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ARCTIC BERRY WAX AS A BRAND IN NATURAL COSMETICS

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ABSTRACT

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The study is conducted as the part of WAX- project, studying the arctic berry wax. WAX- natural wax of arctic berries as our treasure project is a joint project of Nordic universities from Finland, Norway and Sweden. The project examines the extraction methods and marketing opportunities for the wax made from wild arctic berries. The Bachelor's thesis studies the potential for Arctic berry wax as a brand in natural cosmetics through analyzing the beauty trends in natural cosmetic industries, consumer's attitude towards the natural cosmetics and branding strategies.

The wax produced from the berries are not yet launched in the market, though the potential for it to serve as a brand in natural and organic cosmetics was analyzed through the growing trend of natural, organic and veganism. This study focuses to find out if the arctic berry wax can stand out in over flooded market of similar products. It also studies different strategies to build a brand if it enters the market.

This study uses desk research and empirical data. Information has also been gathered from the workshop conducted by the WAX project team in Oulu University of Applied Sciences and meetings with the experts from the research group of plant biology and biotechnology of Oulu University in Linnanmaa. Qualitative data was gathered by conducting themed interviews by e-mail and face to face with the expertise in natural cosmetic industry. Based on the results and findings, there seems to be the potential for Arctic berry wax to build a brand in the natural cosmetics industries. Due to its unique properties, health benefits and arctic purity of berry wax there are positive chance for the wax project to collaborate with established natural cosmetic brands in future and innovate new products. The study also suggests that the wax project to consider ingredient branding strategy in future instead of developing whole new product range and add a value to the existing products so it can save time and money to market the product.

For the future research, it is recommended to consider the co-branding concept with the established natural cosmetic brands in the market like; Lumene, Supermood, Naviter where it can contribute to add value of its ingredient and create competitive advantage.

Keywords: Berry wax, natural wax, consumer behavior, natural cosmetics, beauty trend, branding, co-branding, ingredient branding

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1 INTRODUCTION

1.1 Background Information of Wax project

Natural WAX - Arctic Berries as our Treasure is the project planned by the Nordic universities; University of Oulu, Oulu University of Applied Sciences, and Luleå Technical University jointly, whose objective is to develop industrially viable methods to extract valuable wax from the arctic berries like lingonberry and blueberries. The project is managed by the Center of Microscopy and Nanotechnology (CMNT) from University of Oulu and the research activities are carried jointly by Research group of Plant Biology and Biotechnology (PBB) from University of Oulu and Norwegian Institute of Bioeconomic Research (NIBIO). It is a multidisciplinary WAX Interreg research project granted by Interreg Nord, Regional Council of Lapland, Norrbotten County Administrative Board and Troms County. In this project methods are developed for exploiting the raw material still present in the side stream and thus increasing its value. (Oulu University of Applied Sciences 2017, cited 3.10.2017)

The natural wax presented in the berries and plant which is wasted during the industrial refinement process could be of great use in the various industries like natural cosmetic and biomedical industries or in the food industry to increase the life of the product in the self.

From the foods, we eat to the fabric we wear and to cosmetic products we use, everything natural and environment friendly are the popular trend today. The sales of natural cosmetics have increased dramatically and are expected to grow even more in the coming years. (Handelsblatt Wirtschafts & Finanzzeitung, 2005). This trend has brought the great market potential for the natural ingredient like berry wax.

1.2 Research Questions

The purpose of this study is to understand whether Arctic berry wax can be established as a brand in natural cosmetic industry? With the aim to answer the research question, light is shed on the following auxiliary questions:

- i. Consumer behavior towards natural cosmetics and how willing are they, to pay for it?

- ii. What are the factors affecting decision making process?
- iii. What cosmetics are considered as natural?
- iv. Why is brand important and how to build strong brand?
- v. How co-branding is perceived by the established companies and how interested are they to use Arctic berry wax as ingredient in their established product?

The ultimate goal of this research is to assist the wax project in creation of a strong brand in the current natural cosmetic market. The research will also focus to investigate if Arctic berry wax can be used successful ingredient brand in already existing natural beauty products.

1.3 Research method

Primary data and secondary data both were used in the current study. Qualitative approach has been chosen to gather empirical data. Qualitative research aims to collect information through observation and interviewing the subjects. It is used to gain an understanding of underlying motivation, opinions and various reasons (Susan 2011).

When doing research two different source were available: primary and secondary data. Data was gathered using both primary and secondary data. Academic foundation was built to carry the research further. References ware taken from published books, articles and websites from reliable internet source which is often known as secondary data. The information on the wax project was obtained through Oulu University of Applied Sciences websites and by attending different seminars and workshops conducted by the project facilitators.

To gather information for the empirical part, interview was used as a method of qualitative approach. Face to face interview and email questionnaire were designed for the participants.

2 NATURAL COSMETICS AND ITS CHARACTERISTICS

Natural cosmetics serves to intensify the beauty and care for the human body by the means of natural ingredients from the nature. In natural cosmetics not only, the ingredients matter but also the whole product development and planning process should be as environmentally friendly as possible. (Pro luonnonkosmetiikka Ry, 2017) The products are made from natural raw materials which are friendly to both skin and environment. Natural cosmetics are developed by using natural vegetable oils or herbs. Artificial raw materials and synthetic colours, preservatives and fragrances are strictly forbidden in making of natural cosmetics.






However, it is not safe to get intact with different natural ingredient as it may be poisonous or dangerous. It is wrong to consider that every natural ingredient that is grown in nature is safe to use as natural cosmetic (Antignac et al. 2011, 334-335). There are certain rules and regulations applied to call the product natural.


Natural cosmetics revitalize and harmonize body and soul. It stimulates and supports natural skin functions offering gentle and wholesome care aiding to the health of the skin of any age. To claim the product is natural, it should be certified which proves that the product is manufactured in natural way and does not harm the environment as well (BDIH, 2017). Certificates differs accordance to the countries.

