

# EXPADING ICHITAN TO SOUTH KOREA: **COMPETITORS ANALYSIS**



# Competitor Analysis



**KWANGDONG**



**WOONGJIN  
FOODS**



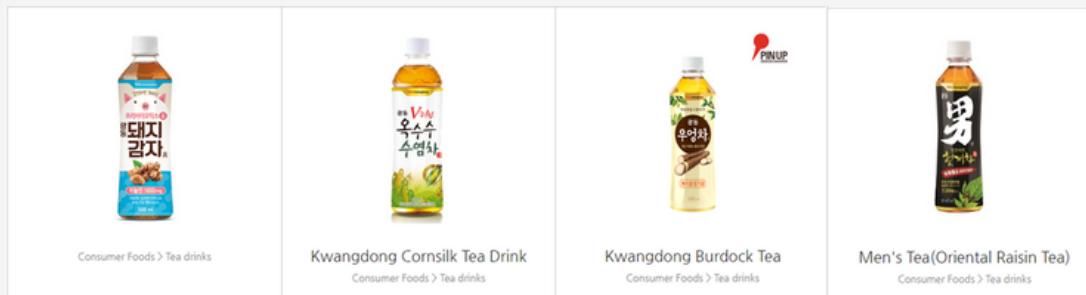
**HITE JINRO**

PRODUCT	MARKET SHARE	STRATEGY
	24.8 %	<ul style="list-style-type: none"><li>Promote as a Solution drink to reduce hangover</li><li>Detoxification drinks</li><li>low caffeine</li></ul>
	14.7%	<ul style="list-style-type: none"><li>Promote as Refreshing cold tea in a hot summer period</li><li>low caffeine</li></ul>
	4.8%	<ul style="list-style-type: none"><li>Promote as solution to hydration and substitution to water</li><li>low caffeine</li></ul>

# KWANG DONG PHARM

## ABOUT COMPANY

- **Market Share:** 24.8 in RTD Tea
- **Number of RTD Tea product line:** 4



## DISTRIBUTION CHANNELS

- E-commerce (Online Groceries)
  - G-market
  - Coupang
- Convenience Store
- Department Stores
- Retail Stores

## STRENGTHS

- Strong Brand image as a well-known & best performance in own country
- A large manufacturer of pharmaceutical products.
- Heavy Advertisement on K-pop

## WEAKNESS

- Few RTD product line
- Some Tea's flavors do not match younger generation taste (Adult tea)
  - EX. Oriental Raisins --> Reduce Hangover
- Sales decline during COVID19
  - Losing market share to competitors over increasing barley tea popularity

보험처럼 마셔라  
광동 헛개차 10년 간보험가입 이벤트



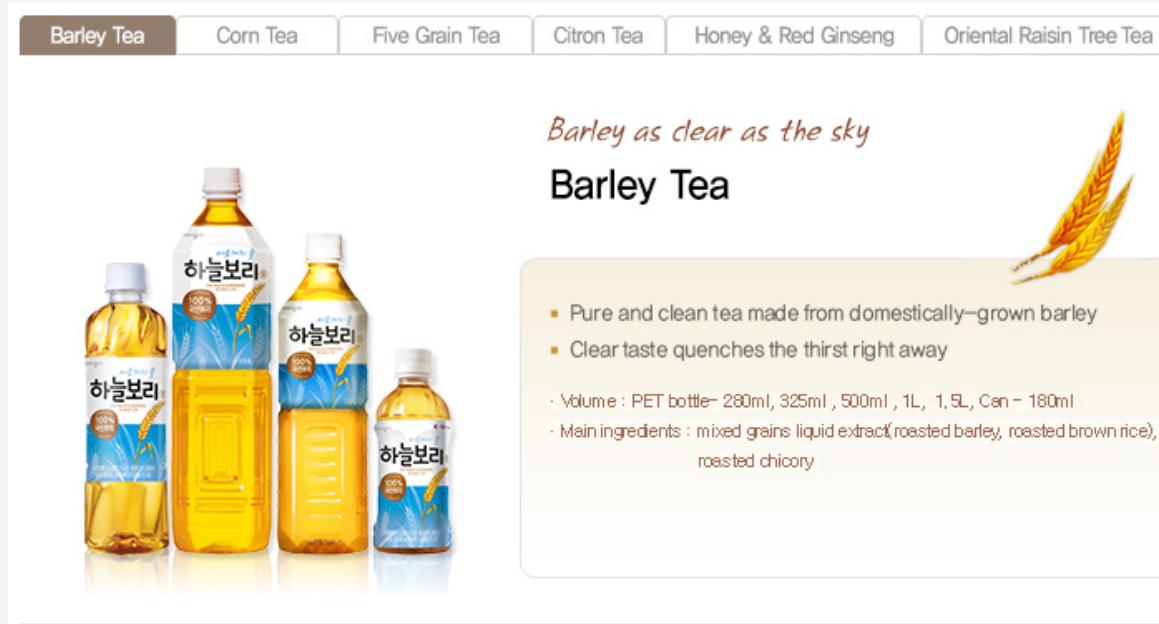
Aphrodite NZ @kiMunchkin · Mar 5  
I found this drink ~! 🌱 running low on stock so I only ordered 2  
#Kwangdong #VLineCornSilkTea  
#옥수수수염차  
#펜타곤 #PENTAGON #KINO #키노  
#키싱부스 #KiSingBooth

- Implication:
  - Taste preferences
  - Advertisement: K-pop idol/social media advertisement
  - Product Offerings

