new products	**Brands, Distributors and Food Service Segment**	- Revenues - Portfolio's attractiveness - Market position	**Partner with other brands with or without their own distribution network** - Create complementarities between products. For beverages partner with companies such as Bacardi-Martini (e.g., cocktails mixed with Sunquick)

Source: Developed by the VCW team

Appendix 22 – Ideas Streaming

List of Final Ideas for Validation
Extend the portfolio: New categories/brands
Products targeted to schools' canteens/bars (e.g., "sugar free" or low salt products);
Look for brands with small and individual formats to offer in hotels' breakfast and mini bars (e.g., cookies and drinks);
Introduce exclusive products to this channel such as frozen products (frozen bread and pastries). Distribute through frozen food specialist companies such as Iglo Food Service;
Represent a global foodservice brand in Portugal such as Hello Fresh (healthy food);
New contracts with brands in the segment of juice/smoothies as this is increasing significantly (e.g., Innocent Juices). Market heavily Sunquick to this segment;
Search for brands with adequate assortment/formats to include in JMD portfolio;
Brands of back-office in the categories of condiments and ready-to-eat desserts;
Coffee brand;
Within the current brands develop the product line/assortment;
Create JM signature products (pastries, sodas, etc) and make distribution by sole.
Define a communication strategy regarding how to sell JMD brands to the channel
Develop a platform with the specific portfolio and/or an extended portfolio that enables clients to place orders not only for JMD brands but also for other products (such as the ones distributed by Sogenave - Palamenta). Allows to improve Supplier Relationship Management (SRM) and all the flows through the supply chain;
Segmented approach with differentiated catalogues regarding products/formats (e.g., Seafood restaurants, Burger restaurants, Ethnic restaurants, etc);
JMD Food Solutions: Website dedicated to HoReCa Services (including testimonials, receipts, brands' presence on media); Exclusive catalogue to the segment; Customized and tailor made services (e.g., packaging with the name of the client);
Participate in the development of Food Service Strategies by helping brands in the design of strategic plans to the segment (e.g., bet on formats and include the offer of bowls, plates or recipients including the name/logo of the brand – merchandising). Start with brands with the highest potential. (e.g. Evian, Kellogs, Guloso, Pringles).
Distribution strategy
Merge/acquire a smaller distributor;
Create a distribution network specific to this channel (e.g., distribution through van selling, characterized as "auto-sale" vehicles that sells and delivers immediately a wide range of products);
Agreements/Partnerships with the main players in the channel to distribute/sell JMD brands: -Caterplus and other representative distributors in the channel; -Distributors that cover points of sale non visited by JMD (e.g., Delta); -Mars, Nestlé, Pepsico;
Direct distribution to the channel (JMD --> HoReCa);
Distribution through distributors, Cash & Carries and others;
Team of vendors/drivers --> Communication in the different points of sales.
Marketing Strategy
Marketing about the products and quality of distribution: Fairs of the channel, industry related websites such as APHORT, AHRESP. Opportunity also for networking and business contacts;