2.1 Certification

Certificates are the way to distinguish which cosmetic product can be named as real natural cosmetics and which not. Since the term natural cosmetic has not been described in the regulation, different companies and manufacturer can interpret in their own way. Manufactures of natural cosmetics can apply for certificate as suitable for them and then the certifying association will decide whether the product meets the standard. Below (Table 1) are the few certification levels.

Table 1: Natural Certification system

Name and label	Requirements
<p>BDIH: Bundesverband Der Industrie-und Handelsunternehmen</p> 	<ul style="list-style-type: none"> • Raw materials should be obtained from controlled biological cultivation. • Deliberate rejection of organic-synthetic dyes, synthetic fragrances, ethoxylated raw materials, silicones & paraffin and other petroleum products. • forbidden to sterilize natural and organic raw materials and finished cosmetic products using radioactive radiation. (BDIH, 2017)
<p>ECOCERT: International</p> 	<ul style="list-style-type: none"> • the natural ingredient should not be genetically modified. • chemical fertilizers and pesticides are forbidden in the farm. • concentrates on eco-friendly production. (ECOCERT, 2017)
<p>ICEA, Environmental and Ethical Certification Institute, Italy:</p> 	<ul style="list-style-type: none"> • extremely ecological rules applied on production and storage of the product. • no added artificial additives and genetically modification during manufacture. • ingredients must be organically grown and harvested (Natura Siberica, ICEA 2017)
<p>Soil Association certificate for natural cosmetics:</p> 	<ul style="list-style-type: none"> • ingredients should be grown natural and without harming nature. • no GM ingredients and additive chemicals, parabens and phthalates and synthetic colours dyes or fragrances. (Soil association, 2017)
<p>Vegan:</p> 	<ul style="list-style-type: none"> • No animal based raw material, side products or derivative • not tested on animals. (Certified vegan, 2017)

<p>FI- Natura Certified Finnish Natural Cosmetics:</p> 	<ul style="list-style-type: none"> • raw materials and ingredients should be natural and from unpolluted area. • Environmentally friendly and recyclable packaging. • Recommends local production and short transportation distances. (FI- Natura, 2017)
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Manufactures and consumers use certification or logos for different purposes, as for consumers it aids in information of the product's profile. Products meeting the criteria may use the logo issued by the Certification Authority. Certificates take a stand not only for raw materials but also for example. their processing, product manufacturing processes, production facilities, ecological manufacturing and packaging recyclability. Genetic modification and animal testing are prohibited (luonnonkosmetiikka, 2017).

2.2 Natural wax and its uses in cosmetics

Waxes are the complex mixtures of alcohols, fatty acids and esters. It is characterized as less greasy and more brittle than the fats, it is also very resistant to moisture, oxidation and microbial degradation. It exists in the form of natural and synthetic substances and it will melt in more than 40 degrees Celsius up to 140 degrees Celsius without decomposing and will re solidify unchanged even after melting (Endlein & Peleikis 2011, 2). Generally, waxes are very useful cosmetic ingredient as based on the various properties.

According to the report, Natural waxes are re-growing, derived by biogenesis in a sustainable process. it is composed around a basic principle which are a unique mix of long chain, linear and even numbered aliphatic mono-esters (Endlein & Peleikis 2011, 3). There are various kinds of natural waxes for example: Caranauba wax, candelilla wax, sunflower wax, rice bran wax, berry wax, myrica fruit wax, laurel wax.

Wax is an important ingredient for the manufacture of the personal care products and cosmetics. Due to its magnificent properties like protecting, film-forming, emollient and thickening effects it provides stability to cosmetic products and enhance their viscosity and consistency (Making Cosmetics, cited on 3.10.2017). For instance, **beeswax** is a common ingredient for many of the cosmetics men and women use in every day like lip balms, lip sticks, lip gloss, eyeshadow, eyeliner, and even blush. In fact, using beeswax for lip care products actually help with the healing of cracked, or dry lips, as well as the prevention of getting chapped lips especially during the colder months of the year. Below are the few natural waxes that are used in natural cosmetics:

Candelilla wax: It is probably the nearest beeswax substitute for **vegan** formulations. Candelilla wax is derived from the leaves of the shrub euphorbia antisiphilitica. It is said to have a decent smell and a deep yellow colour. Due to its high oil binding capacity, shiny and less sticky in nature it has been gaining popularity in lipsticks. Candelilla wax main components are hydrocarbons (up to 45%) and only 20-30% of the wax consists of real long chain fatty esters. (Swettis beauty blog, 2016, cited on 27. 9.2017)

Carnauba wax: This wax is formed from the leaves of the Brazilian palm tree known as Copernicia cerifera. The wax is a kind of leaf exudate to prevent the leaves from dehydration. It is available from very dark intensive yellow to light beige colour and is offered as flakes, pellets or powder. It a high melting point hard wax, as it imparts hardness and reduces stickiness it is implied in lipsticks, in mascara as a volumizing agent and hair styling products for the firmness. (Swettis beauty blog, 2016, cited on 27. 9.2017)

Rice bran wax: It the wax made by de-waxing the virgin rice bran oil. It is a pale yellow hard wax and is available in pellets, beads or powder. Rice bran wax has a very nice, non-sticky and oil based which are used in mascaras and skincare products. (Endlein & Peleikis 2011, 8). It is specially used to inhibit syneresis in lipsticks or to stabilize emulsions and balms.