# WOONGJIN FOODS

## ABOUT COMPANY

- **Market Share:** 14.7 in RTD Tea
- **Number of RTD Tea product line:** 6



## DISTRIBUTION CHANNELS

- E-commerce (Online Groceries)
  - G-Market
- Convenience Store
- Department Stores
- Retail Stores

## STRENGTHS

- Provides various types of Korean products along with RTD tea
  - Eg. Juices, Coffee, and etc
- Advertise by celebrity endorsement
- Achievements in best packaging design
- substantial RTD tea product offerings
- Sales growth during COVID19

## WEAKNESS

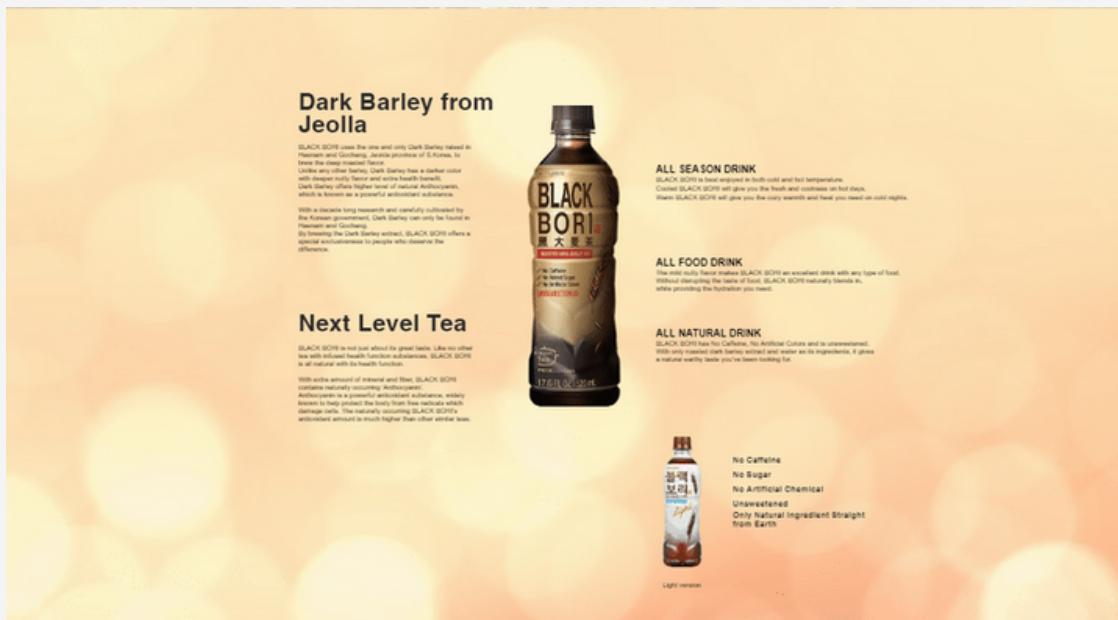
- Few social media advertisement
- Lose brand loyalty



- **Implication:**
  - Packaging
  - Advertisement: Celebrity Endorsement
  - Amount of Advertisement Channels

## ABOUT COMPANY

- Market Share:** 4.8 in RTD Tea
- Number of RTD Tea product line:** 1



## DISTRIBUTION CHANNELS

- E-commerce (Online Groceries)
  - G-Market
- Convenience Store
- Department Stores
- Retail Stores

## STRENGTHS

- Strong brand as alcohol beverages
- Strong International Brands
- Heavy advertisement in Celebrity Endorsement
  - Promote as solution to hot summer
- Sales growth during COVID19

## WEAKNESS

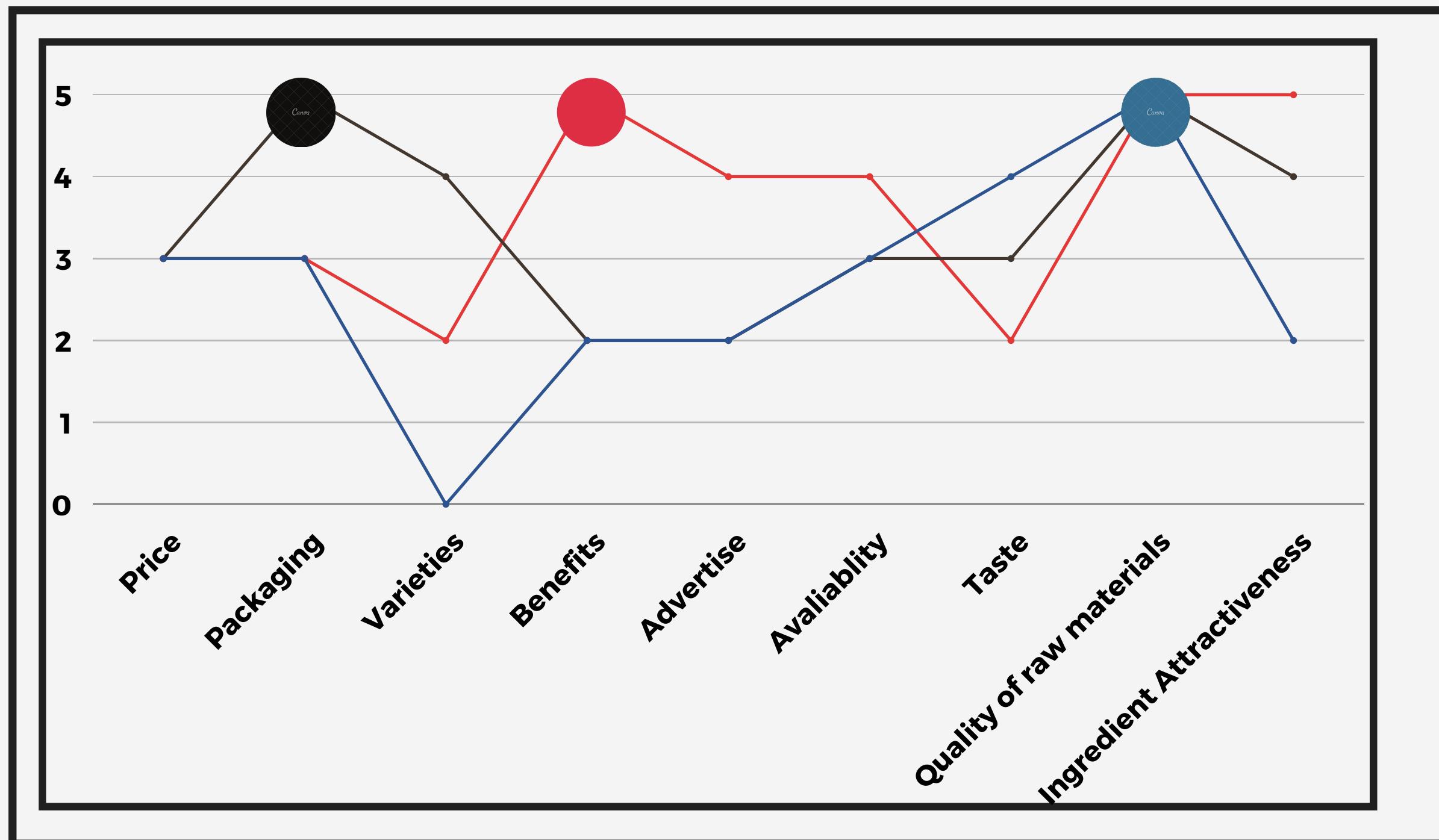
- Very low RTD Tea product offering
- less resources allocation on marketing thier only tea products