Be present in social events with van selling products of the represented brands (concerts, beach, stadiums, food markets);
Create incentive programs to distributors;
Offer extra free transport for HoReCa customers (e.g., free water bottles when purchasing juices in bulk);
Sign deals with Hotels to create a “hit mini bar” with only JMD brands’ products (Evian, Pringles, Lindt, Lorenz);
Be involved in sustainability campaigns jointly with brands and HoReCa players (e.g., with Evian and big hotel chains);
Organize events in co-operation with HoReCa channel: Cooking events using JMD’s products. Partner with creative cooks, gastronomy and food designers in order to offer recipe inspiration and ready to go ideas for HoReCa channel. Creates awareness through promotion/public relations;
Design with the brands different menus to sell in Cafés (e.g., breakfast menu sponsored by Kellogs). Support HoReCa with more than just the product;
Cross-selling products of the distributors in exchange for better conditions (e.g., promote in hotels and restaurants Sogenave’s catalogue of products - Palamenta);
Take expansion actions where products are offered to experimentation (e.g., offer Lindt chocolates to the turndown service in hotels with 5 stars for orders of some other brands);
Communicate brands in the different points of sale;
Select strategic partners that allow for chef experiences in store (e.g., Barilla restaurant);
Create events for the brands in Restaurants.
Market Focus
Small family owned businesses (more concerned with quality/”premium” service since they depend mainly on brand image);
Market niche: large hotels in Algarve;
Hotels, restaurants, cafeterias, which are entering to the market in Portugal;
Gourmet burgers restaurants (e.g., Hamburgueria do Bairro, Honorato, Gutsy, H3);
Juices/Smoothies Bars;
Specialist Coffee Shops;
Shopping centers in order to supply restaurants and cafés of that shopping (e.g., chained groups such as Starfoods, Multifoods);
Customers such as Ibersol, Uniself and Compass;
JM own Specialist Coffee Shops.
Introduce current brands/products in new points of sale
Offering Sunquick to fast food restaurants taking advantage of the growing healthy trend;
Introduce Pringles in gourmet burger restaurants. Opportunity to cross-sell with Heinz. Potential spill over to fast food restaurants, replacing standard fries by Pringles and introducing Heinz;
Partner with places that sell ice cream to introduce JMD confectionary products into toppings or flavors.
Innovation promoters
Understand differentiation key drivers valued by HoReCa players and identify opportunities to tap into;

Meet some of largest players and investigate the changes they are planning for the future (e.g. planning to introduce a new dish) in order to be the main distributor, promote brands and explore the opportunity to jointly develop a "special dish" with JMD's brands;
Bet in digital platforms: Develop an online platform/system for orders of JMD's brands.
Channel Evaluation: Launch periods for joint evaluation of the whole system in order to improve the same, present ideas and recommendations
JMD Food Service Team: -Create a team focused on this channel; -Segment the channel either by type of Client, location or product; -Institute a Door-to-Door strategy (increase market coverage); -Benchmark how other players in the market approach this channel (e.g., Nestlé, Makro, Mondelez, Pepsico, Gordon Food Service, Gira Foodservice); -Define KPIs according to the segmentation done; -Promote the visit of the assistants, key accounts or managers with know-how of the products to the different points of sale.
Healthy Lifestyle Promotion: -Look for brands that are focused on the promotion of a healthy lifestyle; -Add products in the category of healthy food to JMD's portfolio.
Add to JMD's portfolio non-food products that complement the offer; Sell brands of products such as disposables, machines, plates and recipients.
Exclusive and premium offers in Food Service Chains
Create receipts, products, menu options that include JMD's brands products (e.g., Tabasco Hot Spicy Pizza with Domino's Pizza or Lindt Chocolate Milk at Starbucks);
Exploit new product opportunities with established Chains (e.g., Padaria Portuguesa);
Jerónimo Food-to-Go: Open groceries in strategic locations with products of the brands represented (e.g., public transports stations);
Partner with other brands with or without their own distribution network. Create complementarities between products. For beverages partner with companies such as Bacardi-Martini (e.g., cocktails mixed with Sunquick).

Source: Developed by the VCW team from input gathered through all the exercises completed

Appendix 23 – Filters Streaming

List of Final Filters for Validation
Product/Service/Technology/Person
Price flexibility of JMD
Competitive prices of JMD’s brands/products
Which brands/products --> Only relevant brands in this channel?
Possibility to bundle different categories/brands
Distribution Efficiency/Service Reliability (Lead times, OTIF)
Novelty of ideas and proposals
Technology level adoption (e.g., to restructure the company’s website)
Market/Competition
Distributors’ scale
Distributors’ per region
Distributors’ portfolio
Size and profitability of HoReCa segment per region (revenues, units of outlets)
Market Potential --> Expected growth versus current size of HoReCa channel
Forecasted growth (units of outlets, market value) for HoReCa different segments
Forecasted growth (market size, profitability) for the different categories of products of JMD’s portfolio
Competitors’ established networks/clients (customers’ switching costs and loyalty)
Willingness of HoReCa players to establish partnerships (might already be established with other companies)
Market coverage of competitors
Team/Company
JMD growth goals for the channel
Revenues for JMD in HoReCa channel
Costs for JMD (Marketing, Innovation, CRM, SRM, etc)
Investment Capacity: Human Resources and Technology
How much to invest in people (recruitment, training, support);
How much to invest in the improvement of relations with HoReCa players;
Website design (specific section for Food Service segment).
Willingness to invest in Human Resources and Technology
Minimum Quantity Ordered/Sales Value
Margins (price flexibility of JMD)
Time horizon
Business model
Supply chain structure/Logistics
Two distributors in the chain
Delivery versus Cost to serve
Food sector/Non-food sector