Sunflower wax: It is extracted by de-waxing of native sunflower oil. Sunflower wax has a high oil binding capacity, adds gloss and reduces tackiness in cosmetic formulations. Therefore, it is used in hair care products like hair conditioners, shampoos and lipsticks. Apart from cosmetic industry, sunflower wax is very broadly applied in food and pharmaceutical industries as a stabilizer of fruits, oleo gels and delivery systems. (Swettis beauty blog, 2016)

Berry wax: Berry wax, Kahlwax 6290, is extracted from an Asian fruit of the tree *rhus verniciflua* (Endlein & Peleikis 2011). It basically consists of palmitic acid, stearic acid and a unique C21 acid, heneicosylic acid. It is a soft wax with a low melting temperature and with a very nice skin feel. It is applied to improve skin feel and texture in stick formulations as well as to stabilize emulsions and oleogels. Berry wax is very often applied in pencil formulations to avoid breaking and improve skin feel (lip liner, eye liner etc.) (Swettis beauty blog, 2016)

Laurel wax: It is another low melting point wax obtained from fruits of the *Myrica Pubescens* (by boiling the fruits in water). This type of wax is applicable in balms and lotions as well as in lip gloss. For a harder consistency (sticks) it should be combined with high melting point and harder waxes. (Swettis beauty blog, 2016)

2.3 Natural cosmetic trends

When it comes to beauty many consumers are approaching to organic or natural products. Increasing awareness of the side effects of the substances or chemical used in cosmetic products has driven great success to the natural cosmetics recent years. According to the global cosmetic industry (global cosmetic industry, 2017) the natural and organic beauty and personal care market is expected to grow by over 600 million dollars annually. It is even stated that the number of personal care and beauty players in the market in the natural space are already benefiting in the marketplace due to natural cosmetic trends.

Nowadays, the cosmetic industry in Europe is driven by innovations. New unique formulas using natural ingredients, special skin-treatment and new cosmetic products are developed. In addition, the cosmetic manufacturers or the companies feel the need to update or reformulate 25% of their products every year in order to be competitive on the cosmetic market (global cosmetic industry, 2017). The growing demand for the natural cosmetics have compelled biggest cosmetic brands like L'oreal, Lumene to incorporate natural ingredients in their products.

The statistic below (figure 1) shows the market size of the natural and organic beauty industry worldwide in 2016, with a forecast to 2024. In 2016, the natural beauty market was valued at approximately 11.06 billion U.S. dollars worldwide

Market size of the natural and organic beauty industry in 2016 and 2024 (in billion U.S. dollars)

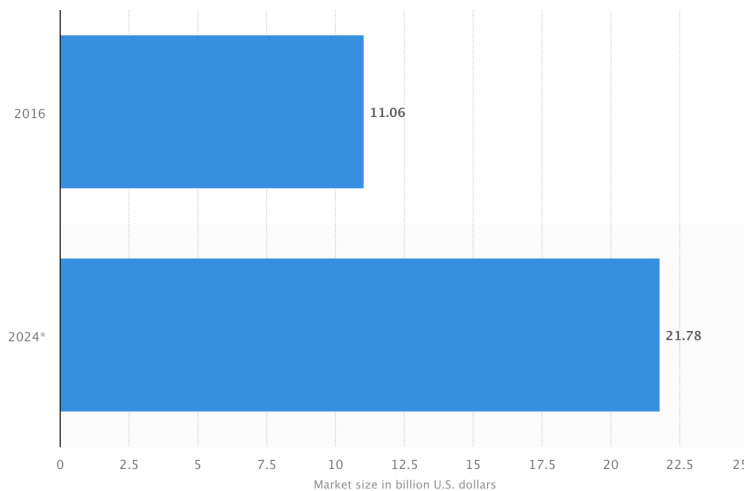


FIGURE 1. Global natural and organic beauty market size 2016-2024 (Statista, cited 7.11.2017)

Europe is the second largest market for the natural cosmetics (€ 2.8 billion euro, in 2013) After North American whose sales is about € 4.5 billion in 2013 (Kosmetica world, 2016). The tremendous sales of 815 million euros and 6,5% of share of the total market makes Germany the biggest player in natural cosmetics sales in Europe.

2.4 Consumer attitude towards natural cosmetic products

Consumer today are heading towards healthier lifestyle and green and clean products that are less harmful for self and nature. According to the article (Kosmetic world, 2016), consumers rising awareness about the chemical products and its consequences has resulted in high demands for the natural ingredients and additives in the production of cosmetics.

According to the survey done by Euromonitor international (World trade daily, 2012), Brazilian, Chinese, Indian and Japanese consumer when asked what are the attributes for which the consumer are willing to pay more when buying a product. Amongst all, natural attribute had an important role. It can be clearer from the below chart (figure 2).

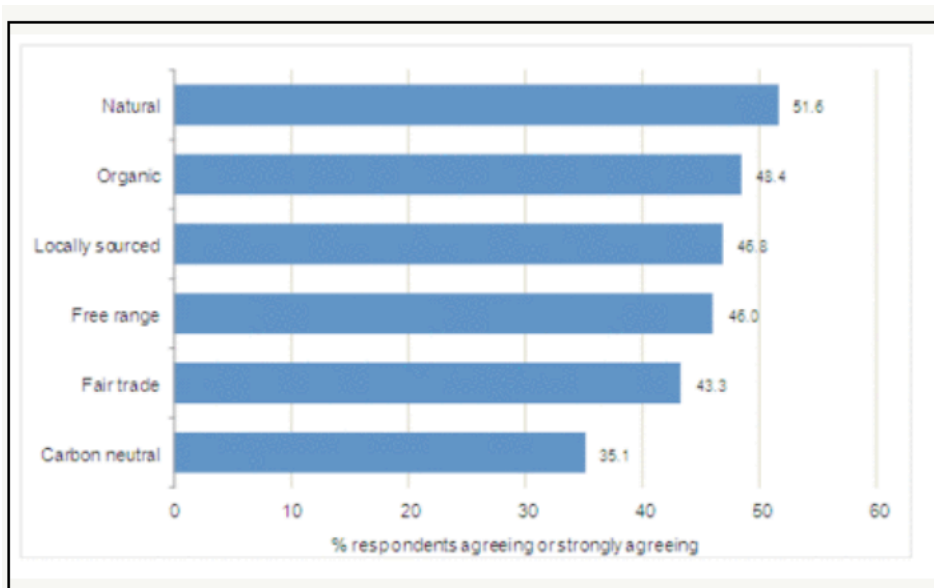


FIGURE 2. Willing to pay more for a product that is natural (World trade daily, 2012)

