

Marketing Strategies for *Yewodze*: A report

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I. Executive Summary

The main purpose of this report is to provide a market plan for *Yewodze* to enter the North American market. By doing these analyses, the company will have a clear image of the market. The report will establish a foundation for *Yewodze* to pursue for its entrance to North America. The report will examine various aspects including the intended market and customer focus for our products, a holistic overview of the current soap market in North America, where *Yewodze* stands as it paves its way to the foreign market, Specific initiatives including packaging, placing and pricing, and anticipated risks in addition to our strong intention to make a revolutionary impact through our approaches.

II. Business Mission

Before taking any forms of actions to develop strategies and a marketing plan for the entrance to the North America market, it is important to re-emphasize our mission and what message we aim to convey through our product. Mr.Kwasi draws emphasis on reciprocating what he received from the products and giving them back to his community. He aims to expand the number of job opportunities amongst young adults to provide them an environment to support themselves considering the relatively drawback in the economy in the South African region. Through *Yewodze*'s products, the brand philosophy highlights the essence of unity. In the scope of customers, *Yewodze* is an opening door to making an impact; by purchasing a product, it assists in the progression of the unemployment phenomena in South Africa, because it is dedicated to help individuals through the provision of jobs and relevant training to ensure they have income and financial stability.

III. Intended Target Market Segment and Customer Population

Viewing *Yewodze*'s marketing positioning pre-ingress to the North American region, it is important to understand where *Yewodze* stands in order to instigate measures that best align with its goals. Using the Ansoff's Matrix, it can be derived that *Yewodze* needs Market Penetration Strategies considering we are selling existing products (soap) in an existing market.



Marketing Penetration Strategies mainly direct towards raising market share. However, considering *Yewodze* is still at its amateur phase in the North American soap market, it is important to ensure it has an explicit directory. It should focus on a designated group of customers demographically, as well as determine its pricing before its official launching.

For *Yewodze* to make an entrance effectively and successfully into the North American market, it is important to identify which group of customers we are intending to target our products towards. Therefore, we have decided to pursue the *Premium route*, which would focus on the *wealthy* segment of the customer population, and including both millennials and gen-z. We aim to fine tune *Yewodze* and pursue the approach of becoming a high-end brand. To specify what this *wealthy* group of customers refer to, are the group of individuals who are *value-based*

buyers. Unlike price-based buyers, value-based buyers focus on the value and quality of the product instead of fixating on low prices or discounted sales. By having a sustained focus of the consumer group for *Yewodze*, it offers us stability in terms of pricing. We know we can have more concentration on product development rather than strategically pricing our items.

Furthermore, knowing our targeted audience allows us to establish our brand image more effectively. If we are pursuing the route of providing high-end and luxury quality products, it is important we secure the position as a leader in the market of premium soaps amongst our rivals.

The following is a portrayal of the characteristics of the pricing approach this report proposes *Yewodze* to utilize in order to cater the characteristics value-based customers' purchasing behaviors through the scope of the Price Strategy Matrix.

		Quality	
		Low	High
Price	Low	Economy	Penetration
	High	Skimming	Premium

As demonstrated above, taking the quality of *Yewodze*'s products into account, which is to produce premium quality soap in the soap market, and the price will be set high to break-even and even cover more than the costs of production, it positions the pricing strategy at Premium pricing. In other words, *Yewodze* will be selling products and setting their prices higher than immediate competition, as a means to imply the high quality of nature our products are.

IV. Current Status of Market

To better understand the possibility of entering the North American market, the soap market in North America and the competitor companies is necessarily being analyzed. The North American bath soap market has shown a moderate growth rate since 2015. According to the IMARC Group report, the soap market has a 4.8% compound annual growth rate from 2021 to 2026. Compared to the global soap market, the compound annual growth rate in the global Soap market is 1.1% in the same analysis period. North America has been providing an expanding market for bath soaps, driven by growing hygiene awareness amongst the consumers, rapidly increasing population, and new innovative products. The portion of North America that contributed to the growth in the worldwide soap market was 35 percent in 2020, and the incremental growth was 260.23 million dollars. The North American consumers tend to use hard soap, instead of liquid soap. According to the market consumers preference report in 2020, over 57 percent of American households choose hard soap as their first choice. This kind of preference brings a precious opportunity for our African black soap, *Yewodze*. However, especially during the pandemic, the usage of soap for different end-users differs from each other; as a matter of fact, that changes the marketing plan in the companies.