Geographies (Location/Distance)
Brands' conditions regarding promotion (% of promotion/action costs for the brand and for JMD)
Ability to develop with brands specific strategies for this channel, namely regarding the adaptation of formats (does this fit with brands' strategy, values and identity?)
Brand's willingness to expand their operations to Portugal
Willingness to include new brands in JMD's portfolio
Customer Relationship Management (CRM)/Retention Ratio
Need for a specialized structure
Number of new contracts
Long-term/Short-term contracts
Bargaining power to negotiate specific contracts conditions (payments, deliveries, etc)
Credit/Financial condition of Clients
Impact on JMD/brands recognition (Reputation)
Business that allow risk diversification
Added value (previous/accumulated)
Investment capacity to develop IT systems (ERP, online platforms)
Mass market distribution/Selective distribution (define a specific target within HoReCa channel?)
Focus in chained Hotels/Restaurants/Cafés
Offers already thought or experimented by JMD
Alignment with JMD's Strategy
Alignment with JM Group Strategy - Group Specialization/SBU's (Recheio is already targeting the Food Service channel)
Synergies in JM Group – Recheio and CaterPlus already working in the channel
Where to communicate (e.g., establishments, online platforms, TV)
Marketing/promotion budget
Willingness to create a team specialized in the channel
JMD know-how/expertise in the channel
Willingness to create incentive programs according to distributors' ranks by on time payment, on time deliveries, volume of sales
Exclusivity with distributors
Implementation costs of a specific distribution network
Ability to promote new usage, consumption moments for brands' products
Product categories already available in the targeted customer
Ability to contact/work with Chefs
Door-to-door strategy
Market Coverage

Service Quality
Feasibility
Environment
Adaptation to technological advances (online platforms)
Cultural factors (resistance of HoReCa players to acquire new brands)
Legislation
Environmental concerns
Food safety
Follow consumers’ trends
Economic Conditions

Source: Developed by the VCW team from input gathered through all the exercises completed

Appendix 24 – List of Ideas with the Highest Potential

List of Ideas with the Highest Potential
1. JMD Food Service Team: - Create a team focused on this channel; - Segment the channel either by type of Client, location or product; - Institute a Door-to-Door strategy (increase market coverage); - Benchmark how other players in the market approach this channel (e.g., Nestlé, Makro, Mondelez, Pepsico, Gordon Food Service, Gira Food Service); - Define KPIs according to the segmentation done; - Promote the visit of the assistants, key accounts or managers with know-how of the products to the different points of sale.
2. Create incentive programs to distributors;
3. Shopping centers in order to supply restaurants and cafés of that shopping (e.g., chained groups such as Starfoods, Multifoods);
4. Exploit new product opportunities with established Chains (e.g., Padaria Portuguesa);
5. Create receipts, products, menu options that include JMD's brands products (e.g., Tabasco Hot Spicy Pizza with Domino's Pizza or Lindt Chocolate Milk at Starbucks);
6. Within the current brands develop the product line/assortment;
7. Gourmet burgers restaurants (e.g., Hamburgueria do Bairro, Honorato, Gutsy, H3);
8. Healthy Lifestyle Promotion: -Look for brands that are focused on the promotion of a healthy lifestyle; - Add products in the category of healthy food to JMD's portfolio.
9. Offering Sunquick to fast food restaurants taking advantage of the growing healthy trend;
10. Market niche: large hotels in Algarve;
11. Partner with other brands with or without their own distribution network. Create complementarities between products. For beverages partner with companies such as Bacardi-Martini (e.g., cocktails mixed with Sunquick);
12. Search for brands with adequate assortment/formats to include in JMD portfolio;
13. Agreements/Partnerships with the main players in the channel to distribute/sell JMD brands: • Caterplus and other representative distributors in the channel; • Distributors that cover points of sale non visited by JMD (e.g., Delta); • Mars, Nestlé, Pepsico;
14. Design with the brands different menus to sell in Cafés (e.g., breakfast menu sponsored by Kellogg's). Support HoReCa with more than just the product;
15. Create events for the brands in Restaurants.