Maximum number of people especially women using cosmetics demands for natural product. Sulfates, parabens, synthetic fragrances are the most listed chemical that women do not prefer in their beauty products. Internet and social media has given consumers access to the global beauty trends at the same time it gives access to the growing and sustainable lifestyle movement in health and wellness. According to the researcher's, cosmetic consumers today are concerned about ingredient safety, aware of latest beauty trends concurrently paralyzed with too many alternatives and choices available. All they want is natural effective product. (Women's marketing, 2015)

Since, instant benefit of natural products is not anticipated and the price for natural product are higher consumer tends to buy non-natural products unless they are aware of the side effects (Iyer et al, 2016). However, natural products are viewed as healthy lifestyle, therefore consumers who are already living a lifestyle are most likely to consume natural and organic products for healthy, environmental and animal cruelty free reasons (Matic & Puh 2015).

3 CONSUMER BEHAVIOUR

According to Solomon, Bamossy and Askegaard (2002, 5), consumer behaviour refers to the study of the process involved when an individual or a group selects, purchase or use a product, service, ideas or any kind of experience to satisfy his or her needs and desire. The most important thing in any kind of business is to understand its customers buying behaviour. It is crucial to take consumer buying behaviour into account as it gives answer to vital questions like 'why' and 'how' customers buy. Having a knowledge of customer behaviour boosts companies profit and leads to success. Consumer buying behaviour emphasis on the process of searching, selecting, purchasing and using the product according to the consumers need. It is also known as the buying process.

It is basically, the study of why, when, how, where consumer do or do not buy products. It is an attempt to understand consumers' buying decision making process. Understanding of consumer behaviour is very important as it gives answer to all vital questions. Companies invest huge amount of budget and effort to understand this phenomenon as it explains consumer need. According to the article (Natural makeup, 2013), consumers nowadays are very selective and conscious about the beauty products they use. Consumers have become aware of the consequence of the toxic synthetic cosmetic products. Before making any purchasing, decision consumers gather as much as information as possible from friend, family, internet and other different reliable sources. The

3.1 Consumer decision-making process

Every consumer goes through various stages of decision making process while purchasing a product whether consciously or unconsciously. In general, there are about five different stages in decision making process. (Kotler, 2009, 208-214)

The following model is the simple tool to understand the different stages of decision making process. According to the Kotler the initial step for the decision-making process is to recognize the need or the problem as it gives the clear picture of the situation, and once the need is recognized the consumer takes actions in order to satisfy it.



Figure 3. The decision-making process (Kotler, 2001)

Once the need or the problem is recognized the next stage of searching for the information takes place. Consumer tries on observing different sources and information of the desired product. For example, the consumer is likely to check different stores, website, advertisements and brochures to find sufficient information about the product.

As stated by Kotler (2009), in the third stage consumer starts evaluating different products for the alternatives. At this stage, they start to compare different products and brands and assess if those products meet their criteria.

After the evaluating stage, purchase decision is the fourth step in decision making process. According to Kotler, the actual purchase may be intervened by negative feedbacks of other customers or some anticipated situational factors. For instance, in first case if a customer would like to buy a certain brand night cream but a friend of his or her says that certain brand is not good for the skin, he or she alters the initial decision of purchasing the product. In the second case, if the customer would like purchase L'Oréal's body lotion but the product is out of stock, the customer might go for another similar product present in the market.

The fifth stage after purchasing is post purchasing behavior. It is very important stage as it determines the future purchasing behavior of the customer for the same product or not. If the customer is satisfied with the product it results in brand loyalty or vice versa. Genuinely, when the

product meets the customer's expectation it will boost the positive feedback and for the next purchase the second and third stage is often skipped.

3.2 Factors affecting Consumer Behavior

According to Kotler and Keller (2009, 190- 200,) there are four groups of factors influencing consumer buying behavior. They are- Cultural factors, social factors, personal factors and psychological factors.

Cultural factors are very crucial factors for influencing buying factors as it is a part of people's society and daily lives. "Culture is the fundamental determinant of a person's want and behavior". Each culture has its own subcultures which are determined by various factors such as religion, geographical location, tradition and nationalities. Marketers have to consider different cultures and analyze consumer behavior according to the respective culture.

Social factors are another important factor that influences in buying behavior. This factor includes family background, race, status, wealth. Conforming to Kotler, reference group has a huge direct or indirect impact on person's attitude towards product or service. People also do have different buying behavior according to the status and wealth. For example, the manager of the company has different choice and ability to purchase than the clerk of the same company.

Personal characteristics of an individual also plays a vital role to influence the buying behavior. Such as; age and stage of life, occupation and economic condition, personality and personal preference, lifestyles and values.

Psychological factors are one another factors that affects purchasing behavior. For instance, in Fashion people tend to follow the celebrities and purchase according to what they market. Those kinds of purchase are known as psychological driven factors.

3.3 Maslow's Theory of Need

Abraham Maslow has explained why people are driven by needs at particular times. He has stated that human needs are arranged in a hierarchy from most to the least. The below pyramid shows how needs are being prioritized.