# VALUE PROPOSITIONING

	Price	Packaging	Varieties	Healthiness	Advertisement	Availability	Value	Taste
KWANG DONG PHARM	3	3	2	5	4	4	4	2
WOONGJIN FOODS	1	5	4	3	2	3	3	3
HITE JINRO	3	3	0	2	4	3	4	2

# VALUE PROPOSITION GRAPH



**KWANG DONG PHARM**  
ADVANTAGE  
• BENEFITS  
• QUALITY OF RM

**WOOJIN FOODS**  
ADVANTAGE  
• PACKAGING  
• QUALITY FO RM

**HITE JINRO**  
ADVANTAGE  
• QUALITY OF RM

# Strategic Sweet Spot:





# EXPADING ICHITAN TO SOUTH KOREA: **CUSTOMER ANALYSIS**

# PLACES (GEOGRAPHICAL SCOPE)

## URBAN AREAS

Korean Cities	Social Class E (0-5000 USD)	Social Class D (5000-15000 USD)	Social Class C (15000-45000 USD)	Social Class B (45000-100000 USD)	Social Class A (100000USD+)	Total Population
1 Seoul	61,900 (0.63%)	984,700 (10.07%)	5,551,400 (56.65%)	2,679,600 (27.34%)	521,600 (5.32%)	9,799,200
2 Busan	13,100	187,700	854,800	333,900	64,700	1,459,300
Daegu	12,700	149,100	653,100	264,400	46,300	1,125,600
Daejeon	7200	87,800	384,700	156,200	28,800	664,700

South Korean Total Population: 51,822,700

# SEGMENTATION: GEOGRAPHIC

KOREAN	Population	Consumer Expenditure	C.Ex. Per Capita
Urban	<b>42,161,800 (81.39%)</b>	<b>601,696 million</b>	<b>14271.1</b>
Rural	<b>9,660,900 (18.61%)</b>	<b>120,307 million</b>	<b>12507.6</b>

# SEGMENTATION: DEMOGRAPHIC

Age ranges	Social Class E (0-5000 USD)	Social Class D (5000-15000 USD)	Social Class C (15000-45000 USD)	Social Class B (45000-100000 USD)	Social Class A (100000USD+)
15-19	1,482,300	694,000	215,100	64,700	31,800
20-24	1,143,700	1,138,400	600,400	259,800	176,600
25-29	931300	1,271,600	791,600	371,900	265,500
30-34	710,900	1,145,200	780,200	368,700	298,100
35-39	780,400	1,331,200	929,600	467,500	375,700
40-44	732,100	1,331,900	944,500	477,800	404,600
45-49	833,900	1,498,200	1,061,800	540,700	466,200
50-54	827900	1,502,200	1,057,300	527,300	428,400
Total Population	7,442,500	9,912,700	6,380,500	3,078,400	2,446,900

	Social Class E (0-5000 USD)	Social Class D (5000-15000 USD)	Social Class C (15000-45000 USD)	Social Class B (45000-100000 USD)	Social Class A (100000USD+)
Non-Discretionary Spending (in US billion)	0.4	11.1	123.2	90.6	31.6
Non-Discretionary Spending on food and beverages (in US billion)	0.1	3.3	39.3	31.3	10.1