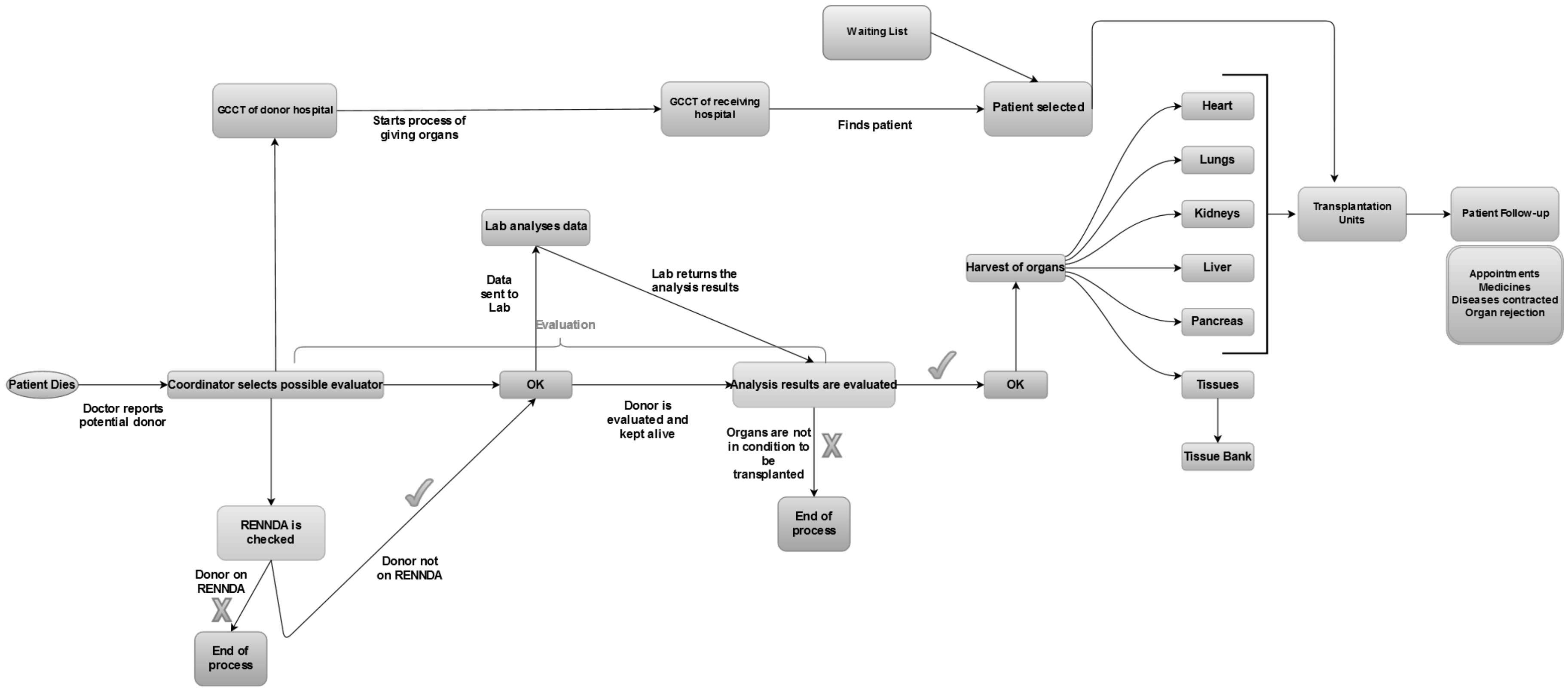
Source: Developed by the VCW team

Appendix 25 - List of Filters with the Highest Potential

Ranked Filters (1-Most Important; 17- Least Important)
1. Alignment with JMD's Strategy
2. Which brands/products → Only relevant brands in this channel?
3. Business model
4. Need for a specialized structure
5. Follow consumers' trends
6. Competitive prices of JMD's brands/products
7. Distribution Efficiency/Service Reliability (Lead times, OTIF)
8. Brand's willingness to expand their operations to Portugal
9. Credit/Financial condition of Clients
10. Willingness to create a team specialized in the channel
11. JMD growth goals for the channel
12. Supply chain structure/Logistics
13. Market Coverage
14. Willingness to include new brands in JMD's portfolio
15. Distributors' portfolio
16. Ability to develop with brands specific strategies for this channel, namely regarding the adaptation of formats (does this fit with brands' strategy, values and identity?)
17. JMD know-how/expertise in the channel
Qualifiers
Alignment with JM Group Strategy
Revenues for JMD in HoReCa channel
Delivery versus Cost to serve
Synergies in JM Group – Recheio and CaterPlus already working in the channel
Service Quality

Source: Developed by the VCW team

Appendix 26 – Transplantation Process in Portugal



Source: Developed by the VCW team

Appendix 27 – Induce Solutions: Outside-In View (Market-pull mindset)

Who cares? Who needs & will pay for it? (TARGET MARKET)	**What do they care about? (MARKET PROBLEM, MARKET PAIN, MARKET NEED)**	**What can we offer? (PRODUCT/SERVICE ATTRIBUTES)**	**THE UNIQUE EXPERIENCE Name/Brand of potential market application (IDEA/MARKET FIT)**	**Feeling about Initial potential (Low, Medium, High)**
Public Hospitals	- Health and well-being of their patients - Lower costs	- Increased availability of information	- Internal Transplant Registry	Medium
Private Hospitals	- Patients' satisfaction - Profit and reputation	- Increased availability of information - Statistics - Faster process - Better experience for patients	- Premium Internal Transplant Registry	Medium
Government	- General well-being	- Statistics - Benefits from the inclusion of a large network of hospitals	- National Transplant Registry	High
Patients waiting for a transplant	- Availability of organs - Access to information regarding their process	- Patient focused App with notifications concerning the different stages of the process	- TransplantReady	Low