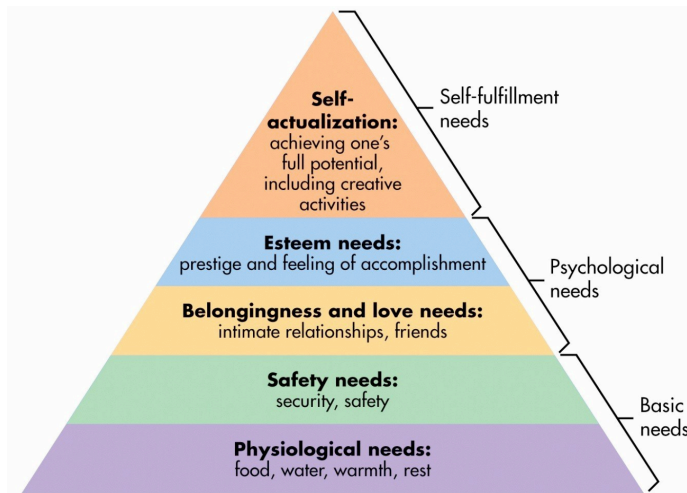


FIGURE 4. Maslow's Hierarchy of needs (Kotler & Keller, 2006 p185)

According to Maslow, physiological needs are the most important needs of human being such as; food, water, sleep. These are the primitive needs; a person cannot achieve any higher goals without fulfilling these basic needs first. Then comes the safety and security; ensuring accommodation, wealth, employment, family and assets. Socializing with people, friendship, love sense of belonging is categorized as social needs. Later, human being seeks for esteem needs like prestige, confidence, respect and achievements. The social and esteem needs are also known as psychological needs. Finally, the self-actualization is prioritized at the top of the pyramid. On this level human being focuses on his personal development and well-being. A person can only reach the top only if they can satisfy all the prior needs.

Maslow's theory is also an essential foundation for this research as consumer behavior is studied from the perspective of prioritizing the needs. Maslow has stated that consumer behavior is incorporated with psychological, economic and different marketing factors. Likewise, natural cosmetics are such products that satisfies the need of safety cosmetics and self-actualization needs such as ethical and moral values, sustainability and protection of environment, fair trade.

3.4 Brand and brand identity

Brand equity, brand management, brand awareness, brand positioning, brand strategy, brand functions are all associated with one single noun: brand. According to the American Marketing Association (AMA, 2018) brand is a name, term, sign, symbol or a design or a combination of all in intention to identify the goods or services to the consumer and to differentiate the product from the crowd of other competitors. Consumers learn about the brands from the past experiences with the product and from its marketing programs. Branding adds a value to the product or a service that enables it to stand out in the market. It would not be false to say that branding affects in consumer decision making process as it offers the knowledge about the market offerings. (Kotler & Keller 2012)

The impact of the brand on consumer decision making process is such that consumers observe brands as a fundamental aspect of a product and attach meanings and interpretations to a brand due to the services or satisfaction it promises to deliver. For instance, most consumer view L'occitane natural skin care products as high quality, prestigious and expensive brand as they understand the value of the product and feel the immediate benefit of the product hence purchase the products irrespective of price factors (cosmetics business, 2010).

“Brand identity is a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to customers from the organization members.” (Aaker 1996 p. 68)

Branding has been practiced around for the centuries as to distinguish the goods from one another.

Brands not only identifies the product but also adds emotional dimension to the relationship with their users. They behold meanings, feelings, images and reputation, and represent set of the customer's experiences with the product or company.

The major brand strategy consists of four steps; brand positioning, brand name selection, brand sponsorship and brand development. Brand positioning includes of product attributes, beliefs and core values. However, the strongest brands are not only build in accordance to the product's attributes and desirable benefits but it goes beyond and positioned it on strong beliefs and values, those values deal with customer on deeper level of emotions. Kotler define brand as “the

company's promise to deliver a specific set of features, benefits, services, and experiences consistently to the buyers." (Kotler 2015, p 250)

Aaker (1996) has clearly stated in his book that the brand only survives primarily because of four factors; commitment to quality, the generation of awareness, the fostering of loyalty and the most important the development of the strong and clear brand identity. Hence, it is very important for Arctic berry wax to develop its brand identity to be a competitive player in this commercial market.

3.5 Building strong brands: Why it is hard?

Building a strong brand is the significant goal of all the companies and organization. But there is two common question that arise while thinking of building a strong brand: a) What makes the brand strong? and b) How can we build a strong brand? In respective to this question Keller has outlined Customer based brand equity (CBBE) model to assist in brand building efforts. CBBE provides a unique perspective on building a strong brand. It represents four steps in which those ambitions can be achieved. According to the model the four steps involves:

- i. Establishing the proper brand identity
- ii. Creating appropriate brand meaning
- iii. Eliciting positive, accessible brand response
- iv. Convert brand response to create an intense, active and loyal relationship between customers and the brand. (Keller, 2003)

CBBE model seems to be the intense sequence of steps in which each step is contingent upon the successful completion of the previous steps. These four steps speak for the questions that customers always ask about brand consciously or unconsciously for instance, the first step deals with the question like "Who are you?" it basically deals with the brand identity. Similarly, the second step looks forward to "What are you?" which looks for the brand meaning. Likewise, the third steps deal with brand response representing questions like "What about you? What do I think or feel about you?" and finally, the fourth step originates about brand relationship asking questions like "What about you and me? What kind of association and how much of a connection would I like to have with you?" (Keller 2003 pp. 75-76)

Executing these four steps in order to create right brand identity, brand meaning, brand response and brand relationship is complicated and difficult process. Aaker (1996) has discussed few factors why building strong brand is hard? It is extremely expensive and difficult for the organization or companies to build a strong brand. As brand is a promise, an organization may have to undergo through massive amount of pressures and barriers which might be both internal or external. According to Aaker (1996), to be able to build effective brand strategies, it is important to understand those pressures and barriers.

In the following figure, eight different factors are explained that makes difficult to build a strong brand. It explains that the brand builders have to go through the pressure to compete on price initially.