With such a well-developed soap market and rapid growth rate in North America, there are already some mature competitors which could bring pressure on us to enter the market. In this portion of the report, we are going to analyze two of the top soap brands to gain a better understanding of the market.

Dial Soap Inc.

Dial Soap Inc is a body wash and soap manufactory American brand developed by Henkel North American Consumer Goods. The most outstanding achievement for the company to stand out is that it made the first antibacterial soap in history. The real beginning stage of the company was in 1949. Back in that time, the world was suffering from World War Two, and personal hygiene was not able to be guaranteed. Bacteria from death harmed public health. Dial Soap Inc advertised its product as “the first active, really effective deodorant soap in all history [because it] removes skin bacteria that cause perspiration odor”. The successful and impressive advertisement helped Dial Soap Inc expand its brand and gained the majority market share at that time.

The main products of Dial include body wash, bar soap, hand soap, and other special offers. The price of these products is from 3 dollars (sample product) to 90 dollars (professional antibacterial soap). For example, the best-selling product, Dial Antibacterial Complete Soap, is 63.5 dollars (plus taxes). It has a wonderful bactericidal function, even some labs in the university equip it for usage.

Dial believes that antibacterial soap is the future of the soap market. According to a public report, up to 87% of reported foodborne illnesses are believed to be caused by the unsanitary food preparation process. Researchers have found hundreds of kinds of bacteria in households’ kitchens, such as *Escherichia coli*, *Staphylococcus aureus*, etc. They are surviving on people’s hands or clothes. These bacteria could stay on the surface for days after initial contact and go directly into the food. Dial antibacterial soap aims for this circumstance and has already developed a significant market in both the US and Canada.

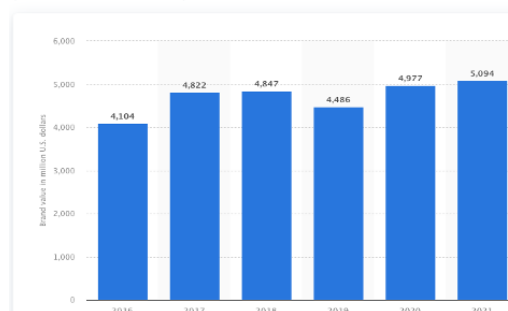
Dove Inc.

Dove is a company aiming to produce personal care products. Their products are sold in more than 150 countries in the world, and the products include not only soap but also antiperspirants, body washes, beauty bars, lotions, hair care, etc. Different from other soap industries like Dial, the product developed by Dove not only cares about antibacterial but also focuses on skincare and beauty.

The main customers are those who care a lot about their appearance. Therefore, Dove has been paying great attention to marketing. To promote their product, Dove has been using good-looking models, especially female models, to present their products' function in skin-caring and hair repair since 2004. This advertising strategy helps Dove receive a great number of customers, especially those who stand in the margin of fashion. According to the global market statistics, over 70 percent of hair salons, spas and beauty salons are using Dove's products to attract customers. Dove company has its theme spas and salons as well. Its products are positioned in the high-end beauty and solan field. The most famous product, Dove Beauty Bar, sells at 40 dollars. It is frequently seen in solans, and the function of cleaning and repairing facial skin makes it the first choice of customers.

Dove's brand value has been relatively high worldwide. In 2019, the value was 4486 million dollars. After years of recovery, the brand value reached 5094 million dollars in 2021.

Brand value of Dove worldwide from 2016 to 2021
(in million U.S. dollars)



V. Positioning and Competition

To distinguish our product, African black soap, we decided to bring up the point that this product can be used for medical purposes in such a competitive market. The soap has the function of antibacterial, but it also brings consumers better skin conditions.

