



P O M A V I N O

POMACE PASTA

PURDUE UNIVERSITY
2024 EXECUTIVE SUMMARY

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INTRODUCTION

PomaVino, a revolutionary pasta made from wine grape pomace, offers a luxurious and unique dining experience that is high in fiber, rich in antioxidants, low in carbohydrates, and entirely gluten-free. Flourish Milling Company, the parent company to PomaVino, is a traditional milling company that is driven to diversify their product line as they recognize the changing tides of consumer preferences for premium products that meet specialty diets. PomaVino pasta is perfect for those seeking a health-conscious and exciting culinary adventure. Raise your fork and uncork a world of pasta-bilities with PomaVino!

NEED

For Americans juggling dietary preferences and environmental concerns, “good-for-you” often clashes with “good-time”. PomaVino bridges this gap, offering a unique and luxurious culinary experience that tantalizes taste buds while nourishing bodies and the planet. Based on these attributes, the two needs driving consumers to PomaVino are:

The Health-Conscious Choice: 25% of Americans have tried a gluten-free diet,¹ heart disease is the leading cause of death in the US,² and the FDA is pushing to increase fiber intake from 25 to 28 grams per day.³ PomaVino is high in fiber, rich in antioxidants, low in carbohydrates, and gluten-free, making it a safe and satisfying choice for everyone.

A Culinary Luxury: PomaVino's pomace-based pasta offers a unique earthy depth and nutty elegance, unlike any ordinary noodle. The vibrant purple pasta allows all, especially the foodies, to experience fun and innovation in the kitchen.

TARGET MARKET

PomaVino will be sought after and purchased primarily by two target markets: those seeking out unique culinary experiences (foodies) and those with dietary restrictions or preferences (health-conscious individuals). Both share demographics that consist of males and females aged 25 to 75, who have completed college educations and have a minimum annual household income that is 12% above the state median.

Foodies like to go above and beyond to make food a priority in their lives. These foodies feel that preparing and consuming food is an experience that begins with selecting premium ingredients and ends with a beautiful presentation.

Health-Conscious Individuals consider PomaVino to be a more nutritious alternative to traditional pasta. Whether they are individuals with dietary restrictions forcing them to follow a particular diet or they just prefer to eat healthier, PomaVino is the perfect alternative to satisfy a gluten-free, high-fiber, and low-carbohydrate diet.

Sophia Penne

Sophia is a vibrant and health-conscious woman who believes in the power of mindful eating and nourishing her body with wholesome ingredients. Serving as a Vice President of Technology in San Francisco and earning an annual income of \$200,000, she is willing to invest additional funds in products that are upcycled. In her spare time, Sophia enjoys hosting luxurious dinner parties and cooking meals at home that experiment with unique, premium ingredients. On special occasions, she visits Napa Valley with her friends to indulge in the finest wines and cuisine.




Tom and Linda Fusilli

Tom and Linda are a retired couple residing in Phoenix, Arizona. They enjoy cooking dinners at home together and hosting their grandchildren. In light of their recent health issues, their physician advises adhering to a diet that is low in carbohydrates and high in fiber. They are constantly seeking nutritious alternatives to satisfy their new dietary needs.

MARKET TRENDS

1. The fiber-enriched product market is expected to rise to \$26.8 billion by 2027 with a CAGR of 8.07% from 2022-2027.⁴
2. The market for gluten-free pasta in the North American region is estimated to grow at a CAGR of 4.16% during the projected period 2019-2027.⁵
3. Incomes of foodies are about 12% higher on average than non-foodies, and they spend about 45.8% more each week on groceries to make food at home.⁶
4. In 2023, there were nearly 6 million tons of grapes used in the wine-making process, resulting in approximately 1.5 million tons of pomace produced.⁷
5. The low-carb diet market is expected to grow at a CAGR of 8.2% from 2023-2028 reaching upwards of \$18.65 billion.⁸

6.  70% of consumers are more likely to buy products once they're aware that the items are upcycle certified.⁹

BENEFIT TO PRODUCER

The current uses of wine grape pomace do not fully capitalize on the potential value of this byproduct for producers. Most of the wine grape pomace is repurposed as an acidic organic compost, while a small portion is used in dietary supplements or animal feed. As depicted in the visual below, the introduction of PomaVino provides wine grape producers a new opportunity to diversify their income streams and benefit from their pomace rather than incurring fees to remove it. PomaVino will pay producers \$500 per ton, an appealing alternative to incurring the loss of \$50 per ton to remove it, returning a total of \$323,963.34 to select vineyards over the course of three years.