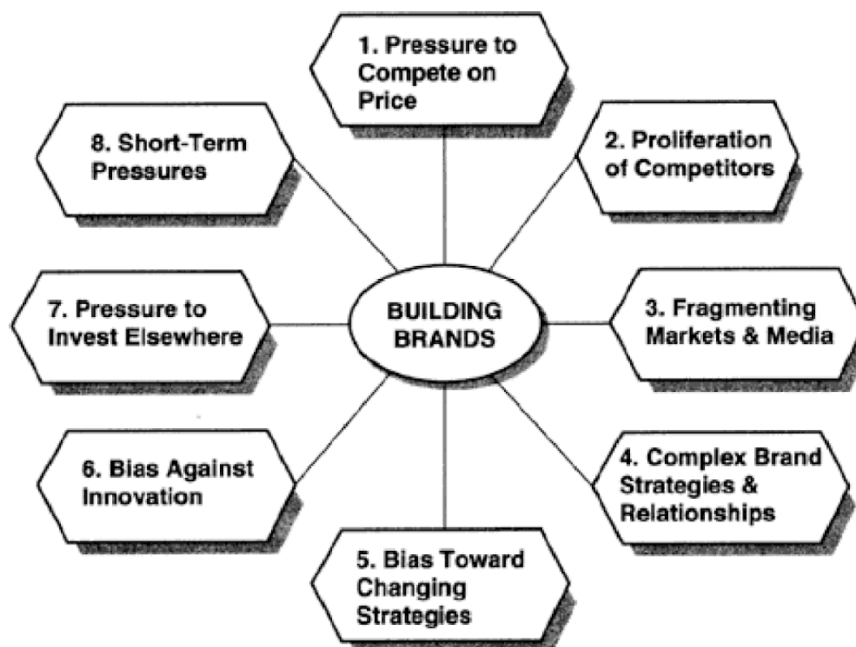


Figure: 5 Factors affecting building strong brands (Aaker, 1996)

The second factor, the proliferation of competitors decreases the positioning opportunities in the market and makes implementation less effective. Huge number of competitors not only contributes in price pressure and brand complexity, but also makes it harder for the new product to maintain and hold a position in the wide market. The third factor that makes difficult in building a strong brand is due to fragmented market and media. Before there were limited number of media option and the market was not like today, fragmented and divided into small target groups. It is now difficult to maintain the consistency across the media and market. Different promotional

and advertising schemes such discounts, give away or reduction in price gives an impression of low quality and act of increasing sales due to inefficacy of product which results in difficulty in brand building effort. Similarly, the fourth factor is also related to building brand in this complex world. Before there were no any misleading interpretation of brand, it was simply a singular entity whereas, today there are sub brands, brand extension, ingredient brands, endorser brands, corporate brands which upsurge the complexity of building and managing brands. For example, Coke is a product brand in a departmental store and when it sponsors any sports event it becomes sponsoring brand. This tendency of using established brands in different context and roles is confusing.

Then, bias towards changing strategies, occasionally there might occur some situation where there is a pressure to change the brand identity of the product which is effective, but even before it achieves the potential market. The result in changing can undercut the brand equity or even prevent it from being successful. To illustrate this more clearly, a beauty soap bar which promises to be effective on smooth skin, tries to change its positioning and emphasizes on freshness which might result in downward sales. Likewise, there is bias against innovation, companies that are managing established brands who are so engaged in their past and present activities and preoccupied with day to day problems that they become unsighted to the competitive situation. By ignoring or minimizing fundamental changes in the competitive situation or potential breakthroughs, managers leave their brands vulnerable and risk missing opportunities. It gives a space for a new innovative product to establish their brand identity. For example, a very popular mobile phone which once was considered to be the best became blinded and redundant after achieving the position of market leader and preferred to rest rather than going for new user interface or technology innovations as a result it lost its market position to the other mobile phone who brought new user interface with excellent technology system.

Subsequently, when the brand is established and top in the market, there is greed to invest in other business rather than concentrating in the core business. This greed and misconception of running new venture successfully might not be true, the overestimation of functioning two business together profitably may hamper the successful product due to lack of attention. Finally, there are short term pressures like usually budgeting system focus on short term sales, costs and profits. As a result, brand-building programs are often sacrificed to meet those targets.

However, even though building brand is difficult but it certainly is doable. it is important to understand customers need and develop a unique high-quality product that stands out with affordable price (chemists corner, cited 31.05.2018) and study the market

Companies and organization has begun to embrace the branding effort to create the value for both the customers and companies. With the help of branding, companies are able to attract and retain customers by creating and promoting the value for money, Image, corporate social responsibilities and other values important for understanding the use of product. Brand identity helps the product to stand out in the overcrowded market.

3.6 Co-Branding and Ingredient branding strategies

Co-branding

According to P, Kotler and W. Pfoertsch, (2010) *brand extension* and *co-branding* are the two main strategies used in order to maximize brand potential. As berry wax is one kind of arctic ingredient, it is very suitable and appropriate to use ingredient branding strategy for Arctic berry wax in future to pop into the competitive market. Ingredient branding comes under the umbrella of co-branding. It is the special case under co- branding.

Co- branding is defined as the combination of two brands to create a single, unique product (Kotler and Pfoertsch, 2010). Co-branded products are developed either from collaborating two brand that have existing products or developing new product. According to Keller (2003) Co-branding is also called as “brand bundling or brand alliance alliance – occurs when two or more existing brands are combined into a joint product or are marketed together in some fashion.”

The agreement between the brands can be either for the long run or even for the short term. The purchasing behavior of the consumer is very much evaluated for the brands to combine and create a single product. Through this strategy a firm or a company can strengthen their corporate image, their qualities of their brand. This strategy is a very efficient tool for positioning new products.

Using co-branding strategies offers many opportunities that cannot be obtained with brand/line extensions. According to Keller (2003), the main advantage of co-branding is that it is unique and convincingly positioned due to multiple brands involved.