Being manufactured in West Africa, the African black soap *Yewodze* is a traditionally all-natural soap that avoids chemical harm. When our customers read through our product's label, they will surprisingly find out that it does not contain any dyes, fragrances or other additives that could lower our purity. Our soap is suitable for most skin types, whether it is dry skin or oily skin, especially for those who have an allergy to additives.

The solid antibacterial ability is the foundation of treatment purpose. According to the Journal of Microbiology and Biotechnology Research, black soap helps stop bacteria such as *Escherichia coli*, *staphylococcus epidermidis*, *Corynebacterium spp*, etc. Compared to other medicated soaps, the African Black Soap is more effective at removing bacteria. Our product is functional in healing skin illnesses. For example, it could help treat acne. According to our market survey, over 19% of customers believe that it is helpful in acne treatment, and 45% of them reported that they were satisfied with the result. Another 55% think the effect will be more observable in future.

African black soap has a good performance in reducing the dark spots on the face and razor bumps. The dark spots are darker skin areas than others, also known as hyperpigmentation, and it is 'deadly' for those who are worried about their face skin problems caused by age. In addition, the outstanding cleaning ability makes the African Black Soap the best choice for removing final traces of makeup and grimes. Cosmetics residues can cause irreversible damage to facial skin, such as accelerating skin aging, deepening wrinkles, making facial skin drier and

more sensitive, etc. The African Black Soap helps you avoid all these problems and lets you feel free to put on the most perfect and dazzling makeup.

Unlike other modern soaps, the African Black Soap will not leave behind any residue after washing. It comes off easily when rinsed with water, leaving your skin clean and not feeling sticky. The oils and fats in the African Black Soap should not be a barrier for customers to clean off, so there is no need to be worried.

In conclusion, African Black Soap can be an integral part of the household. It is worth paying a little more money for a better facial condition, every customers' face deserves a high quality and luxury soap. With all the benefits listed above, it could serve as your personal health care steward.

VI. Initiatives and Strategies

Packaging - Practical, Thoughtful, Aesthetic, and Sustainable

The primary purpose of packaging is to protect the product from any means of damage and to retain the product value during transport, delivery, storage, and usage. At *Yewodze*, it is our mission to not only maintain the function but to add on features to reinforce the utility of the product. To demonstrate thoughtfulness to customers, we plan to make an evolutionary change to the packaging of *Yewodze* from bar soap to pump soap. The means of damage, humidity, for instance, creates soap sweating, which is the result of the interaction between moisture in the air and the distinctive ingredients, called humectants, of the soap. Since *Yewodze* is 100% completely natural, it contains a nature-extracted compound of glycerin, which causes sweating interaction. Although this does not endanger our life, it affects the consumer experience when using the damp, semiliquid bar of soap. When preserved in tropical weather, the condition of soap can easily be affected by the heat, which directly leads to soap melting, and fails to maintain its shape and value.

Therefore, we advocate our brand-new packaging of *Yewodze* as pump soap. The packaging within a pump solves most external factors described above and launches the idea of sustainability. The packaging of traditional wrap is a piece of wrapping paper or plastic, but *Yewodze* decides to replace those lump-sum purchases with packaging for an environmentally friendly pump bottle. To further expand on the idea of sustainability, the design of pump soap enables the consumers to use a certain, suitable amount of soap with complete personal judgment, because consumers can decide how much to pump. Unlike traditional bar soap, more or less soap can be wasted when simply picking up with washed hands, not to mention soap maintenance under more extreme weather. Moreover, the pump design is absolutely sanitary. Avoiding common cross-infection is a heatedly debated topic nowadays, especially during the pandemic. Cross-

infection is the transfer of bacteria and viruses through direct or indirect contact. Imagine a bar of soap, grabbing in different hands, applying the soap on different faces, how sanitary can it be? However, if the packaging of the same soap can be changed to a pump bottle, those sanitary issues will simultaneously disappear. A suitable amount of soap is pumped out to use without any contact; consequently, the anticipated result of such an approach should minimize the cross-infection rate, creating an environment with a great standard of hygiene.