# SEGMENTATION: PURCHASING BEHAVIOR & CHANNELS

Age ranges	Shopping for Groceries/Essential	In Store/In Person	In Computer/Tablet	In Smartphone	Try new products	Value personal time
15-19	44%	12%	23%	64%	25%	28%
20-24	58%	16%	22%	63%	49%	25%
25-29	58%	16%	22%	63%	55%	25%
30-34	75%	16%	20%	66%	55%	25%
35-39	75%	16%	20%	66%	45%	25%
40-44	70%	20%	26%	71%	45%	25%
45-49	79%	20%	26%	71%	45%	25%
50-54	70%	20%	23%	60%	38%	30%

n = 1032

# SEGMENTATION: CONSUMER TYPE

	<b>Key Characteristics</b>	<b>Marketing Influences (Ranked 1st-3rd)</b>	<b>Purchasing/Reseraching Channels</b>	<b>Population Percentage</b>
<b>Impulsive Spender</b>	<ul style="list-style-type: none"> <li>Interested/keep up with latest trend</li> <li>Driven by bargain price</li> <li>Like to try new products</li> </ul>	<ol style="list-style-type: none"> <li>Friends and Family</li> <li>Consumer Reviews</li> <li>Social Media</li> </ol>	<b>Smartphone &amp; Computer</b>	<b>33% of consumers</b>
<b>Minimalist Seeker</b>	<ul style="list-style-type: none"> <li>Unlikely to follow latest trend</li> <li>Driven by quality</li> <li>Value balanced lifestyle and sustainability</li> <li>Value time with self and family</li> </ul>	<ol style="list-style-type: none"> <li>Friends and Family</li> <li>Consumer reviews</li> <li>Traditional marketing</li> </ol>	<b>Smartphone &amp; Computer</b>	<b>30% of consumers</b>
<b>Conservative Homebody</b>	<ul style="list-style-type: none"> <li>Unlikely to follow latest trend</li> <li>Driven by Essential purchases not well know brand</li> <li>Like to try new products</li> <li>Value time with self and family</li> </ul>	<ol style="list-style-type: none"> <li>Friends and Family</li> <li>Endorsements</li> <li>consumer reviews</li> </ol>	<b>Smartphone &amp; Computer</b>	<b>24% of consumers</b>
<b>Undaunted Striver</b>	<ul style="list-style-type: none"> <li>Follow trends and influencers</li> <li>Like trying new products</li> <li>Value status and image</li> </ul>	<ol style="list-style-type: none"> <li>Social Media</li> <li>Consumer reviews</li> </ol>	<b>Smartphone &amp; Computer</b>	<b>9% of consumers</b>
<b>Secure Traditionalist</b>	<ul style="list-style-type: none"> <li>Unlikely to follow latest trend</li> <li>Driven by low price and saving money</li> </ul>	<ol style="list-style-type: none"> <li>Friends and Family</li> <li>Traditional marketing</li> <li>Consumer reviews</li> </ol>	<b>Smartphone, Computer and, In Store</b>	<b>4% of consumers</b>

# Targeting Calculation



## Implication:

- A Korean Middle Class Impulsive Spenders, living in urban area

# Targeting: Impulsive Spender

	<b>Key Characteristics</b>	<b>Marketing Influences (Ranked 1st-3rd)</b>	<b>Purchasing/Reseraching Channels</b>	<b>Population Percentage</b>
<b>Impulsive Spender</b>	<ul style="list-style-type: none"><li>• Interested/keep up with latest trend</li><li>• Driven by bargain price</li><li>• High likeliness to try new products</li></ul>	<ol style="list-style-type: none"><li>1. Friends and Family</li><li>2. Consumer Reviews</li><li>3. Social Media</li></ol>	<b>Smartphone &amp; Computer</b>	<b>33% of South Korean consumers</b>

