

# making CHOCOLATE MONEY

## THE SWEETEST LITTLE CHOCOLATE SHOP IS A LOW-INVESTMENT OPPORTUNITY BASED ON PRODUCT AND SERVICE EXCELLENCE

⇒ Opening a boutique selling luxury chocolates in the middle of a recession is either an act of madness or an act of faith. In the case of Stu Jordan, the founder of The Sweetest Little Chocolate Shop, it was part of a carefully-calculated plan to test his new concept in the toughest market conditions. One year on, the pilot store has shown that chocolate can ward off financial depressions as well as emotional ones. Now the business is being launched as a franchise nationwide.

The Sweetest Little Chocolate Shop sells the best New Zealand chocolate from over 25 different manufacturers. In addition to all sorts of treats (including delicious takeaway chocolate drinks) the exquisitely-presented shop sells chocolate novelties, gifts and souvenirs, and also serves the corporate and wedding trade. Stu Jordan says that walk-in customers to the store in Auckland's Queen Street fall into three groups: *Chocolate Lovers* are mainly women from 18 to 80 who appreciate the quality that The Sweetest Little Chocolate Shop offers and become regular visitors; *Gift Buyers*, often men, know that good chocolate is always appreciated whether it's for a mother or a wife; and *Visitors* are looking for a unique taste of New Zealand to share with friends back home – pinot noir chocolate, anyone?

Customers can expect a warm welcome. 'We try to give everyone the royal treatment with free tastings, helpful suggestions and prompt, friendly service,' Stu says. 'We recruit lively, outgoing staff, usually from the hospitality industry because they understand how to communicate. Fluent English is a must for franchisees and staff alike, and if they have additional languages that's fantastic.'

### TAKING OWNERSHIP

Stu understands the world of retail very well. While taking his law degree, he had a part-time job at a local Cash Converters franchise where he was rapidly outselling the full-timers. Given the manager's job, he almost doubled turnover in just three weeks and soon found himself working with several other stores within the group. After five years he moved to the giant Noel Leeming chain as a retail 'trouble shooter' and then broadened his management experience in sales and finance. When his position



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EVERY CUSTOMER FINDS A WARM WELCOME AND A MOUTH-WATERING RANGE OF QUALITY CONFECTIONERY AT THE SWEETEST LITTLE CHOCOLATE SHOP

was made redundant in January last year, he decided that was the last job he'd ever have and set about creating a business that suited his tastes. 'I wanted something I could feel passionate about where I could use my retail knowledge. After five years in franchising and five years in corporates, I wanted to find a niche where I could take ownership of the market. Chocolate fitted the bill.'

Compared to other countries, New Zealand has had a low per capita rate of chocolate consumption but that is starting to change, says Stu. 'There haven't really been specialist outlets for chocolate here, unlike Europe, the US and now Australia, so The Sweetest Little Chocolate Shop can become the leader. The fuss over Cadbury's ingredients last year did us a favour in that it raised awareness of quality – you won't find palm oil in anything we sell! And, as an experienced retailer, I appreciate the fact that we essentially get four Christmases a year with Easter, Valentine's Day and Mother's Day all driving huge increases in sales as well as Christmas itself.'

### BIG RETURNS FROM SMALL UNITS

Stu engaged award-winning consultants The Franchise Coach to turn the successful pilot store into a national franchise. 'They were fantastic, very concerned to get the details right and have helped develop a very effective package. The total initial investment will be \$150-190,000, which is much less than most other retail franchises. Outlets are quite small at 40-45sqm with locations in high foot traffic areas – chocolate is often an impulse purchase. There is little specialised equipment and, due to the nature of the product, you don't have to hold high inventory levels.'

'We have excellent systems and specially-designed software that allows you to manage your stock and gain detailed market intelligence. You don't need extensive retail experience, as all the systems, training and support are in place to help you hit the ground running. All you need is a bubbly outgoing personality and the ability to communicate easily with people from all walks of life.'

In addition to walk-in business, each franchise also has the ability to make off-site sales within their territory, for example to wedding and event organisers and corporate clients. 'The net effect is that we would be disappointed if franchisees did not achieve a six-figure income from their investment,' Stu says.

The Sweetest Little Chocolate Shop has identified 41 prime areas around New Zealand which meet its criteria. 'Obviously we're not going to open them all at once but it means that the first franchisees will have their pick of the best locations,' Stu points out. 'If you have a love of chocolate, a love of people and the ability to build a small team who share your passions, we want to hear from you. Judging by the performance of the pilot store, it won't just be your customers who are happy.' ■

### ADVERTISER INFO



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