MARKET SIZE & POTENTIAL

PomaVino's target market of foodies and health-conscious individuals is geographically concentrated in three regions: Northern California and the Southern Pacific, the Pacific Northwest, and the Northeast for a total market size of 4,632,175 potential consumers.

OTHER MARKET FACTORS

Political/Legal: Pressure to incentivize lower food waste in the next Farm Bill.¹⁰ FDA guidance to increase fiber intake to 28g per day.¹¹

Economic: Foodies¹² and health-conscious individuals maintain a higher budget for food.

Sociocultural: Rise in popularity of healthy eating habits in the United States.¹³

Technological: More adoption of technologies to educate and empower consumers to take greater control of their health.

Environmental: Improved public awareness of food waste¹⁴ and increased demand for upcycled food products.¹⁵

SWOT ANALYSIS

- Health benefits: high in fiber, rich in antioxidants, low in carbohydrates, gluten-free
- First grape pomace pasta to market
- Certified by the Upcycled Food Association (UFA), American Heart Association (AHA), and Gluten Free Certification Organization (GFCO)

S

- Overcoming limited brand awareness
- Premium price

W

- Product line diversification
- Expansion of gluten-free and health/wellness market
- Expand to other distribution channels: restaurants and meal subscriptions
- Partner with other complementary pasta products for promotional content

O

- Additional pasta alternatives
- Changing consumer preferences
- Rising energy costs

T

COMPETITIVE ANALYSIS

PomaVino excels among its competitors in the alternative pasta market with its superior fiber content, low carbohydrates, and abundance of antioxidants and anti-inflammatories. Formulated with wine grape pomace flour, PomaVino includes resveratrol and polyphenol antioxidants, mostly flavanols, that combat free radicals in the body associated with cardiovascular disease.¹⁶ Although PomaVino comes at a premium price, it delivers an exclusive experience that distinguishes itself from competitors.

BRAND NAME	BASES	PRICE (PER OZ)	FIBER CONTENT (PER OZ)	CARB CONTENT	Rich in Antioxidants
PV POMAVINO	Wine/Grape Pomace	\$0.44	7.5 g	8 g	✓
BARILLA RED LENTIL	Red Lentil	\$0.49	3 g	17 g	✗
BANZA	Chickpea	\$0.62	2.5 g	17.5 g	✗
ANCIENT HARVEST GLUTEN FREE	Corn, Brown Rice & Quinoa	\$1.15	1.5 g	21 g	✗
BARILLA GLUTEN FREE	Corn & Rice	\$0.23	1 g	22 g	✗
CAPPELLO'S	Almond	\$1.44	0.89 g	10 g	✗
VEGETABLE ALTERNATIVES	Ex. Zoodles, Heart of Palm, Spaghetti Squash	\$0.37-\$0.89	0.33-0.77 g	0.67-4 g	✗

PRODUCT DESCRIPTION

PomaVino is produced from the byproduct of winemaking that consists of grape seeds and skins.¹⁷ Thanks to grape pomace containing many natural health benefits, PomaVino is high in fiber, rich in antioxidants, low in carbohydrates, and gluten-free. This purple-colored pasta will be sold in five distinct shapes: spaghetti, penne, farfalle, fettuccini, and fusilli. PomaVino boasts a unique flavor profile; reminiscent of mild, but tangy earthy notes that complement the traditional pasta taste.



KEY PLANNING ASSUMPTIONS

1. PomaVino meets all USDA and FDA standards and regulations as well as criteria for the AHA Heart-Check, GFCO, and Upcycled certifications.
2. PomaVino has secured shelf space in Whole Foods Market via the regional distribution network.
3. PomaVino has established relationships with wine grape pomace producers across the United States.

CRISIS MANAGEMENT PLAN

PomaVino will have established risk management strategies in place that are ready to be executed should a foreseeable crisis occur. In the event of an unanticipated crisis, PomaVino shall execute a pre-set plan to protect the brand's reputation.

STRATEGY STATEMENT

The primary strategy of PomaVino is to target consumers who are looking for a premium alternative to pasta while also satisfying restrictive diets. PomaVino enters the market with a unique opportunity to expand the alternative pasta market by offering a high-fiber, low-carb, upcycled purple pasta.

