

# **International Marketing Project**

Company: MonSapo.co

Supervised by:

**Dr. Mohamed Ben Nouri** 

Presented by:

**Chadwa Khmissi** 

## **Company presentation:**

(MonSapo: A brand of 100% ecological cleaning products from the circular economy)

MonSapo is a Tunisian start-up recycling oils and ashes to produce ecological cleaning products. It is receiving training support under the GIMED project. The Tunisian start-up has looked at this thread as an opportunity to create a solution for two problems. It will use waste from cooking oil and wood ashes to create ecological cleaning products that will improve the quality of life of their customers and protect the environment from the pollution. Its proposal is also tackling the fact that the market is overwhelmed by toxic detergents, which not only present a danger to our health, but also pollute the water ecosystems, which is key for the 70% of the oxygen production. 'GIMED' has helped us develop the green business mindset, so we used the materials offered to us to tackle the pain point and find solutions that helped us grow", says Sabrine Chneui, the CEO behind MonSapo. The Tunisian female entrepreneur has been involved with the ENI CBC MED program since his selection. She describes the program as a fruitful opportunity, getting the chance to create a green business plan for her project. With the training and coaching that have been given to the entrepreneurs, they got the chance to dig more into every aspect of the project and work on a problem-resolution basis to create a scalable business on the long run. "I would recommend never giving up and always believing in your skills", says Sabrine.

According to MonSapo, to seek to change the world, we should start by changing the way we consume. This change starts with simple actions in our daily lives.

### Waste reduction

Yes, where to start? Far from utopian speeches, what if we worked at the source, by reducing the amount of waste we generate? Can we turn a highly polluting waste or residue, of which 1 litre can contaminate 10 million litres of water, into an effective, economical, natural cleaning product?

### · Used vegetable oil

Our manufacturing process consists of purifying it and extracting the natural agents from it; the used vegetable oil will no longer be a threat to biodiversity and aquatic organisms and becomes, by our care, the raw material for our cleaning product formulas.

#### Wood ash

A non-hazardous waste but a considerable resource rich in potash and with disinfectant, degreasing and anti-bacterial properties. Waste is an important resource and can be treated and recovered.

#### Our bottles

Made from 100% post-consumer recycled plastic (PCR) and the cap contains 50% PCR plastic. Our waste contains nuggets, it's finally proven! The problem of waste is not limited to plastic, and we hope that, like us, you think that, even if it's only a small step, it's already a start.

# **Values:**

- New way of consumption: It is the only product in the market that transforms oil, a highly polluting waste, into a useful and sustainable detergent.
- Innovation: To improve our manufacturing processes in a continuous way in order to provide our customers with the best cleaning products that follow ECOCERT standards.
- Sustainability: focus on maintaining the concept of sustainability with the planet

- Evolution: to improve at every step to always be in sync with the planet. continue to invest in research to offer an ever-improving product with more uses and formats.
- Trust and transparency: apply these values with suppliers, customers but also adapt them within the teams.

# **Competitor:**

There is only one unique competitor in the tunisian market, and it is SNO Laboratory.

#### **SNO History:**

The SNO laboratory was born from a meeting between a specialist in textile treatment and care, allergic to chemical products and a father worried about his son who was suffering from atopic dermatitis and who had tried several eco-friendly detergents following the advice of his dermatologist without success.

A simple recipe based on soap, bicarbonate of soda and household vinegar makes the little one's suffering disappear forever. Now the whole family is doing it. Even better, the whole house and the dishes are now cleaned with simple, healthy, biodegradable and much more economical recipes.

### **About SNO:**

Ecological household products available on the market contain more than 80% of water, a natural, coveted and threatened resource! SNO is the first laboratory to provide optimal cleaning solutions. Whether for laundry, home or dishes, they provide the active ingredients and recipes for maximum results.

they renounce petrochemical raw materials and categorically refuse the use of surfactants, GMOs, enzymes, optical brighteners or ethoxylated products. They manufacture their soaps purely from vegetable oils from organic farming. Soap is the cleaning agent closest to man and nature. It is rapidly biodegradable at 100%. Soap is the only cleaning agent which, as

soon as it has acted, binds to the limestone contained in the water. It thus loses its surface-active properties and becomes harmless to the microorganisms living in the water (primary degradation). This calcium soap is then completely transformed by the micro-organisms into CO2 and H2O (secondary degradation).