Ingredient Branding

To develop and differentiate products in a highly competitive marketplace, marketers seek strategies that develop brand equity designed to create a competitive advantage. A relatively new but promising branding strategy is ingredient branding, which is the incorporation of the key attributes of one brand into another brand as ingredients (Desai & Keller, 2002). Ingredient branding is also defined as a strategic brand management for the materials, components, parts or services. It also illustrates that Ingredient Branding offers a potential for successful brand management and it helps in creation of a value-added product for the customer and increase profits for the companies (Kotler and Pfoertsch, 2010, pp15-17). Lumene's products can be considered as an example of ingredient branding. Its products are inspired by the natural beauty of the Finnish landscape and the purity and authenticity of the Nordic way of life. Lumene has gained competitive advantage through the natural ingredients. (Lumene homepage, 2017)

Ingredient branding does not mean of introducing or launching a new product, it can be adding the essence of an ingredient to an existing product to increase the value of the host brand (Vaidyanathan & Aggarwal 2000). Vaidyanathan & Aggarwal (2000) has also stated the consumer's attitude toward the product would be positive or their preference towards it would increase if the well-known ingredient was added in the product. Eventually, they also found support for their hypothesis with supporting evidence that the anticipated quality of a product would increase if the well-known quality ingredient brand will be added and the ingredient brand's reputation or the brand equity will not be affected negatively with an association with unfamiliar brands. To evaluate the consumer's attitude towards the product and the product quality, the picture of cereal of unfamiliar manufacturer was shown to the respondent and the other picture of the identical cereal picture with the difference of well-known raisin manufacturer logo in it was shown in the research carried out by Vaidyanathan and Aggarwal. The difference in consumer's attitude and perception of the quality of the product could be identified which clearly examined the impact of brand in consumer's purchasing decision.

4 ARCTIC BERRY WAX AS A BRAND

Arctic also known as the top of the world where the nature is at its wildest and the elements are at its most extreme, ingredients found there are most potent. In Finland, 99% of its forest is considered to be organic for, its clean and pure nature. Currently, more than 12 million forest hectors in Finland is certified organic among which 9 million hectares are located in Lapland, which makes it world's largest contiguous area for gathering organic produce. (Finnish Forest Association, 2016) After the long and dark winter comes the summer light which studies have shown that arctic berries are rich in antioxidants, vitamins and essential fatty acids (omegas). Berry wax acts as an emollient, lubricant, substantively, super fattening, thickening, consistency, moisturizing, nourishing, protective and smoothing agent. It is used in skin care, sun care, decorative cosmetic/make-up, hair care, styling/hair foams and it is 100% natural plus vegan. Berry wax are low melting soft waxes which offers velvety, powdery skin feel and functions as an outstanding pay-off enhancer for stick and pencil preparations, which is indeed very good for cosmetic products. (Endlein & Peleikis 2011)



Figure: 6 berry waxes extracted (source: Oulu University of Applied Sciences)

In recent market research of the potential of arctic berry wax in cosmetics in Finland done by Laura Paso (2016), shows growing consumer trend of natural cosmetics and all the relevant actors operating at the front end of the value chain as well as companies which manufactures, markets and sell natural cosmetics are very interested in the new berry wax, this shows that the berry wax would be a value-added product in natural cosmetics. As the consumer appreciate clean Nordic raw materials, it also has the potential to become a very strong arctic brand. Therefore, Arctic berry wax as an ingredient brand can add to competitive advantages associating with other companies with existing product.

4.1 Examples of Natural Cosmetic brands using natural ingredients

In this chapter, the most relevant natural cosmetic brands that uses natural ingredients in their beauty products are examined. The goal of this chapter to shed light on how natural cosmetic brands have used natural ingredients in their products and have gained success. The intension is also to present the potential of developing innovative products using natural ingredient like Arctic berry wax. Secondly, the purpose is also to figure out companies that might be interested in having Arctic berry wax in their product.

4.1.1 Lumene

Lumene is a Finnish skin care brand founded in 1970. The company's main philosophy and belief is based in the power of nature. Its products are inspired by the natural beauty of the Finnish landscape and the purity and the authenticity of the Nordic way of life. The company innovated the product which are closely related to the arctic nature. It has been using the natural ingredients like cloudberry, pine bark, birch sap, sea buckthorn, lingonberries found in the Finnish forest. (Lumene 2017)

All the ingredients possess supernatural powers to fight aging, harsh and freezing weather condition and helps to regenerate and hydrate. Lumene's product contain 80% of natural ingredient and uses pure Arctic materials with the combination of technological innovation and persuasive pharmaceutical knowledge. (Lumene formulation philosophy 2017)

Lumene believes in sustainable production and minimal waste. In consideration to reduce waste they even use byproducts from other industries whenever possible. It is also certified under ISO 14001 environmental standard. They are also committed to the International responsible care program established in Finland by the chemical industry federation. Most important, sticking with their philosophy and in compliance with EU legislation it has never tested its product on animals instead alternative methods are used to ensure the highest safety standards. (Lumene 2017)

4.1.2 L'OCCITANE

L'occitane is a French company which uses natural ingredients for their cosmetic products. It is a very famous organic and natural brand; it was founded by Olivier Baussan in Haute-Provence in 1976. Like Finland, South of France is also famous for its beautiful landscape and pure nature. Lavender fields, almonds, small villages are the main attraction. L'occitane not only uses natural ingredient from the region but also aims to preserve natural heritage. (L'occitane, about us 2017)

L'occitane uses natural and organic ingredient like lavender, almond, rose, rosemary, shea butter, immortelle flowers, verbena etc. they have wide variety of product range from skin care, anti-aging, lip care, soaps, oils, serums to different exotic fragrances for male and female. They spend a lot in research and innovation in developing effective natural cosmetic so they can bring exquisite products to fascinate consumers every time. (L'occitane, about us 2017)

Some of the ingredients used in L'occitane uses are extraordinary. They possess supernatural powers like for example; organic myrtle has become a symbol of life – it is said that it can live 300 years and it can grow back even after a fire. Immortelle is known as everlasting flower which never fades away, even after it has been picked, its essential molecules offers unique anti-aging results. (from immortelle collection 2017)

The company also does great deeds through its foundation which was established in 2006. It supports for the visual impairment around the world and economic emancipation for women in Burkina Faso. (L'occitane, values 2017). Their products are 100 percent ethical and environment friendly as well.