Besides preserving the function and reinforcing the features of *Yewodze*, the packaging is also designated to fulfill the benefits, as to bring intangible positive impacts, to its consumers. As one of the purposes in packaging is to be informative, *Yewodze* decides not only to go informative but also aesthetic. The new packaging will be mostly beige, a color symbolizing simplicity and minimalism, to target the aesthetic values of our audience. The pump head will be a piece of rose gold metal, also a neutral color, to evoke humble artisanship and authenticity. The information will be engraved in the color green (granny smith apple) to invigorate the targeted audience with its background. Since green symbolizes life and renewal, the design establishes the awareness of sustainability amongst wealthy consumers, which reinforces our mission. At the bottom of the pump bottle, there will be a line indicating this bottle is made of polypropylene plastic, to bring the lowest burden to the environment. The intangible benefit to consumers is significant in granting the image of eco-friendly, leaving a positive impression to people surrounding them, and reflects back to the consumer satisfaction as an intangible wealth.



Beige

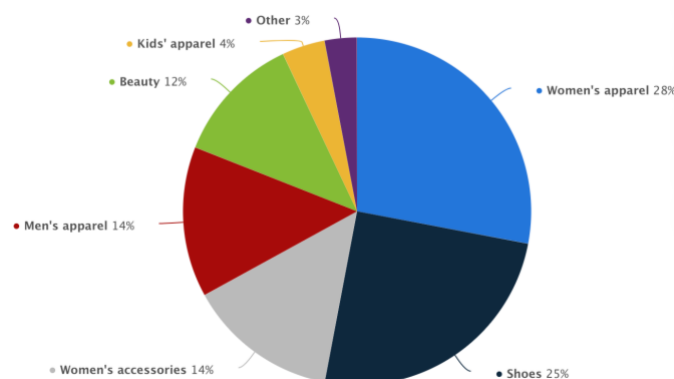


**Granny
Apple
Green**

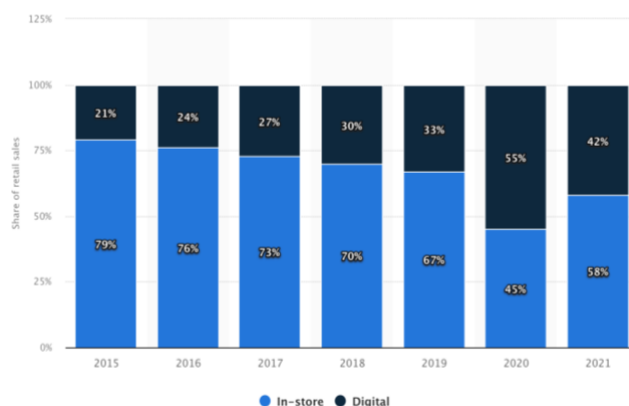


Place - *Yewodze*'s Marketing Utopia

To avoid diluting the profits, *Yewodze* develops a focus on the direct and retail channels. A direct channel requires certain hardware, software, and exceptional skills from the manufacturer to sell to the end-users; therefore, the direct channel is not yet included in the marketing plan due to the lack of resources. Prevailing in the North American continent, Nordstrom in the US and Hudson's Bay in Canada are the perfect marketing sites with a focus on the middle to high end. The main function of joining Nordstrom and Hudson's Bay is to attract more consumers through the efficient interactions those sites provide between producers and consumers. By 2021, there are 328 Nordstrom department stores distributed in 41 states in the US with domestic revenue of 12,000 million USD; within the sales revenue, 12% is from the beauty section, including the skincare section *Yewodze* targets. Likewise, the statistics of Hudson's Bay are astonishingly impressive: 86 department stores are operated in seven provinces with domestic revenue of 590 million USD, and 15% is from the beauty section. To implement the marketing plan realistically, it is necessary to approach those department stores to examine the possibility of joining the affiliate programs as a branch. Known department stores, like Nordstrom and Hudson's Bay, require a relatively established consumer base brought by the brand, which *Yewodze* has not yet attained. However, the ideal future blueprint can be that *Yewodze* has skilled advertising, public relations, and marketing teams to make it known to Nordstrom and Hudson's Bay buyers; since then, the brand will be able to launch with those industry leaders.