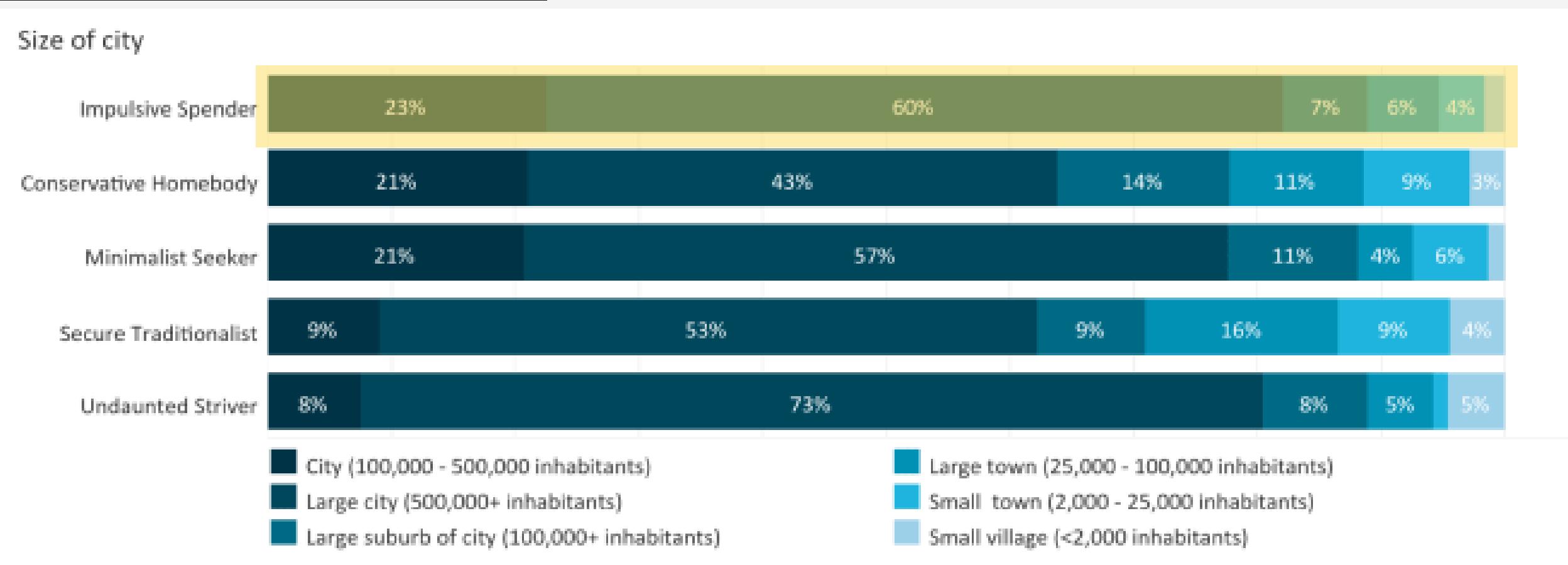
## Impulsive Spender

**Best way to target**

- CONVENIENT AND EASY-TO-USE SHOPPING SERVICES TO FACILITATE QUICK PURCHASES.
- TAILORED AND PERSONALIZED SHOPPING EXPERIENCES.
- CLEAR PROMOTION OF PRICES AND DISCOUNTS, SPECIFICALLY HIGHLIGHTING VALUE FOR MONEY AND BARGAINS.
- AVAILABILITY OF ONLINE AND OFFLINE SHOPPING PLATFORMS, CREATING A SEAMLESS OMNICHANNEL SHOPPING EXPERIENCE.

# Who are the impulsive Spenders?

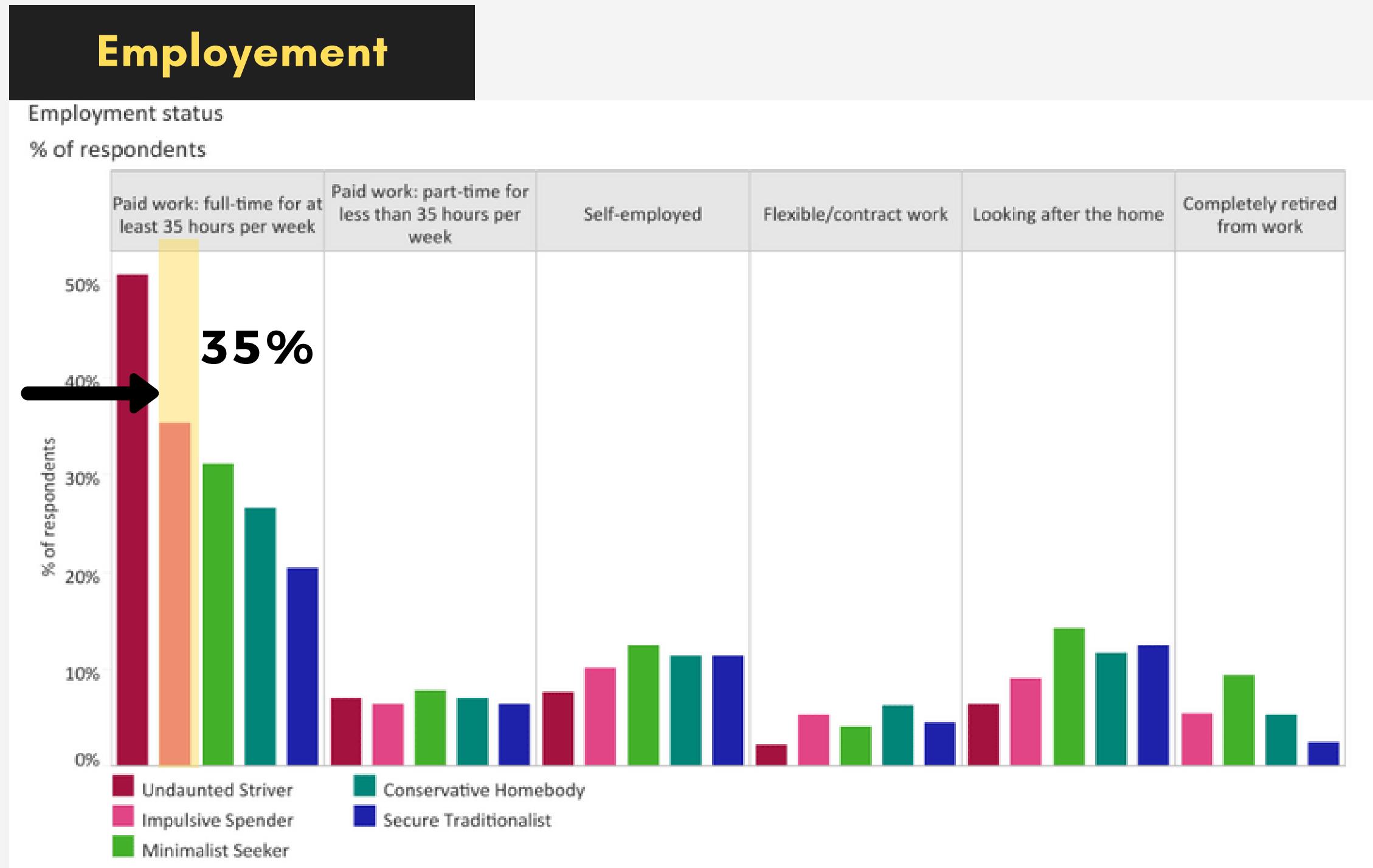
## Habitats



## Implication

- High percentage of Impulsive spenders are **living in City and Large Cities area** (Urban Areas)