BUSINESS PROPOSITION

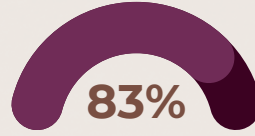
OBJECTIVES AND GOALS

Goal:
PomaVino's goal is to become the leading choice for alternative pasta.

- Objectives:**
1. Achieve 5%, 12%, and 16% brand awareness in PomaVino's target market across years 1, 2, and 3.
 2. Capture 0.19%, 0.28%, and 0.51% of the gluten-free pasta market across years 1, 2, and 3, respectively.
 3. Generate a net profit of \$(468,569.95) in year one, \$(227,635.23) in year 2, and \$326,754.35 in year 3.
 4. Decrease the cost of customer acquisition to \$1.63 in Year 3.

PRIMARY RESEARCH

In order to enhance and strengthen the intended marketing strategy of PomaVino, primary research was conducted to gather pertinent data. The survey was completed by 107 members of PomaVino's target market, whose responses provided information that supported the marketing strategy. Prominent discoveries derived from this study include:



of surveyed participants indicated an overall interest in a product like PomaVino.



of people surveyed indicated at least one of PomaVino's benefits to be a major draw to purchase this product.

ACTION PLAN

POSITIONING STATEMENT

PomaVino is positioned as the perfect fusion of culinary excellence and dietary inclusivity. This is the first pasta alternative made with wine-grape pomace flour, giving foodies and health-conscious individuals a unique, luxurious experience while satisfying restrictive diets.

PLACE

PomaVino strategically distributes pasta through Whole Foods Market in regions of the country that have high concentrations of its target market. As well as being offered in physical store locations, consumers can purchase PomaVino via Whole Foods Market on Amazon.com.

Year One: Northern California & Southern Pacific regions (California, Nevada, Arizona)

Year Two: Pacific Northwest (Oregon, Washington)

Year Three: Northeast (Connecticut, New Jersey, New York, Massachusetts)

YEAR ONE



YEAR TWO



YEAR THREE



PRICE

PomaVino will be sold through distribution from Whole Foods Market. The grocery store will pay \$5.80 per box of pasta resulting in a 49.91% gross profit margin for PomaVino. The suggested end price for consumers to pay at Whole Foods Market is \$6.96 per box.

CUSTOMER JOURNEY



PROMOTION

Social Media

PomaVino will utilize Facebook, YouTube, Pinterest, Instagram, and TikTok accounts to share product details and special offers. Every week, PomaVino will share recipes and cooking videos on these social media platforms, which can be accessed through QR codes on the box. Consumers can enter to win a winery experience at one of PomaVino's partner wineries by posting a picture with #GrapeToPlate on social media after preparing a signature recipe.



Podcasts

PomaVino will have 30-second advertisements on accredited podcasts that focus on health, nutrition, and cooking—including Good Food, Sound Bites: A Nutrition Podcast, and Sustainable Bites: Journey into the Delicious Intersection of Innovation and Eco-Friendly Dining.

Website

PomaVinoEats.com features tabs containing information regarding the company's mission, products, the upcycling process, consumer testimonials, blog posts featuring PomaVino pasta recipes, and a link that redirects to Whole Foods Market on Amazon to purchase.

Influencers

PomaVino will collaborate with nutritionists and food influencers to increase brand awareness and product promotion.

- Gaby @whatsgabycookin is a foodie, chef, and cookbook author with 985K Instagram followers and 227K Pinterest followers. She will include PomaVino in her recipes showcasing the unique culinary experience the purple pasta provides.
- To her 2.2M TikTok followers, registered dietician @StephGrassoDietician simplifies and enjoys nutrition. Steph will discuss the nutritional advantages of PomaVino pasta.

Pay-Per-Click/Google Ads

By deliberately investing in keyword phrases like "Alternative pasta," "High-fiber foods," and "Upcycled food," PomaVino will maximize its online presence. These keywords are intended to draw viewers, raise click-through rates, improve overall engagement, and increase product visibility.

Festivals

PomaVino will sponsor a promotional booth space at food and wine festivals, including the San Diego Bay Wine and Food Festival starting in year one and expanding to the Finger Lakes Wine Festival starting in year three, with the aim of enhancing brand recognition and product awareness.