- Demonstrating Purchasing Distribution In Department Stores



- Increasing Number of Retail Sales Going Digital

At this stage, more professional skincare retail stores emerge as they are mainly online instead of on-site; according to the statistics of Nordstrom's customer shopping behavior, there is a trend that more consumers will shop online. Although the marketing strategy concedes due to *Yewodze's* lack of resources, it can focus on building the best soap to attract buyers from these smaller but exquisite skincare retailers. Likewise, through communicating with the HR staff of those professional skincare retailers, *Yewodze* receives mainly positive feedback with a warming message introducing their affiliate programs to embrace the product and culture of *Yewodze*.

Among the five skincare retailers, Skinstore, Bloomingdale, Follain, and Credo show interest in *Yewodze* to join their affiliate programs; the last skincare retailer, Dermstore, also demonstrates its appreciation, though decides to turn down. Compared to department stores, professional skincare retailers offer more freedom for launching products. Nordstrom specifically mentions limited personal shopping services in the affiliate program agreement, while the same skincare product can be marketed in multiple skincare retailers with fewer prohibitions. During this early stage of the product, it is wiser for *Yewodze* to market itself on popular social media platforms while joining the affiliate programs of professional skincare retailers.

Price - Exquisite But Not Extravagant

In order to market *Yewodze* at the appropriate price, it is essential to figure out the fixed and variable costs of the new strategic implementation. Although the original ingredients of *Yewodze* (cocoa potash, shea butter, palm kernel oil, coconut oil, aloe vera, citronella oil, and lime oil) are completely presented transparently on their website, the measurement of use for every ingredient is not clarified, which makes the calculation process difficult. However, since the consumer base of *Yewodze* is not yet at the high end, *Yewodze* tries to keep down its price by lowering the unit profit but intends to gain in quantity according to the economies of scale. As a result, the original price of the bar soap is settled at 1 USD, estimating a similar variable cost for producing a bar of soap. The operational cost can almost be neglected due to zero marketing and promotion of the product. To transit the form of the product to pump soap, the research team needs the ingredient of leucidal liquid sf, a probiotic-based ingredient created by the fermentation of *Lactobacillus*, to liquify the bar soap and to protect against the bacteria. Based on the experience of soap manufacturers, 2 tablespoons are portioned for half of the regular bar of soap (0.5*120g for *Yewodze* black soap). During the process, 60g of soap needs to be diluted with 1.5 cups of water (1.5*128g), 2 tablespoons of 2-4% mixture of leucidal liquid sf (28.3g), and finally 2 tablespoons of glycerin to prevent clumping from a creamy texture of the soap. Additionally, the scent fragrance can also be included in the ingredients and calculated in the price to fulfill certain groups of consumers.

To avoid ambiguity from understanding, the ingredients for making the semi-liquid pump soap and unit prices are listed; listed prices have been compared and evenly calculated based on market averages:

Ingredient	Portion	Price per portion (in USD)
<i>Yewodze</i> Black Soap	60g	\$0.50
Water	192g	\$0
2-4% Leucidal Liquid Sf	28.3g	\$2.83
Refined Glycerin	28.3g	\$0.70
Scent Fragrance	2g	\$0.30
Total	310.6g	\$4.33

Besides the inputs of production, there are the wages for human capitals to consider. For an established team, at least five members should be included to operate the business: the CEO, the Operation Officer, the Finance Officer, the Marketing Officer, and the Technology Officer. Therefore, it is necessary to take this factor, wages, into account of variable costs. Based on the average wages for the correspondent roles for a start-up in North America being around \$40/hr, it is urgent for *Yewodze* to either succeed in the skincare industry or attract investors with a promising business plan.