Patients that have received a transplant	- Follow-up with specialized doctors - Information about their appointments and other concerns	- App that aggregates information for follow-up appointments and medication intake	- AfterTransplant	Low
Donation Coordinators	- Easy access to information	- Easy to use system and App that allows to quickly input data regarding potential donors	- Donor Detect	Low
Surgeons	-Knowing when surgery will take place and what are the conditions	- App with notifications for surgeons regarding their next interventions	-TransplantSurgery	Low
Doctors following organ receivers	- Having information about their patient's process and needs	- System with information about patients and possibility to schedule appointments and add medication	- TransplantFollow	Low
Heathcare Organizations (e.g. WHO)	- General Healthcare - Universal Health coverage	- Better organizational system - More information available to understand the origin of problems	-SimpleTransplant	Medium

Source: Developed by the VCW team

Appendix 28 - Induce Solutions: Inside-Out View (Tech-push mindset)

What is the offer? (PRODUCT/ SERVICE ATTRIBUTE)	Who cares? Who needs & will pay for it? (TARGET MARKET)	What do they care about? Benefits: (ADRESS MARKET PROBLEM, MARKET PAIN, MARKET NEED)	THE UNIQUE EXPERIENCE Name/Brand of potential market application (IDEA/MARKET FIT)	Feeling about initial potential (Low, Medium, High)
Improved organization of the process	- Public and Private Hospitals - Government	- Having all the information in one place - Templates and forms makes information easier to read and organize	- EasyTransplant	High
Connectivity	- Doctors - Patients	- Getting real time access to information	-TransplantGo	Medium
Alerts/Notification system	- Doctors - Patients	- Ability to instantly know about any new development in the process	- TransplantAlerts	High
Management of payments system	- Public and Private Hospitals - Government - Doctors	- Reliability and effectiveness of payments made to doctors	- TransplantPay	Medium
Information during the process	- Public and Private Hospitals - Government - Patients	- Increased availability of information	- Information for Transplants (iTransplant)	High
Statistics	- Public and Private Hospitals - Government - Health Associations - Healthcare companies - Students	- Detailed statistics that allow to have a better picture of transplantation in general	- Statistics for Transplants (StatTransplant)	High
Feedback	- Doctors	- Be recognized for their effort	- TransplantFeed	Medium