For SNO, sustainable development goes beyond ecology. It is not only about developing healthy, efficient and economical products.

SNO is also a pioneer in the social structure of the company and in its relationship to work: the meaning, the objective and the working conditions are those of a social and sustainable economy!

### 4 P's:

A 4 P's analysis is a marketing tool used to evaluate a product's marketing mix, which consists of the four P's: product, price, place, and promotion. In the case of MonSapo, a biological detergent product, the 4 P's analysis might look something like this:

**Product:** The ecological cleaning product would likely be described in terms of its features and benefits, such as its ability to effectively remove stains and odours, its gentle yet effective formula, and its suitability for use on a variety of fabrics and surfaces. The ecological cleaning product is a line of biodegradable cleaning products that includes liquid soaps, vinegar detergents, and packaged sodium crystals. The packaging of the product is also biodegradable, making it environmentally friendly.

**Price:** The price of the biological detergent product would be determined by a variety of factors, including the cost of raw materials, production costs, market demand, and competition. The price is positioned as a premium product with a higher price point. The price of the household vinegar in the ecological cleaning product line is 6.4 tnd per liter, making a bottle of 5 liters cost 32 tnd. This is relatively more expensive compared to regular detergent, which costs around 1.7 tnd per liter.

**Place:** The ecological cleaning product would be sold through a unique channel which is online retailers. The distribution strategy would be designed to make the product easily accessible to consumers in the Tunisian market through delivery available nationwide.

**Promotion:** The promotion of the biological detergent product would likely involve a combination of marketing tactics, such as advertising, public relations, sales promotions, and social media marketing. The goal of the promotion would be to increase awareness of the product and drive sales. The company's primary strategy is online marketing and content marketing on their social media platforms, such as Instagram and Facebook. Through organic reach and collaboration work with social media influencers. Monsapo Instagram page has gained over 14k followers that emulate strong trust in the brand through their weely interaction.

### **SWOT Analysis**

The SWOT analysis would be beneficial to have better knowledge on the product and the company overall.

Let's begin with the strengths;

- Monsapo.co is offering an **innovation** in the field of cleaning products. Its set of products is eco-friendly, without chemicals and a better alternative of ordinary detergent.
- The company is engaging in a circular **economy** by engaging in reducing pollution and recycling the products used as raw material. The basic components of our product are used food oil and ash wood that are natural elements.
- **Digitized inventory** is also one of the strengths of Monsapo.co. The partners have direct access to the inventory platform which is beneficial for both our company and our partner. The partners can update their stock or ask for new items. Also our sales department can have a close eye on how good we are selling our product and update the factory with the needs.

#### As for the weaknesses:

- The line of products we are offering is **not certified** (ISO...) yet

But we are actually working on having our certifications to expand our work and have a better positioning within the market.

- We are facing a **cultural resistance**; Tunisians are still refusing the ecological culture. They still don't trust the efficiency of bio products and believe that cleaning using chemicals leads to a better result. Even our efforts to use recyclable packaging are not felicitated as people throw it with other trash.
- One other thing is our company is still targeting a **limited group** with a certain cultural level. We launched our product within a facebook group and expanded. Our buyers are people who believe in the importance of eco-friendly products, and this mentality is not shared in Tunisians purchasing behavior.
- Our range of prices is **expensive** compared to similar products. The difference is that we are offering a bio product; our row material is obtained through a process of collection that is expensive. Also the advertising campaigns are expensive and this increases the cost.

We are still in the introduction phase of the product and our revenues are low.

#### As for the opportunities.

- We are offering an **eco-friendly packaging**: our bottles are produced from PET and HDPE recycle plastic which is a sustainable material that is made from post-consumer materials.
- We have a **well managed website** where our customers can have all the information needed about the products we offer, how to use each product, the prices... They can also benefit from our online shop and buy the product.