Events

PomaVino will partner with wineries to form a prestigious annual pasta and wine event to showcase the pomace flour pasta. This event will invite top food and wine influencers to experience a multi-course culinary journey, where each dish features PomaVino pasta paired with perfect complementary wines. The event will not only generate buzz and social media coverage through influencer promotion, but also help establish PomaVino as a leader in upcycled and innovative cuisine.

Print and Digital Advertisements

PomaVino is placing advertisements showcasing the product's distinctive features, packaging, consumer reviews, and purchasing details in Food and Wine Magazine's website and publications. This will promote widespread awareness among new and existing consumers.

Certifications

PomaVino will have "Heart-Check Certified" by the AHA, "Upcycle Certified" by the UFA, and "Certified Gluten-Free" by GFCO displayed on each box.



Philanthropy

PomaVino's commitment to social responsibility is demonstrated by its ongoing partnership with the American Heart Association. Notably, PomaVino is a proud sponsor of one of the Heart Ball fundraisers, which takes place in San Francisco, California. This annual event provides a means of raising vital funds for its mission of lowering barriers to high-quality and accessible healthcare. Additionally, the American Heart Association website promotes healthy eating and PomaVino pasta will be highlighted under "Featured Recipes."

MARKETING EXPENSES

	Year 1	Year 2	Year 3
Digital Media			
Search Engine Optimization (SEO)	\$ 36,072.00	\$ 37,875.60	\$ 39,769.38
Webpage Development & Modernization	\$ 25,000.00	\$ 3,528.01	\$ 3,651.49
GeoTargeting	\$ 9,420.00	\$ 16,956.00	\$ 22,042.80
Social Media Analytics	\$ 4,941.00	\$ 4,941.00	\$ 4,941.00
Social Media Advertisements	\$ 111,321.57	\$ 82,777.58	\$ 70,360.94
Brand Awareness Surveys	\$ 4,200.00	\$ 4,326.00	\$ 4,455.78
Print Media			
Magazine Ad	\$ 68,720.00	\$ 77,680.00	\$ 134,240.00
Certifications			
UpCycled Food Association Membership	\$ 350.00	\$ 350.00	\$ 350.00
Up Cycle Certification	\$ 1,820.00	\$ 1,820.00	\$ 1,820.00
Gluten Free Certification	\$ 4,400.00	\$ 4,400.00	\$ 4,400.00
AHA Certification	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Events and Programs			
Social Media Influencers x2	\$162,000.00	\$ 162,000.00	\$ 162,000.00
Winery Event	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
Festivals	\$ 50,000.00	\$ 54,000.00	\$ 83,829.80
Outreach & Giveback			
American Heart Association	\$ 60,372.49	\$ 87,540.27	\$ 161,949.34
Total	\$ 601,617.06	\$ 601,194.46	\$ 756,810.53
Percentage of Sales	49.83%	34.34%	23.37%