# Who are the impulsive Spenders?

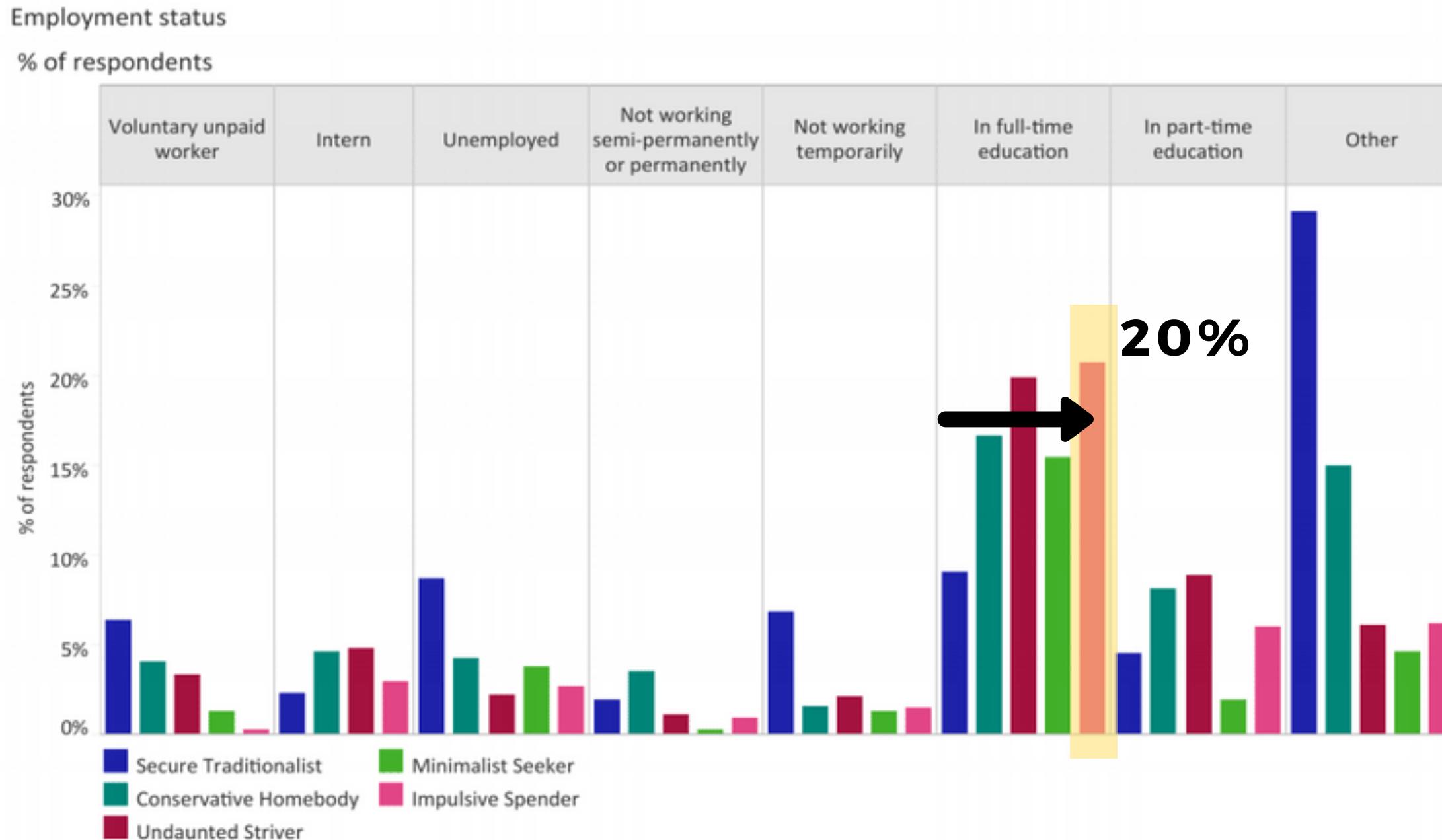


## Implication

- Roughly 35% of them works has a and full-time paid work, with at least 35 hours a week.
- **Office Workers**