- We offer loyalty programs to our customers and price reduction on many occasions to boost sales and encourage the consumer to try our product.
- Our company objectives are settled within the objectives of the sustainable economy; we are partnering with companies that share the same principles. And working together on providing an efficient product without harming nature. We also want to guarantee the best result for the consumer.
- Monsapo.co is offering a community centric product. Our customers share the same values: use of eco-friendly products to ensure a clean environment in the future and also an active cleaning in our home without use of chemicals and with hypoallergenic perfumes.

#### As for the threats:

Strong competitors in the market(will be discussed in the next part)

### Let's choose the country:

To begin our study we have chosen the following critera: culture,language,weather,competition, political system,market size, technology and customer that we are going to discuss them one by one in this step.

Take into consideration that weights of criteria are from 1 to 5 and marks assigned to the three countries varies from 0 to 10

#### - Culture:

The influence of culture is extensive, impacting how employees are managed, functional areas like marketing, sales, and distribution, and even a company's analysis and decision on entering a new market. In our case, we have given culture a weight of 4 in our considerations. While the culture in the Maghreb region is generally similar, there are notable differences

between Tunisia and the UAE. Tunisia also shares cultural similarities with Egypt, but there are also many differences that we need to be aware of.

#### - Language:

By targeting a variety of language speakers, you are gaining exposure and creating brand awareness in different cultures. Translation allows for better receptiveness, thus permitting potential buyers to see that you are willing to go above and beyond to cater to their needs. (we gave it a weight of 2)

Since Algeria and Tunisia are francophone countries, our labels, our website don't need to be translated.

The UAE and Egypt, however, are both anglophone countries, so translating is essential

#### - Weather:

When working in colder temperatures, we have to think about how the temperature of the water changes from when you mix it with your cleaning solution to the temperature it is when it comes in contact with the surface and dirt you're trying to remove that's why we are giving weather the weight of 2.

Unlike colder water, warmer water will allow the dissolved dirt to be rinsed from the surface you are cleaning faster as well.

As temperature varies with altitude:

Algeria: 1,100m-1,300m  $\rightarrow$  average: 1,200

Egypt: 133 m- 2,629 m → average: 1,381

**UAE: 149 m- 1,527 m**→ average: 838

### - Competition:

Our product is an innovation and has very little competition in the Arabic market. Currently, the only detergents available in retail shops are traditional ones. We conducted market research and did not find any similar products in the three targeted countries.

In Egypt, the main competition for MonSapo is likely to come from local companies that produce eco-friendly cleaning products. These companies may have an established presence in the market and strong relationships with retailers and distributors.

In the UAE, the competition for the ecological cleaning product will likely be from established international cleaning product brands that already have a strong presence in the market. These companies may have a wellknown brand, a wide range of products, and strong distribution channels.

In Algeria, the competition for the ecological cleaning product will likely come from both local and international cleaning product companies. Local players may have an established presence in the market and strong relationships with retailers and distributors, while international players may have a well-known brand and a wide range of products.

In order to succeed in these markets, the ecological cleaning product will need to focus on developing strong distribution channels and partnerships with retailers and distributors in order to reach potential customers. Additionally, the company may need to focus on marketing and branding efforts to build awareness and differentiate itself from competitors.

### - Political System:

By political systems we mean both the stability of the politics in these countries as well as our alliance and relationships with them. This is also a highly valued criteria (we gave it a weight of 3) as our first goal is to brand our product and increase profit so exporting to a country that supports our regulations and shares political strategies is very important. We all know the neutrality of Tunisia (in terms of politics) towards the EU that sometimes creates conflicts even. As well as the political situation between Tunisia and Egypt that we can't define as good. But with algeria we are sharing many political values and alliance between the 2 governments that's why we attribute the highest mark to Algeria

### - Distance from origin country:

Distance is a critical factor for us as we are selling a delicate product that requires special care. We are giving this criteria a high importance. Besides, we are thinking of franchising our products and doing so needs instructions from our technicians so beginning with a nearby country would be beneficial in terms of costs and efficiency as well as saving the quality.