After viewing the survey from experienced experts in the field of cosmetics, the packaging concept design cost can range from \$8,000 to \$18,000 as a one-time fixed cost; besides, the variable cost of packaging and labeling is \$1 per unit and another \$2 for pump bottles per unit. To furtherly extend the topic of place, there are certain commission rates when joining the platforms' affiliate programs, as most of the rates vary from 5% to 10% of the retail price.

Since *Yewodze* is market penetration, measuring the potential of a product in a particular market, one factor to evaluate when pricing is to compare the prices of similar products in the existing market. According to the listed products of professional skincare retailers, focusing mainly on facial cleansers and pump soap, the price ranges from \$25 to \$60 USD depending on the function, branding, and volume. Assessing the product itself and the targeted audience, it is appropriate to position *Yewodze* pump soap at \$35 USD a bottle, within the price range. Meanwhile, the relatively larger volume (310g) than average within an acceptable price can be an advantage of *Yewodze* to attract more consumers to purchase by applying consumer psychology. The pricing at \$35 provides a great position for pricing skimming, especially for first-time launching products, to attain early adopters for a flavor of a new product from Africa. As time goes by, *Yewodze* can adjust the price to any level to fulfill the consumer demands, either to raise the price as a luxury brand or lower for continuing the economies of scale. But at the current stage, the best strategy for *Yewodze* is to concentrate on the middle and high-end consumers by setting the price that aligns with the values which consumers perceive.

Qualitatively, the pricing strategy implemented is value-based. That is to say, \$35 USD per bottle is intended to become the consumer's perceived value of *Yewodze*. Regardless of the producer surplus and cost of sales, *Yewodze* will be intending to sell the consumer delight, fulfilling not only product functions and features but also the benefits. As long as *Yewodze* connects itself to the background, *Yewodze*'s value provides fulfillment to the consumers as they will be more willing to spend this \$35 USD for their own benevolence.

The Break-Even Analysis

To formulate a thorough marketing strategy, a break-even analysis can be included for the readers to gain a better insight:

Account Name	Estimated Cost
Cost of Good Sold	\$4.33/unit
Pump Bottle Packaging & Labeling	\$3.00/unit
Commission Rate	\$1.75 - \$3.50/unit (\$35*5%-10%)
Product Concept Design	\$13,000 (average)
Employee Salary	\$307,200/yr (\$40*40*4*4*12)
Other Expenses	Budget Based

Account Name	Estimated Price
Yewodze Pump Soap	\$35/unit
Affiliate Program Rewards	Performance Based

Break-Even Point

$$= \frac{\text{Fixed Cost}}{\text{Contribution Margin Per Unit}}$$

$$= \frac{\text{Fixed Cost}}{\text{Selling Price Per Unit} - \text{Variable Cost Per Unit}}$$

$$\text{Yewodze's Break-Even Point Within One Year} = \frac{\$307,200 + \$13,000}{\$35 - (\$4.33 + \$3.00 + \$2.625)} \approx 12,785 \text{ units}$$

The above break-even point of *Yewodze* only calculates the break-even selling amount within one year, because the salary wage, or the fixed cost, is in one year base of \$307,200. That is to say, if *Yewodze* can sell 12,785 units of products within one year, through any means, the business will start to make profits. Regardless of the number of years for *Yewodze* to break even, the formula demonstrates the selling units:

$$\text{Yewodze's Break-Even Point} = \frac{\$307,200 * \text{years} + \$13,000}{\$35 - (\$4.33 + \$3.00 + \$2.625)} \approx (12266 * \text{years} + 519) \text{ units}$$

Ideally, the break-even point of *Yewodze* will be settled around 13,000 units, which is a reasonable standard for any skincare or beauty product targeting the high end.

VII. Promotion and Product Alterations

For the promotion of *Yewodze*, there will be 5 phases. The first stage would be rebranding *Yewodze*.

Phase 1

We will market *Yewodze* as a brand instead of individual products. Due to the demands of our chosen target market and current trends in North America, we think it is best to market *Yewodze* as an authentic, sustainable, and individualistic premium skincare and wellness brand. Our goal is to sell an experience and not a product.