# Who are the impulsive Spenders?

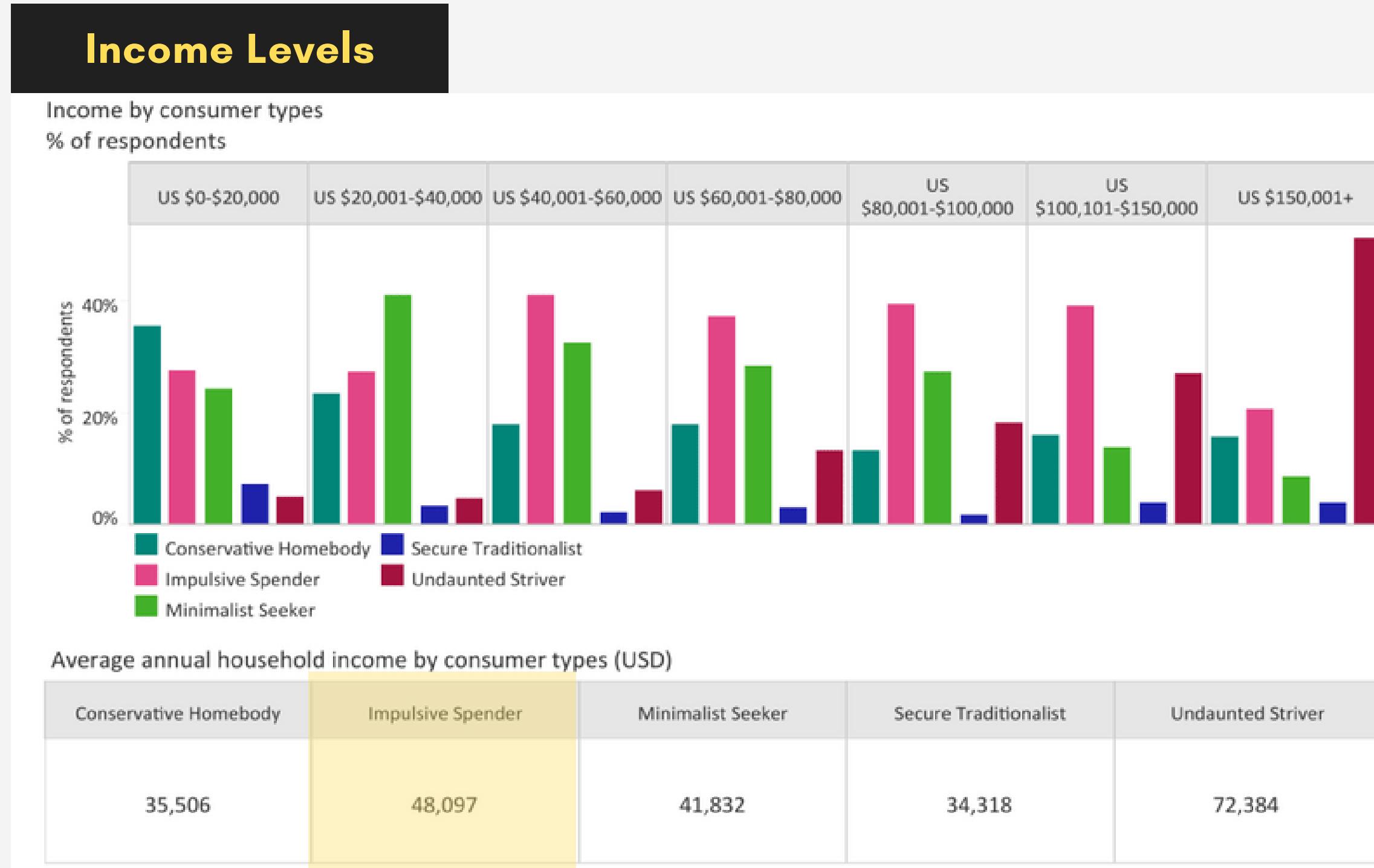
## Employment



## Implication

- Roughly 20% of them are in full time education
- **University students**

# Who are the impulsive Spenders?

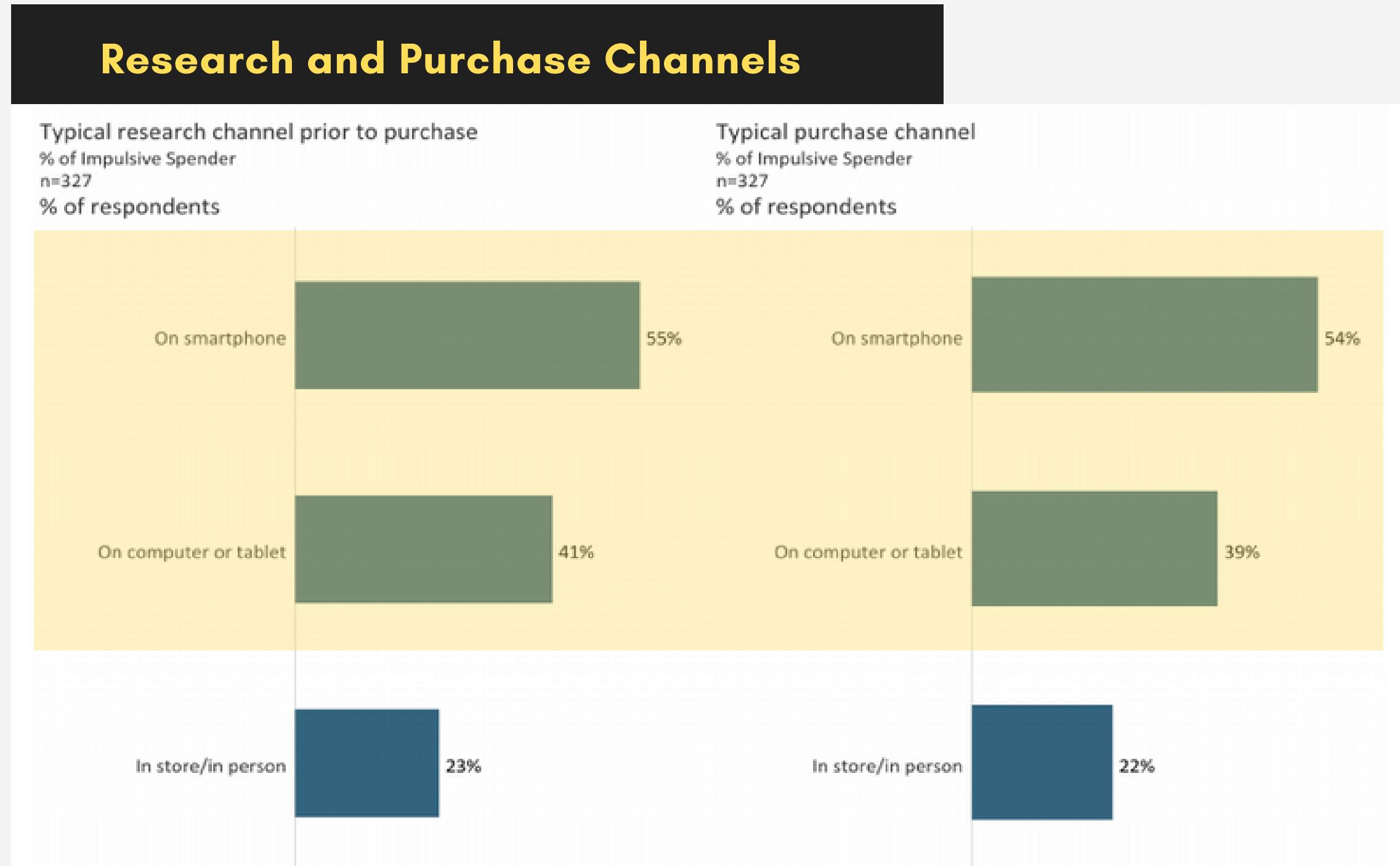


## Implication

- Most of the Impulsive spenders has average income in Class C (middle class) ranges