Source: Developed by the VCW team

Appendix 29 – List of Ideas with the Highest Potential

List of Ideas with the Highest Potential
Public Hospital Groups
Private Hospital Groups
National Governments
National Health Authorities
Groups of Countries
Doctors who detect potential donors
Doctors specialized on transplanted patients
Surgeons involved in the transplantation operations
Patients waiting for a transplant
Patients which have received a transplant
Healthcare centers
Specialized clinics on transplantation
Insurance companies
Bio-technology companies
Research Offices
Health Schools / Faculty Hospitals
Donor Associations
Health Organizations
Transportation/Logistics companies
Wealthy Families
IT Services (Software as a Service)
Entities needing to improve their systems
Entities needing to add mobility to their systems

Source: Developed by the VCW team

Appendix 30 – Filters Streaming

List of Final Filters for Validation
Transplants Legislation compared to the Portuguese one
Privacy Restrictions
Confidentiality
Added Economic Value
Financing
Long-term growth potential
Easiness to start a business
Purchasing power
GDP per capita
Cost of implementation
Potential Competitors
Risk
Technological advancements in the Transplantation area
Requirements regarding the system’s security
Easiness of implementation
Quality of internet access
Level of IT literacy of the population
Technological level of the hospitals
Type of Implementation (Cloud or Local)
Does the country have a solution already?
Presence of Portuguese hospital groups
Number of patients on dialyses
Difference between the number of patients on the Waiting List and the number of donors
Benefits in terms of general health
Insurance expenditure on health
Number of transplants per million people
Number of Transplantation Centers
Number of patients on the Transplantation Waiting List
Organization model in Hospitals/Transplantation process
Level of existing healthcare facilities
Network covered by the hospital group
Availability among hospital staff for training
Easiness of developing a similar product
Number of patients covered
Existence and size of Intensive Care Units
Expected growth of the healthcare sector
Country focus on healthcare development
Whymob’s vision and values
Amount of new staff required
Synergies with Whymob’s existing products
Impact on communities
Cultural similarities
Expenditure on health per family aggregate
Expenditure on health per capita

Relevance of ethical values
Amount of old-age population
Government expenditures on health
Availability of funds for healthcare investment
Government’s preference towards national companies
Political stability
Healthcare organizations’ availability to implement this kind of system

Source: Developed by the VCW team

Appendix 31 - List of Filters with the Highest Potential

List of Filters with the Highest Potential
1. Does the Target have a solution already?
2. Added Economic Value for Whymob (if measurable)
3. Purchasing capacity (Economic power)
4. Number of Transplants per Million people
5. Government Investment on Healthcare
6. Technology Level in Healthcare
7. Healthcare organizations' availability to implement this kind of system (if measurable)
8. Number of Hospitals involved in Transplantation
9. Risk (Economical + Political)
10. Country focus on Healthcare development
11. Easiness of Implementation
12. Government's preference towards national companies

Source: Developed by the VCW team

Appendix 32 – Ranked Filters

Filter	Paulo Pires	Henrique Ahnfelt	Potential
Does the Target have a similar solution already?	1	1	2
Added Economic Value	7	2	9
Purchasing Capacity	2	8	12
Number of Transplants per million people	4	9	13
Government Expenditures on Health	3	11	14
Technological Level	10	6	16

Source: Developed by the VCW team

Appendix 33 - Organ Transplant Activity in Ireland

Population: 4,7 Million

Actual Deceased Organ Donors: 63 or 13,4 p.m.p.

