Ben and jerry's assignment

Business, Marketing

" Ben & Jerry's – Japan" Assignment 2 1. Which way would you recommend B&J enter Japan: with Mr. Yamada or with 7-11? Support your answer with rationale. Let's see the advantages and disadvantages for Ben and Jerry's to enter the Japanese market with Mr. Yamada or with 7-Eleven Japan; Entering Japanese market with Mr. Yamada: Advantages: * Ken Yamada was a third generation Japanese American from Hawaii, with his excellent marketing skills and knowledge of the Japanese market and consumers he had successfully introduced Domino's Pizza chain in Japan. Mr. Yamada would position the brand, form and executive an entry strategy, and will take care of marketing and distribution for Ben and Jerry's well into the future, solving some of the most important issues of the company in an unfamiliar market. * Selected flavors of Ben and Jerry's ice cream cups would be added to Dominos delivery menu, giving more exposure to Ben and Jerry's products. Disadvantages: * Mr. Yamada required exclusive rights to the entire Japan market with full control of all banding and marketing of Ben and Jerry's.

This would eventually be a problem for the company, as it will have to depend on Yamada to make any decision in the Japanese market. * An immediate marketing plan or entry plan was not able from Yamada for the company to review and if even if it were able Yamada can change it, virtually eliminating any opinions from Ben and Jerry's. Entering Japanese market with 7-Eleven Japan: Advantages: * 7-Eleven Japan was one of the biggest convenience store chains in Japan with over 7000 stores resulting in an immediate placement of Ben and Jerry's ice cream in the freezer compartment of the stores. 7-Eleven required Ben and Jerry's to have a six month exclusivity contract only on certain flavors and the company is free to open new scoop shops and market its products. Disadvantages: * 7-Eleven’s combined operations in US and Japan will become really important to Ben and Jerry’s, A large part of Ben and Jerry’s sales will be to 7-Eleven, making the firm dependent on 7-Eleven. * 7-Eleven will not help Ben and Jerry’s in the marketing of its products, making Ben and Jerry’s ice-cream one of the many brands carried by the convenience store. Ben and Jerry’s will always have the risk in case 7-Eleven terminates its contract and stop buying its products due to low sales. French ice cream manufacturer Rolland is an example were 7-Eleven terminated their contact due to inadequate sales. * 7-Eleven required Ben and Jerry’s to change its package size from the regular 473ml to120ml personal size, which required Ben and Jerry’s to spend additional $ 2 million. * 7-Eleven also wanted to provide its own design for the package and the package won’t have a photo of Ben and Jerry on it.

All this is against what Ben and Jerry’s is known for. Looking at the advantages and disadvantages it will be preferable if the company enter the market with Mr. Yamada. The company had already done such deals in other countries like Canada and Israel and had been successful. Entering the Japanese Market with Mr. Yamada will give Ben and Jerry’s both local market knowledge and an experience partner, making its entry into the market smoother. Ben and Jerry’s biggest issue of not having a solid marketing plan for Japan will also be solved by the partnership with Mr. Yamada.

The deal has its drawbacks but considering the advantages it will be a better option compare to entering the market with 7-eleven. 2. Is entering Japan be consistent with B&J's social mission? If " yes", why? If " no", how could they make it consistent? Japanese Market was consider receptive to the notion of corporate charity and was not consider an environment friendly market. Ben and Jerry's on the other hand were committed to make the workplace, community and world a better place through its social mission. Ben Cohen, one of the co-founders of Ben and Jerry's, was reluctant to enter the Japanese Market.

The company had not figured out what its social mission would be in Japan. He also knew that market penetration in Japan would require a major marketing and management thrust, in view of the many barriers erected by Japanese business interests. Ben and Jerry's take their social mission very seriously and would not compromise it for anyone. The company rejected an offer from a subsidiary of Mitsubishi (Meiji Milk Products) to distribute Ben and Jerry's products in Japan as it did not approve Mitsubishi's policy of deforestation.

The conflict between Ben and Jerry's corporate culture/social mission and the Japanese society could be solved by intermediaries like Masaki Iida, of 7-11, who agreed to provide a retail market channel for Ben and Jerry's products. Moreover marketing strategies and social stances that could be reasonably adapted to Japan were conceptualize by Bob Holland (the former CEO of the company) before he left the company. Bob Holland also smoothen some of the rough spots that could have divided the board. A deal with Mr.

Yamada could also have been reached on donating a certain percentage of income earned from the Japanese market to help people in the host country.

Although entering the Japanese market is not consistent with the social mission of the company, the market is an important hub for company’s international expansion. With the help of various professional marketing intermediaries and some negotiations, the social mission of Ben and Jerry’s would not have necessarily directly conflicted with the policies and practices of Japanese business and industry.