#### - Market size:

A market size analysis of Algeria as a prospected country for exporting an ecological detergent would involve looking at a number of key factors that make it a more suitable market than the UAE and Egypt.

First, it is important to consider the overall size of the market for ecological detergents in Algeria. According to data from the World Bank, Algeria has a population of over 40 million people, with approximately 20 million households. This is a large potential market for eco-friendly cleaning products, particularly when compared to the UAE and Egypt, which have populations of just over 9 million and 100 million people, respectively.

Next, it is necessary to consider the level of competition in the Algerian market for ecological detergents. In this regard, Algeria may be more attractive than the UAE and Egypt, as the market for eco-friendly cleaning products is less developed in Algeria than in these other countries. This means that there may be fewer domestic and international competitors operating in the Algerian market, making it easier for a Tunisian company to enter and establish itself in the market.

In addition to these factors, it is important to consider the regulatory environment in Algeria for ecological detergents. In this regard, Algeria may be more attractive than the UAE and Egypt, as the country has a more favourable regulatory environment for eco-friendly products. For example, Algeria has implemented a number of policies and programs to promote the use of environmentally friendly products, including tax incentives and grants for companies that produce and sell these products.

Overall, a market size analysis of Algeria as a prospected country for exporting an ecological detergent would indicate that the country has a

large potential market, less competition, and a more favourable regulatory environment than the UAE and Egypt. These factors make Algeria a more attractive market for a Tunisian company looking to export its ecological detergent products.

### - Technology:

It is difficult to say why the technology in the UAE might be more suitable than Algeria and Egypt for exporting an ecological detergent, as this would depend on a number of specific factors related to the technology used in the production of the detergent and the market conditions in the UAE, Algeria, and Egypt.

In general, however, the UAE may have some advantages over Algeria and Egypt when it comes to technology. That's why it scored a 7 while its competitors only scored a 3. For example, the UAE is known for its advanced infrastructure and high levels of investment in technology and innovation. This could make it easier for a Tunisian company exporting an ecological detergent to the UAE to access the necessary technology and expertise to produce and distribute its products.

Additionally, the UAE may have a more developed market for ecological detergents than Algeria and Egypt, which could provide more opportunities for a Tunisian company to sell its products and potentially generate higher revenues. This could be particularly true if the UAE has a higher level of consumer awareness and acceptance of eco-friendly cleaning products than Algeria and Egypt, which could make it easier for the Tunisian company to successfully market and sell its products in the UAE.

Overall, the suitability of the technology in the UAE for exporting an ecological detergent would depend on a variety of factors related to the specific technology used in the production of the detergent, as well as the market conditions in the UAE, Algeria, and Egypt. It is difficult to make a definitive statement about which country would be the most suitable without more detailed information.

### - Economy:

In general, it is likely that the UAE would have the most suitable economy for an ecological detergent, due to a number of factors. First, the UAE has a relatively high level of economic development, with a strong and diversified economy that is driven by a variety of industries, including oil and gas, tourism, and finance. This could provide a strong foundation for the growth of the ecological detergent market in the UAE, as the country has a high level of disposable income and a strong consumer demand for a variety of products and services.

Additionally, the UAE has a favourable regulatory environment for ecofriendly products, with a number of policies and programs in place to promote the use of these products. This could make it easier for a Tunisian company exporting an ecological detergent to the UAE to navigate the regulatory landscape and access the necessary resources and support to successfully operate in the market.

Overall, it is difficult to say definitively which of these three countries has the most suitable economy for an ecological detergent without more detailed information about the economic conditions and market opportunities in each of these countries. However, based on the factors discussed above, it is likely that the UAE would be the most suitable economy for an ecological detergent.

### **Country presentation:**

The following information are driven from this source:

https://www.objectif-import-export.fr/en/international-marketplaces/country/algeria/presentation-demography

Geographically:

The official name of our selected market is Algeria. Arabic and the indigenous Berber (Tamazight) language are its official languages. As for the business languages French and Arabic are generally the language of business, although some companies use English.

The climate is hot and dry in the south. The temperature is average in the south (27°C), but it often reaches 40°C in summer. The average temperature in the north is 21°C. The rainy season lasts from mid-September to mid-May.

