

**Open your own chocolate shop!**

FabJob Guide to  
**Become a  
Chocolate  
Shop Owner**



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## 1. Introduction

Congratulations on taking the first step in starting up your own chocolate shop. Ahead of you are days surrounded by scrumptious products, novice chocolate lovers looking for new indulgences, and die-hard chocophiles seeking the latest in exotic flavors to whet their palates and satisfy their cravings.

People who are interested in the idea of owning a chocolate shop are as diverse as the chocolate products sold in shops around the world. And yet, most people considering a career as a chocolate shop owner have certain things in common. It's probably a safe bet to assume that you love the taste of a good chocolate. But what does a "good" chocolate mean to you? What is your favorite type of chocolate? Do you love milk chocolate, dark chocolate, or white chocolate? Are your favorite chocolates the ones you've loved for years or do you seek out new flavors and varieties? Do you feel a sense of wonder when you enter a chocolate shop for the first time? If so, you probably already spend a lot of time in chocolate shops, and know what you like and don't like about them.

Perhaps you find yourself unconsciously window-shopping for friends and relatives. Do you see a bonbon and think, “Rebecca would love that” or are you constantly checking out chocolate displays and making mental lists of future gifts? If so, you’ll probably be a natural success at selling in a retail environment, where you’ll help people find items that match their desires and tastes.

Chances are you’ve spent a bit of time shopping in chocolate shops and you might possibly have worked in one or two. While it can be fun and rewarding to work in someone else’s shop, nothing quite compares to the satisfaction of running your own business and taking credit for your own confectionary creations or welcoming back to your store one of your favorite customers.

Chocolate stores are as diverse as their owners. There are numerous options for types of shops, and a multitude of products and niches. This chapter lays the foundation for the rest of the guide. It explains some of the trends propelling growth in the chocolate retail industry and gives an overview of emerging or growing product categories. It also covers the benefits of this exciting career choice and outlines the steps needed to get started.

## 1.1 A Growth Industry

The chocolate market has been undergoing something of a renaissance—or revolution, depending upon the analyst—in recent years. Industry insiders sometimes compare it to the burgeoning coffee market of the 1980s, or to the specialty bread market of the 1990s. Consumers have increasingly expressed a greater interest in specialty chocolates, particularly dark chocolate. New products have flooded the market, and sales of gourmet chocolates have been steadily increasing since 2001.

This renewed interest in chocolate has been attributed to reports of the health benefits associated with dark chocolate as well as a trend toward specialty products, such as organic, fair trade, and higher cacao content chocolates. As Bobbie Burt, chocolatier and owner of Chocolate Heaven in Scottsdale, Arizona, remarks, “It has been a great time for the chocolate industry because everywhere you turn reporters are writing articles or doing news shows about the health benefits of dark

chocolate. People don't feel as guilty buying and eating chocolate because of this."

Chocolate also has other perceived benefits for people. Jean Thomson owner of Seattle Chocolate Company says, "Research shows that women reach for chocolate for many reasons. Some consider chocolate a daily indulgence. Others consider it the ideal end to the perfect meal." Chocolate has also become something of a panacea for dealing with life's stressful moments. Thomson told us that many people choose chocolate "to relieve stress and cope with the demands of every day life. Whatever the demands of business or life, it's much more enjoyable with chocolate."

High-quality, premium products are no longer reserved for special occasions, but are being chosen for everyday consumption. For some consumers, chocolates are a relatively inexpensive way to indulge in one of the finer things of life. For others, premium chocolates are a reward or treat. These consumers seek out gourmet chocolates as comfort or indulgence to offset demands and pressures of work, time constraints, and hectic lifestyles.

According to market research studies, several trends in consumer spending on chocolate are evident. Consumers now purchase gourmet chocolates as part of their ordinary routines, and purchase gourmet chocolates more frequently than in the past. Premium products are no longer aimed at just the high-income consumer. Just as customers are willing to spend four or five dollars for an everyday cup of gourmet coffee, people are willing to spend more on gourmet chocolates.