Researching competitor products, we noticed similar products sold on platforms like Etsy and Amazon. The competitors market their products as affordable skincare products. As a result, marketing *Yewodze* as another affordable skincare product will not bring a competitive edge or differentiation to our product. We want to sell more than soap. What *Yewodze* is selling is heritage, self-care, and self-love.

Phase 2

Yewodze currently sells soaps infused with lemon oil for scent. We propose for *Yewodze* to infuse essential oils such as sage, rosemary, cedar, geranium and more into their soaps in coordination with scent favorites from premium wellness brands across North America. As well, it will further assist *Yewodze*'s image as an individualistic, authentic, and sustainable brand. To

assist with this branding strategy, *Yewodze*'s products and website will be adjusted to have a theme of browns, greens, and white.

Phase 3

Following the trend of supporting small businesses, *Yewodze* will give 2-5% of the profits from each purchase to small businesses in Africa. This will reinforce Kwasi's reason for naming his company *Yewodze*. As well, it adds to the brand personality and brand story. "Almost 50 percent are more willing to buy from a company if their purchase supports a cause they believe in. And Millennials want the brands they buy to reflect not only their beliefs but also their style and personality. Forty percent say they will pay more for a product that reflects an image they want to convey about themselves."

Phase 4

65% of a company's business comes from existing customers. Increasing customer retention by just 5% boosts profits by 25% to 95%. *Yewodze* could increase customer loyalty by creating a member engagement or loyalty program. Memberships can offer benefits like member-specific discounts, first access, faster shipping, no shipping fee, etc. "75% of consumers say they favor companies that offer rewards."

Phase 5

To enhance brand loyalty and increase outreach, *Yewodze* could place physical stores in select cities in North America, namely Los Angeles and New York. Our strategy is to engage from the east and west coast without overwhelming the company and its resources. The goal is to manage each location with stability and consistency.

Each store's focus will not be on selling the products but on providing its customers with an experience. According to market research, millennials' spending urges arise from the

experiential economy. A Harvard business review article said, “competitive battleground lies in staging experiences.” The stores could have spokespersons that help tell the story of Kwasi and *Yewodze*, which enhances our branding and gives the target consumers an authentic feel to the brand and its products. As well, spokespersons can introduce the products and the benefits of *Yewodze*’s products such as hyperpigmentation reduction, razor burn prevention, moisturization, antibacterial compounds, fine line reduction, and more. In stores, we propose for customers to have the choice of customizing their products in scent. Popular customization combos can be made readily available. Other combos can be made and later shipped to the consumer. Market research suggests that millennials prefer to purchase items that enhance their personal branding which is different from older generations who may choose to purchase flashier items as a means to gain more respect from peers. Stores’ primary focus will be providing an experience aligned to our proposed branding as a strategy to market the brand because 60% of the purchases made by our target market are online. As a result, *Yewodze* will focus on its online presence with a limited physical presence.

Overall

Our team also proposes to have the brand website altered to match the new branding strategy. It would be ideal to market the soaps with inclusive and diverse models to follow current trends in diversity and inclusivity as well as in alignment with *Yewodze*’s existing and new branding.

Yewodze products will be priced at a premium of \$35 USD. We chose this strategy because wealthier millennials tend to lead and create trends within their community as less-wealthy millennials reach for the same products as they aspire to climb the corporate ladder.

VIII. Anticipated Risks and Counter Measurements

As the report unfolds the strategic aspect of marketing *Yewodze* should apply whilst they make their grand entrance into the North American market, it is also important to take anticipated, qualitative risks into account prior to avoid additional, undesired financial losses.