#### Demographically:

- Total Population is 43,851,043 where 73.7 % are in Urban areas.
- The medium age is 24 years.
- Exchange Rate on December 13, 2022:

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1 DZD = 0.0072 USD, 1 USD = 138.1892 DZD
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1 DZD = 0.0069 EUR, 1 EUR = 145.6646 DZD

### **Economically:**

- National Currency: Algerian Dinar (DZD)
- Type of Economy: Lower-middle-income economy

A country that depends a lot on its petroleum and gas activity; Algeria is a major producer of cork and a major cattle producer.

- Value added tax (VAT) (Taxe sur la valeur ajoutée - TVA): 19%

### **4 International Ps:**

### **Product:**

As managers we decided to opt for the standardisation strategy when exporting our product.

We will consider the Algerian and tunisian markets as 1 market without doing any changes.

As we share the same language with Algeria (we both speak Arabic and French) so no changes are required in the packaging written in french.

Also we share the same legislation regarding the components so we will not do any changes in the composition.

This strategy decision is taken because we are branding our product and delivering value; we don't want to do any changes to keep the same value.

Besides, the products we offer are an innovation in the field and we are planning to grow a consumption culture influenced by the green production and ecological brand we are creating.

### **Price:**

Our ecological cleaning product is of high quality and can be used to improve the quality of life for our customers and protect the environment from pollution. As a result, we will opt for a skimming strategy. Our prices may be higher compared to other suppliers of similar products. However, to ensure that our product is competitive in the Algerian market, we will carefully research and analyse the preferences and purchasing power of potential customers in Algeria. Based on this information, we will determine an appropriate pricing strategy for our product, which may involve adjusting the price to align with market demand and the local cost of living, or offering promotions or discounts to drive sales. By carefully considering the needs and desires of Algerian consumers, we hope to make our product both affordable and attractive to a broad range of customers. In order to expand our customer base in Algeria, we also plan to gradually reduce our prices over time.

### **Promotion:**

To effectively promote an ecological cleaning product in Algeria, a company would need to develop a comprehensive marketing strategy that takes into account the unique characteristics of the Algerian market and the preferences and behaviours of Algerian consumers.

Our pick for Algeria was based on the fact that behaviours of Algerian consumers are similar to that of Tunisians. Therefore, one approach to promoting the product in Algeria would be to focus on the eco-friendly features of the product, highlighting its biodegradable packaging and its ability to effectively clean a variety of surfaces and fabrics without harming the environment just like it worked previously in Tunisia. The company could leverage the growing awareness of environmental issues in Algeria and the government's emphasis on sustainability to effectively communicate the benefits of the product to consumers.

In addition to promoting the eco-friendly features of the product, the company could also focus on the product's effectiveness and value for money. This could involve conducting product demonstrations and offering samples to consumers.

To reach a wide audience in Algeria, the company could either focus on social media marketing through local influencers to test waters and set the return on investment for the strategy that has been most profitable in Tunisia. Based on their findings, they can use a variety of marketing channels, including advertising, public relations, sales promotions, and social media marketing. This would allow the company to effectively target consumers in different regions of the country and across different demographics.

Overall, a comprehensive marketing strategy that focuses on the ecofriendly features, effectiveness, and value of the ecological cleaning product, and that uses a variety of marketing channels, would be an effective approach to promoting the product in Algeria.

### **Distribution:**

To effectively penetrate the Algerian market, our company will establish an on-site representative office in Algeria. This office will be responsible for managing our customer relationships, forecasting production needs, and monitoring our performance in the Algerian market. Additionally, the office will provide customer support to ensure that our customers receive the highest level of service. By having a dedicated on-site representative office in Algeria, we will be able to maintain a high level of control and oversight over our products, which will help to ensure their success in the Algerian market.

This international distribution strategy will allow us to effectively introduce our Tunisian cleaning ecological products to the Algerian market. By establishing a local presence and providing top-quality customer support, we will be able to effectively meet the needs of Algerian consumers and build a strong reputation in the market. We believe that this approach will be key to our success in Algeria and will help us to establish a foothold in this important market.