Marketing Strategy Of Kora Organics

Preface

The skincare in Australia is taking a gradual shift to organic and non-chemical ingredients, owing to the increased awareness in consumers about the hazards of synthetic products. The Makeup Factory reported that the previous concept about ineffectiveness of natural compounds is now changing and preference is being given to organic options. This report is a sequel to the market situation analysis of organic skin care products In Australian market. KORA Organics is a renowned brand in Australia which is captivating the Australian cosmetic industry by offering 100% organic products. In the following paragraphs, market strategy for KORA organics will be discussed. Australia has a hot climate and has excessive light skin consumers. Thus the demand for skincare is naturally high. The global shift to organic products, coupled with restriction on use of artificial ingredients has given a boost to this business.

Product Type

Organic products range from cosmetics, skin care, toiletries, fragrance, oral care, hair care and much more. For a new business, which is yet to grab a market space, it is important that product selection is done carefully. KORA Organics has limited its product to skin care which is the fastest growing organic line globally. Organic products sales are estimated to be worth $36 bn in the current fiscal year. Further estimates and market trends estimate the rise in global market worth to reach $54bn by year 2027 (Formula Botanica, n.d.). North America is the biggest market globally for organic skin care products, followed by Europe and Asia-Pacific. Australia is comparatively a new market with a marked increase in the sales over the past 5 years. (Chaudhary, 2016).

Market Position / Niche for Product

The biggest opportunity for KORA Organics is the increasing skin care routine in Australia. The customers are becoming more informed and thus more conscious about the ingredients on their favourite cosmetic labels. The sensitivity towards the harmful effects of chemicals in their purchases has led to a massive shift in customer preference. KORA Organics has grabbed that opportunity to emphasize the 100% clean regime of its skin care line. The second breaking point is the extension of retailers in natural skin care. The customer driven approach of these major retailers

Product Management

To add values to its products, KORA Organics has not just agreed to add organic ingredients, but has also ensured to improvise the manufacturing methodologies and add traditional ways in preparation of the final product as well. One such example is filtration of every product through rose quartz which is a unique but visionary practice at a time when crystal filtration is known to have been very effective in every aspect (Pidgeon, 2019). The manufacturing of organic products is more pricey compared to its synthetic counterparts. The reason behind is the high

cost of ingredients. Similarly, the manufacturing process itself is more labour-intensive. The relatively high cost has not adversely affected the product since the same is being balanced by the customer approval of more natural products in their routine lives.

Brand Management

KORA's brand management is highly influenced by the celebrity ownership of Miranda Ker. Been working from inside the beauty industry, the former model had lesser difficulty in the initial endorsement of her brand. However, like other celebrity endorsed products, the final success is not guaranteed if the branding is not innovative and influencing a broader customer class. The primary launch of the products was made through more established store chains like David Jones and later on Sephora. Sephora has launched its own line for introducing organic products with the tag line 'Clean with Sephora' (McKeon, 2019). This was a major push in brand management of the company.

KORA Organics has massive competition from within Australia. The business is not novice and needed to stand out for further product valuation. The brand is still struggling to dominate the Australian market. KORA Organics major competitors are A'Kin, which is 100% vegan, natural skincare product business, based in Australia. Similarly Sukin is another brand, known to have been using botanical ingredients in manufacturing its products. KORA Organics has limited itself I skin care products and not yet proceeded with hair care and makeup.

KORA Organics is maintaining a website and social media platform. For its recent oversees operation in USA and across Europe, KORA Organics has retained a secondary platform, for launching another website in USA. (The Pace Group, n.d.)

Customer Adaption Process

KORA Organics has been pursuing customer adaption through its physical stores as well as retailers who have been helping in soft growth of business through consumer-driven approach. It has also been involving the customer through initiation of it e-commerce strategy. With the introduction of online advanced tools in brand and customer management, e-commerce and online shopping has emerged to be a successful platform for evaluating customer preferences and product improvement. With the competitors launching their own shopping platforms online, it needs to revamp its e-business strategies.

The business also needs to build up on its customer's trust in ensuring that 100% organic products with natural ingredients are being delivered. The business has been involved in lawsuit in 2014, whereby it was revealed that Benzyl Alcohol was being used in many of its products which is a synthetic ingredient, thereby putting the authenticity of brand in question. The matter demanded an explanation but it remained unanswered (Matan, 2014).

Conclusion

KORA Organics has formulated a successful marketing strategy, as for as product management is concerned and to some extent, its brand management has been a success as well. However, when it comes to customer management, there is a room for improvement. The feedback mechanism and customer's complaints need to be addressed to rectify the risk caused by

undesired controversies. The business needs to revisit its marketing strategy in terms of communication as well by incorporating effective and innovative techniques.

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