Product-Adoption Failure Amongst gen-z

As suggested in the report, *Yewodze* will focus on targeting not only millennials, but also gen-z individuals who are born after 1997. Considering the price range of the product is positioned on the higher end, the generation z population could potentially perceive the product as overpriced considering the majority of the population do not have financial independence and are solely dependent on allowances to make a purchase. As a result, it could lead to the phenomena of them making the initiation to switch to a cheaper alternative. To minimize the potential occurrence of this issue, *Yewodze* could strengthen social media advertising. Especially on Tiktok, with over 47% of users are constituted by gen z (Statista), it is evident implementing advertisements of the good on platforms like Tik Tok delivers favorable brand exposure to a significant extent. When intensifying the implementation of advertisements on Tiktok, it is crucial to highlight the products' selling points (natural ingredients, cleansing effects after use, etc) as a demonstration of sufficient market research that reflects and caters the current trends amongst the gen z population. The business thus needs to expand its extensiveness of market research as well as creativity to summarize the product's specialty in videos that are less than one minute.

Significant Funding Needed for Advertising

In relation to the first key point mentioned, in order to reduce the influence of negative perception as much as possible, *Yewodze* is confronted by the need to increase its investment in different channels of marketing to obtain a more effective promotion. As an entrepreneurial

business that is currently still in the introduction phase as it paves its way into the North American market, *Yewodze* now requires a significant amount of capital to increase its brand exposure in the North American market, through multi-channel advertising. In order to resolve the issue of potentially requiring more monetary capital than it currently possesses, *Yewodze* could potentially readjust its budget, and put more focus on advertisement instead of aspects such as packaging. Since it is crucial to display high product quality to align with what is being marketed for *Yewodze*'s products, the option of decreasing quality to cut costs is not feasible nor ethical because there is unbearable risks of being rejected by the market as it is unethically promoting the product features' with false information.

Distribution and Transportation Delays and Damages

In order to reduce the costs of production and ensure the alignment with *Yewodze*'s marketing campaign to provide South African individuals more job opportunities, all of the products of *Yewodze* will be manufactured domestically. With its production taking place domestically, it faces the risk of transportation delays and damages during the process of trading from local factories and distributing them to our intended channels of distribution. To deal with this issue, it is extremely pivotal to develop *CIF - cost, insurance, freight*, with the transportation supplier beforehand. With a thoroughly constructed contract agreement, it reduces the financial burden of bearing all the losses of products during the transportation process. It is relevant to verify whether there is insurance to cover the costs before making any major shipments to the foreign market.

Negative User Experience and Feedback

North America is known for its constitution of diversified demographics. This implies the customers of *Yewodze* will be composed of individuals with different racial and cultural

backgrounds. It is therefore inevitable to receive negative feedback as different individuals perceive the products with different criteria. However, to counteract such unfavorable feedback and comments, it is important that *Yewodze* establishes a strong customer service contact base that would respond to such voices in an extremely timely manner. Regardless of whether the issues customers reflected are resolved fully, it is important to demonstrate an attitude that the business is willing to proactively listen to feedback and prioritize customer experience before making a profit. If necessary, refunds should be applicable for customers. Furthermore, it is paramount to ensure there is reciprocated communication. To do so, getting in contact with the third-party platforms, and customers themselves through email, phone calls, or any forms of communication channel is crucial for the brand to avoid the detrimental effects of negative comments as they could potentially accumulate and cause damage to the brand image in the long run.

X. Conclusion

In conclusion, this report explores the market potential of soap in the North American region to propose the strategic approach of focusing on premium and value-based users to establish the achievement of high-end products. The report suggests *Yewodze* to employ a simplistic style regarding its product features and its brand locus revolves around “humanity”: to market its brand mission as giving back to community and assist individuals in need; to produce its products with natural and environmentally sustainable ingredients; and to design its products as convenient and user-friendly as possible. In addition, this report emphasizes the important focus on digital marketing considering the current trends amongst advertisements. Digital marketing provides *Yewodze* a strong initiative to increase its brand exposure to a great extent as it acknowledges the ginormous population of internet users. This strategy report demonstrates significant focus on the societal values the current market and society possess. It is certainly optimistic to assume this plan will provide *Yewodze* a smooth and effective entrance into the North America soap market and pave its pathway to become the leading high-end soap seller across the market.

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