**Social Class C  
(15000-45000) USD**

# Who are the impulsive Spenders?

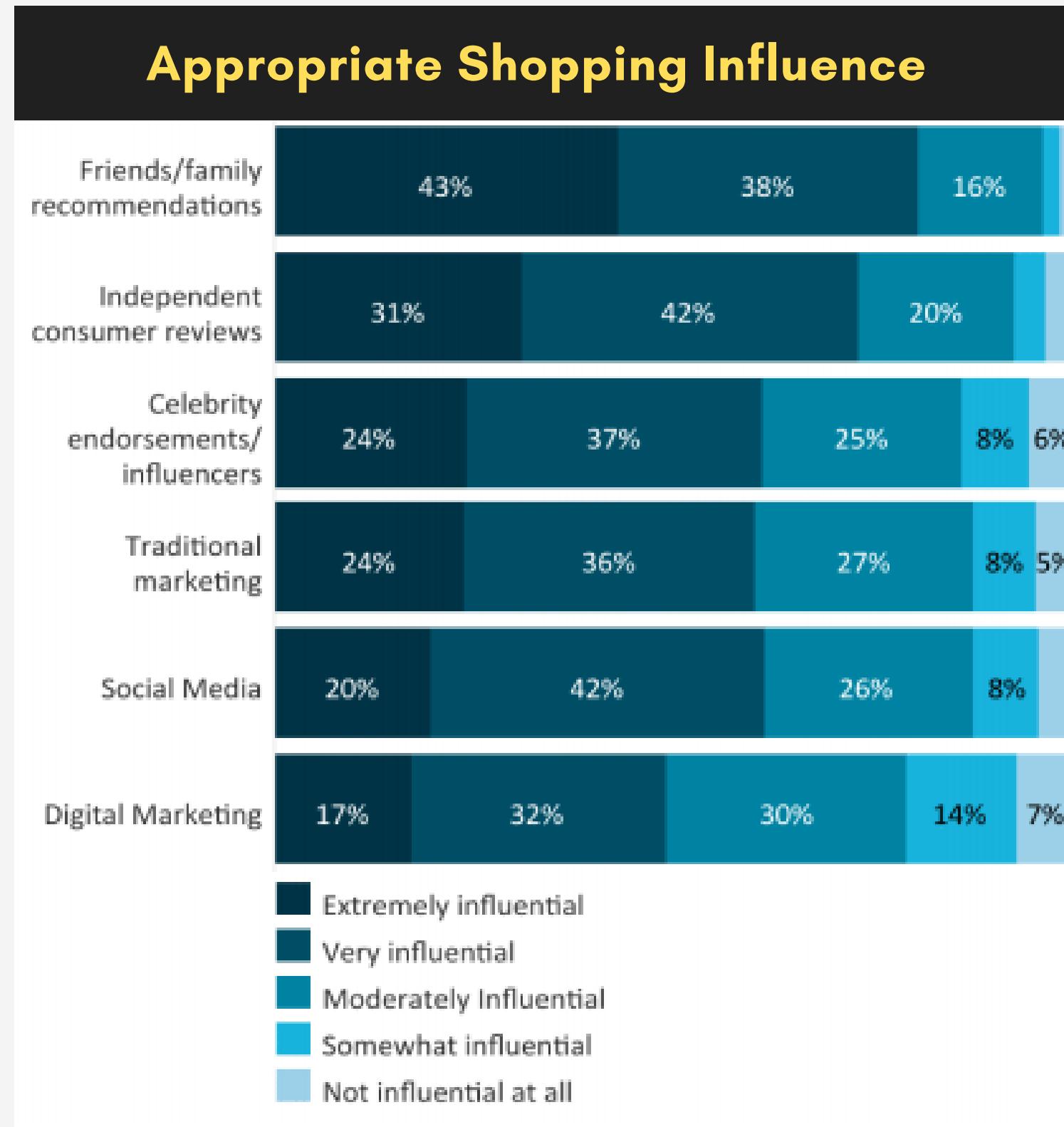


## Implication

### Digital Marketing

- Impulsive spenders likely to use electronics devices to research and buy the products

# Who are the impulsive Spenders?



1. Friends and Family
2. Consumer Reviews
3. Social Media



## DEMOGRAPHIC

- **Name:** Park Seo-Joon
- **Age:** 23
- **Social Class:** Middle (c)
- **Status:** Single
- **Occupation:** University student
- **Income per month:** 1700 USD
- **Hometown:** Seoul

## BEHAVIOR

- Social Media
  - Preferring products and service that are uniquely tailored to me
  - Researching products and services he consumed
  - Interested in the latest trend and try to keep up
- Like to try new products and service
- Lifestyle is a blend of online platforms and services alongside real-life activities

## VALUE & MOTIVATION

### MOTIVATION

- Seeking varieties of refreshments after a long day of study
- Driven by low prices and good brand.
- Seek convenience in life

### VALUE

- Value for money and quality
- Cautious in sharing information online,

## PERSONAL VOICE

**As I am a university student, every single day I wake up, study and do assignments. it's getting repetitive and boring. I wanted to have new lively experiences that never seen before in Korea and I want to have more options to be chose from.**