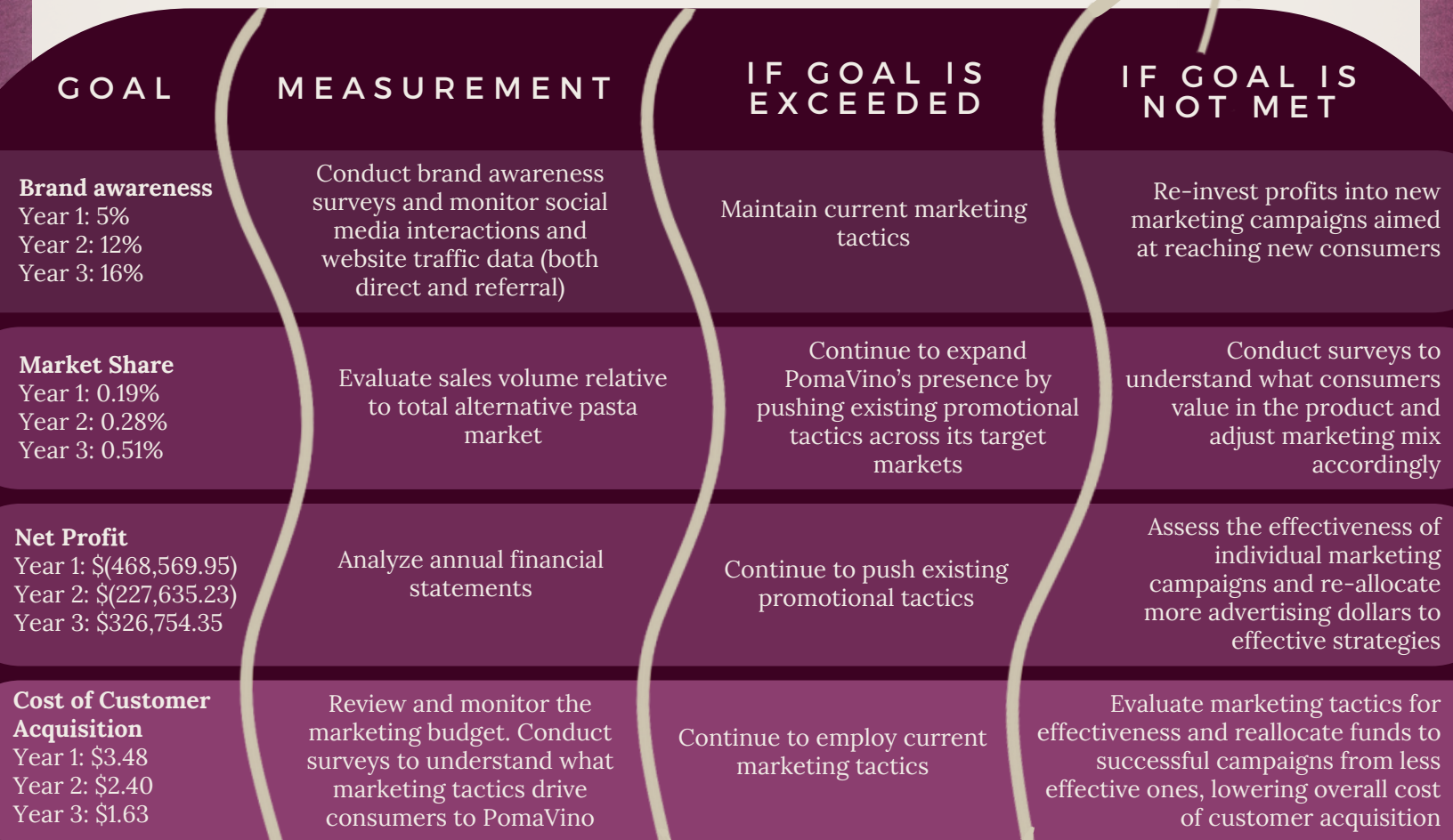
FINANCIAL EVALUATION

Income Statement	Year 1	Year 2	Year 3
Total Boxes Sold-- Retail	172,790	250,546	463,510
Total Boxes Sold-- Online	35,391	51,317	94,936
Total Gross Sales	\$ 1,207,449.80	\$ 1,750,805.40	\$ 3,238,986.80
COGS	\$ (604,755.87)	\$ (876,897.60)	\$ (1,622,258.97)
Gross Margin	\$ 602,693.93	\$ 873,907.80	\$ 1,616,727.83
Marketing Manager	\$ (115,000.00)	\$ (120,750.00)	\$ (126,787.50)
Account Manager	\$ (114,000.00)	\$ (119,700.00)	\$ (125,685.00)
Other Operating Expenses	\$ (240,646.82)	\$ (259,898.57)	\$ (280,690.46)
Total Marketing Costs	\$ (601,617.06)	\$ (601,194.46)	\$ (756,810.53)
Total Overhead	\$ (1,071,263.88)	\$ (1,101,543.03)	\$ (1,289,973.48)
Net Profit	\$ (468,569.95)	\$ (227,635.23)	\$ 326,754.35
Net Profit Margin	-38.81%	-13.00%	10.09%

PomaVino aims to capture 0.19% of the alternative pasta market in year one and expand its reach to 0.28% and 0.51% in years two and three. In its first year on the market, PomaVino will generate a net loss of \$468,569.95 after COGS and heavy reinvestments into marketing efforts are accounted for. PomaVino will invest large amounts of capital into various promotional programs that will provide PomaVino with a firm foundation capable of delivering higher sales, greater market acquisition, and ultimately higher profits for Flourish Milling Company. These heavy capital investments into promotional efforts will come to fruition in year three where PomaVino will generate a net profit of \$326,754.35 with a net profit margin of 10.09%.



MONITORING AND MEASURING



CONCLUSION

Ditch the ordinary and dive into a luxurious culinary adventure with PomaVino. This purple pasta provides rich flavors that cater to the increasing demand for both health-conscious and upcycled products. Uncork a bottle, dim the lights, and savor every bite with PomaVino.

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