

Swot analysis of the rms beauty future performance in the market

[Business](#), [Marketing](#)



The foundation of every marketing strategy should include a SWOT analysis, an acronym for strengths, weaknesses, opportunities, and threats. (Hill, 2018) Through the analysis, the adverts identify internal and external factors that will affect the company's future performance. (Hill, 2018) SWOT analysis is done as a component of the overall corporate planning process in which financial and operational objectives are set for the impending year and strategies are created to achieve these goals.

Having RMS beauty not only expand their supplement line in Canada but to their existing markets worldwide and possibly in markets where RMS Beauty is not sold, such as South Korea. South Korea is presently the eighth largest cosmetic market in the world, representing nearly 30 percent of the global market. In 2016, total imports of cosmetics were valued at USD 1.08 billion on a country basis; France and therefore the United States are the leading exporters to Korea, perused by Japan and Italy. According to Korea Customs Service statistics, skincare cosmetics continue to be the largest import category.

When it comes to natural/organic cosmetics, Korean consumers are inclined to check not only natural/organic ingredients, but in addition to 'fair trade' and 'country of origin' labeling on product labels. In South Korea, cosmetics are regulated by the Ministry of Food and Drug Safety (MFDS). Cosmetics fall under two categories: functional cosmetics and regular cosmetics. Functional cosmetics, which presently consist of whitening, anti-wrinkle, sun block and tanning products, are projected to be extended to eleven categories by the

MFDA, together with hair dyes, hair nutrients, and other cosmetics which supports damaged skin.

MFDS reviews merely functional cosmetics for pre-market approval. For every other regular cosmetic, the Korea Pharmaceutical Traders Association (KPTA) has been authorized by MFDS to review and certify import permission requests submitted by the Korean importer. As of 2015, 1, 024 corporations were registered as cosmetics importers. Among them, 715 were agents/distributors and 134 were branch offices. A certified Korean representative is imperative to successfully penetrating the market, for two reasons.

First, Korean distributors understand their customers and competitors well and can monitor market changes.

Second, the importer/distributor of the foreign supplier must submit the necessary documents to MFDS or KPTA to attain pre-market licenses.

Under the Canada – Korea Free Trade Agreement, implemented in January 2015, Korean tariffs on Canadian dutiable exports in the cosmetic sector were 6. 5%, according to the government of Canada; Korea will eliminate all tariffs on cosmetics by 2019. Through the elimination of the remaining tariffs, it will provide opportunities to Canadian cosmetic businesses such as RMS Beauty.

Due to the tariffs, the proposed time to enter the market would be in 2019, with a couple of months away RMS Beauty would have to look at South

Korea's laws and regulations for exporting not only their cosmetic and skin care lines but also for their supplements.