Total Number of Patients Transplanted: 246 or 52,3 p.m.p.

Patients on the Waiting List at the end of 2014: 544

Source: Newsletter Transplant, 2015

Appendix 34 – Business Model Canvas

Key Partners

- Business fair organizers
- Servers providers
- Hospitals involved in the transplant process
- Health Regulatory Authority
-Embassy and Commerce Chambers

Key Activities

- Management of information related to Transplant Activity

- Management of payments system

Key Resources

- Software that supports the system

- App to complement the system

Value Propositions

- Time saving possibilities with the integration of the web system and the app
- Ability to produce detailed statistics
- More information available, quickly and easily accessible
- Low costs and time spent due to the readiness of the product

Customer Relationship

- Constant contact during the development phase
- Support and maintenance after the system is implemented

Channels

- Online contact and calls
- Face-to-face meeting
- Business fairs
- Transplant related conferences

Customer Segments

- Health Authority

Cost Structure

- Translation expenses
- Costs incurred during the setup stage
- Sporadic travels during the implementation stage
- Costs of adaptation to local legislation and procedures

Revenue Streams

- Payments from the Health Authority during the setup and implementation

Source: Developed by the VCW team

Appendix 35 – List of Similar Transplant Registries around the World

Country	National Registry
Portugal	RPT (developed by Whymob)
Spain	SIUL (Software del Sistema Integral de Donación y Transplante) – http://www.ont.es/publicaciones/Documents/modeloespanol.pdf
Austria, Belgium, Croatia, Germany, Hungary, the Netherlands, Luxembourg and Slovenia	Eurotransplant Registry - https://www.eurotransplant.org/cms/index.php?page=registry1
France, Italy, United Kingdom	http://www.efretos.org/images/EFRETOS_Deliverable%2011_FINAL.pdf – page 90
Iceland, Norway, Denmark, Sweden, Finland	ScandiaTransplant – YASWA - http://www.scandiatransplant.org/resources/AnnualScandiatransplantdatareport2015.pdf page 4,5
Lithuania	http://www.transplantacija.lt/content/donrecregistras.en.html
Poland	http://www.poltransplant.pl/Download/Katowice2011/10.pdf
Slovakia	http://www.nto.sk/
Switzerland	http://www.stcs.ch/about/study-description
Russia -	http://journal.transpl.ru/vtio/article/view/95
Brazil	RBT - http://www.abto.org.br/abtov03/default.aspx?mn=515&c=900&s=0&friendly=registro-brasileiro-de-transplantes-estatistica-de-transplantes
Argentina	SINTRA - https://sintra.incucai.gov.ar/
Mexico	SiRNT - http://www.cenatra.gob.mx/rnt/
Canada	CORR - https://www.cihi.ca/en/types-of-care/specialized-services/organ-replacements
USA	UNOS (UNET) https://www.unos.org/data/technology-for-transplantation/

Malaysia	NTR - http://www.mst.org.my/ntrSite/donwload/1streport2004/Introduction.pdf
India	India Transplant Registry - http://www.transplantindia.com/
Australia, New Zealand	ANZDATA and ANZOD - http://www.anzdata.org.au/
China	China Liver Transplant Registry, Chinese Scientific Registry of Kidney Transplantation (launched in 2008), China Heart Transplant Registry, China Lung Transplant Registry (2010) http://www.ilts.org/uploads/4_wang.pdf & http://jama.jamanetwork.com/article.aspx?articleid=1104134
Japan	JKTNW - http://www.jotnw.or.jp/english/03.html
South Korea	KOTRY - http://www.kotry.org/
Hong Kong	The Organ Procurement System of the Hong Kong Hospital Authority - Tong, Y., Koo, J., & Cheng, B. (2010). Review of Organ Donation in Hong Kong: 1996-2009. *Hong Kong Journal of Nephrology, 12*(2), 62-73. doi:10.1016/s1561-5413(10)60014-2
Taiwan	https://www.torsc.org.tw/about/e_about.jsp

Source: Developed by the VCW team