In 2007, chocolate retail sales generated \$16.3 billion in the United States according to the U.S. Department of Commerce's Annual Confectionary Report, an increase of 90% in the five-year period since 2002. According to Agriculture and Agri-Food Canada, retailers rang up \$400 million in chocolate sales in 2004, and Statistics Canada reported that the entire retail confectionary industry's sales totaled nearly \$4 billion in 2005. The fastest growing segments of the chocolate industry are premium, dark, and organic chocolates.

Despite slowing economy and declining retail sales growth in late 2007 and 2008, luxury retailers continued to do well, according to the National Confectioners Association and other industry experts.

## 1.2 Owning a Chocolate Shop

### Product Trends

Premium, gourmet, everyday indulgent, artisan, handcrafted, fine, prestige, luxury chocolate—the words being used to describe the fastest-growing chocolate industry segment vary, but one thing is certain. Sales of these chocolates are escalating and are giving birth to a whole new way of selling—and consuming—chocolates. Many of the world's finest chocolates traditionally have come from Belgium and France, but an interest in artisan confections in the United States and Canada has evolved in recent years.

Consumer interest in chocolates is high, specialty products are entering the market, and niches and subcategories are emerging and solidifying. According to Tony Miller, chocolatier and owner of Treat Sweets in California, “the consumer is more knowledgeable and demanding about chocolate these days. As a result, you are seeing a move toward higher end chocolates by the consumer.” The image of chocolate shops and what they sell is undergoing a revolution, leading to a whole new way of selling chocolate, and numerous new types of chocolates to sell.

Sales of gift boxes are down; bars are up. Dark chocolate is experiencing double-digit growth. Some customers come into shops asking for a dark chocolate from a specific region in Venezuela or an organic bean-to-bar chocolate. Carole Bloom, confectioner and author, reports that “the trends are better quality chocolate, including high cacao percentage chocolates, single origin chocolates, and organic chocolate. Another trend is mixing unusual flavors with chocolate such as tropical flavors, teas, and spices.” Others want a vegan chocolate, or chocolate bar with specific health benefits. Specialty chocolates include single origin, Fair Trade, organic, vegan, enriched or health-benefits, exotic flavored, and kosher.

You can learn more about what chocolate manufacturers and retailers are selling by exploring the websites of leading companies. You'll find lists of these companies (with links) on the following websites:

- *Confectionary News Chocolate Trends 2007*  
[www.confectionerynews.com/The-Big-Picture/Chocolate-Trends-2007](http://www.confectionerynews.com/The-Big-Picture/Chocolate-Trends-2007)

- *Gourmet Retailer*  
(Look for the “Premium Chocolate” reports.)  
[www.gourmetretailer.com/gourmetretailer/trends/category-reports/index.jsp](http://www.gourmetretailer.com/gourmetretailer/trends/category-reports/index.jsp)
- *Chocolate in Context*  
(The “Links” section lists manufacturers by the following categories: Artisanal Producers; Fair Trade and Organic; Global Boutiques; Location.)  
[www.chocolateincontext.blogspot.com/](http://www.chocolateincontext.blogspot.com/)
- *Chocomap*  
(Provides general information about chocolate, as well as a list of chocolate makers)  
<http://chocomap.com/chocolate-101.php>
- *Chocolate Lovers Travel Club*  
(Provides a list of bean to bar makers.)  
[www.chocolateloverstravelclub.com/Chocolate\\_News.html](http://www.chocolateloverstravelclub.com/Chocolate_News.html)

## Special Services

With the growing interest in chocolate, stores have become more than mere purveyors of a tasty product. Many stores have taken on the role of educating customers about different types of chocolates. They may hold chocolate tastings, sampling parties, or tours that allow customers to become familiar with and learn about new products. Some store owners use websites to provide forums, blogs, and articles about events and new products. Stores that make artisan chocolates may hold chocolate classes.

## 1.3 Benefits of Being a Chocolate Shop Owner

Owning a chocolate shop can be a fulfilling and rewarding career. In addition to the benefits of working for yourself, it offers the possibility to shape your business according to your own preferences and personal ambitions. You will also find there is plenty of opportunity to exercise your creativity and share your love of chocolate with others.

## **Financial Rewards**

The income potential in this industry is quite high. For example, average annual sales for small shops with two employees is about \$100,000. Larger shops with four or more employees can earn in excess of \$300,000. In addition, stores with high volume and low overhead costs usually can turn a profit within the first year.

## **Growth Potential**

A chocolate shop offers many opportunities for expansion. As you grow your business you can open additional stores, move to a larger location, or add new product lines and merchandise. You can find new market opportunities by selling your products through mail-order catalogs or an Internet site. Additionally, you can increase your revenues by selling to customers beyond the retail location; for example, by selling gift baskets to corporate clients, party favors for weddings, anniversary parties, and other special occasions. You can host private chocolate-tasting parties in homes and other sites.

## **Family-Run Business**

Several chocolate shop owners that we interviewed stated that having a place where family members could work and spend time together was one of the prime benefits to owning a chocolate shop. Owners with younger children liked having a place where children could go after school and on weekends. Owners with older children often had their children help out at the store. Some owners enjoyed teaching the business to their children with the hopes of turning the business over to them someday in the future. Others liked the opportunity to instill work ethics and help their children develop business skills. And husband and wife teams enjoyed being able to spend time together as well as to combine their efforts to make a successful business. If you like the idea of having your family around you and helping to grow your business, then a chocolate shop is the ideal business.

## **Sharing Love of Chocolate**

Many shop owners cited sharing their love of chocolate with others as one of the most satisfying rewards of owning a chocolate shop. Chocolatiers who sold their own handmade chocolates especially enjoyed seeing the

delight of customers tasting their wares. Others enjoyed teaching customers about different types of chocolates and helping them discover new flavors and favorites. Here is what two of them shared with us about sharing their love of chocolate with their customers:

*"I love watching someone taste a truffle or a chocolate-coated caramel and soaking in the look of ecstasy they so often get."*

- Brian Pelletier, Chocolatier,  
owner of Kakao Chocolate

*"The most rewarding aspect of my career is seeing people's faces light up when they talk about chocolate."*

- Denise Ryan, Motivational speaker, Motivation  
by Chocolate and Leadership by Chocolate

## Creative Vision

Owning your own chocolate shop allows for many opportunities to use your creativity. You will update your displays constantly and you'll be designing new promotional activities and events to draw customers into the store. If you like the thought of creating unique and delicious new chocolate flavors and forms from your own recipes and designs, you'll have lots of opportunity for that, too. In short, if you have a creative bent, a chocolate shop will allow you to express it in countless ways.

## Fringe Benefit

And of course, there's the added bonus of being surrounded by chocolates and getting to taste a wide spectrum of flavors and varieties.

## 1.4 Inside This Guide

*The FabJob Guide to Become a Chocolate Shop Owner* is organized to help take you step-by-step through the basics you will need to open and operate your own store. The chapters are organized as follows:

Chapter 2 ("*Getting Ready*") explains how to learn the information and skills you will need as a chocolate shop owner. It covers ways of learning from experts and through observation, research, and hands-on activities.

Chapter 3 (“*Starting Your Chocolate Shop*”) will help you decide what kind of store you should open. This chapter discusses different products you can sell and will help you decide whether to buy an existing store, operate a franchise, or open a new store. It also explains what you need to get started, including your business plan, start-up financing, store name, and other important matters.

Chapter 4 (“*Setting Up Your Store*”) offers the information you need to actually set up your store. It gives advice on how to choose a location, get merchandise to sell, and arrange displays. You will also discover what equipment and supplies you will need.

Chapter 5 (“*Store Operations*”) takes you into the day-to-day challenge of running your store once it’s open. It explains how to develop a procedures manual, and covers inventory management, financial management and pricing, marketing your business, and working with staff and customers.

Chapter 6 (“*Getting and Keeping Customers*”) tells you ways to build up your customer base and how to keep your customers happy so they keep coming back. It describes ways to promote your shop through advertising, press releases, a website, and other promotional tools. It describes quality customer service—and how to ensure you are providing it.

By following the steps in this guide, you will be well on your way to living your dream — opening your own successful chocolate shop.