L'occitane also has used the brand extension strategy. It has introduced Spa L'occitane as the natural extension of L'occitane brand. It offers emblematic ingredients from the Mediterranean with traditional massage therapies and provide distinctive brand experience for the holistic well-being.

4.1.3 Aamumaa

Aamumaa is an ecofriendly organic business established in 2009 and was founded by Kristiina Lönnroth (Nevakivi). It is a Finnish company that produces natural cosmetic products. It has a wide variety of natural cosmetics indulging natural ingredients. The design of the products is very much inspired from the endangered species since the founder of the company was very fond of wildlife and environmental issues. Its unique organic soaps are designed from the traces of the wild animals from the Finnish forest. Animal paw prints are used as a design for the handmade Aamumaa products.



Figure: 7 Aamumaa organic soap products (Aamumaa website)

Its products are produced according to EU organic regulation. As Aamumaa is a Finnish word which means 'land of eternal dawn' it reflects on its philosophy of optimism, hope and a new beginning for recycled materials and for the species near extinction (Aamumaa facebook,2018). The company is very much concern about the environment and thereby, it lives its philosophy in everything they do such as it uses green certified electricity for the power not only that but also uses biodegradable cleaning products to wash down their workspaces and also uses recycled materials in the packaging. The products of Aamumaa are good for both nature and human (luonnonkosmetiikka, 2018).

These companies have listed natural ingredients in their beauty products to impact consumer's attention towards them. The actual advantage for these natural cosmetic companies and their products are that they are perceived as environment friendly and human body/skin safe products by the consumer.

Due to skyrocketing trend of natural and organic beauty, companies are adapting natural ingredient in their products to sustain in market. With this opportunity, there is full potential for Arctic berry wax project to develop berry wax product in near future or collaborate with home companies like Lumene, Aamumaa to add values to the existing products.

4.2 Interviews of representatives of natural cosmetic fields

Research is an understanding of different phenomena through deep study and inquiry. It is important to be carried out before making any decision. The research was carried out as the qualitative research and the research instrument was interview. Interview was planned to be conducted as face to face for both the respondent. Unfortunately, due to distance and travelling issues one of the interview was done through e-mail questionnaire and the other at the brand store face to face. The questions were designed and themed accordingly.

The first person to be interview was the founder and the lead designer of Aamumaa. She started Aamumaa in 2009, since then she has been very positive and optimistic about the company. She reflects her fondness to wildlife and nature through her organic and pure natural products. She was interviewed through mail questionnaire. The reason to choose her as an interviewee was her experience of Aamumaa products and genuine knowledge of pure and natural cosmetic product line. The interview with the founder provided information on how to identify genuine natural cosmetics? Why certification is necessary and how can natural be certified? How is innovation taken in cosmetic industry? How hard it is to launch a product in market? What things make product successful? How willing is Aamumaa in co-branding concept?

The second person to be interviewed was a sales assistant from natural cosmetic store located in Oulu. The purpose of the interview was to reveal the consumer behavior. The sales assistant answered many questions for instance what kind of customers where interested in natural and

organic products? What motivated consumer to buy natural products? Did the price, special offers, quality or efficacy of the product affected consumer's attention? How does packaging or green policy affect the quality/image of the product?

As the purpose of the study is to discover the nature of natural cosmetics and the consumer's attitude towards natural cosmetics, the interview was themed accordingly. To see the overall importance of innovation in natural cosmetic industry and to find out how to get new products into market successfully few questions were specified to get more information from the founder of Aamumaa.

4.3 Key Findings

Defining Natural cosmetics is not easy as there is no any official definition for it. According to founder of Aamumaa since there is no legal definition for it and the manufacturer can decide what kind of products to be developed and call it natural basically, the use of ingredients derived from renewable resources, manufactured by environmentally friendly processes are natural products. She also mentioned that not all-natural cosmetics are environment friendly and safe to use. for instance, plants and herbs weather or not they are organically grown, may contains substances that are toxic or allergenic. The sales assistant from the natural cosmetic store emphasized on natural ingredient and avoidance of artificial ingredients as she stated that many of the consumer mainly pays attention to the main ingredients and look for the certified label.

Explaining briefly the Aamumaa founder also mentioned the importance of certified logos and seals in the product. Companies and individuals who market cosmetics have a legal responsibility to ensure that their products and ingredients are safe for the intended use. She also commented that natural ingredients undergo great number of tests before it is used in a product. Hence, it is important to certify the products from the trusted association which assures the quality of the product to the consumer. She also clarified that all the Aamumaa product's ingredients are certified from soil association.

When finding out what kind of consumers are into natural cosmetics, both the interviewees had quite similar answers like; young and health conscious people. The sales assistant gave a special mention about young females. Since it is very popular amongst female youngsters to delight

others with natural cosmetic products as presents. Specially, females who have skin problems or are very concerned about chemical use on their skin prefers natural and organic cosmetics, says the Aamumaa founder. Adding to it, many customers are into natural cosmetics due to environmental issues. The founder of Aamumaa also mentions that customers choose certified organic product to support sustainable agriculture and clean future not only this but, many try to avoid microbeads and micro plastics that are used in variety of cosmetics and personal care products such as scrubs, soap, lotion, toothpaste as they are very harmful for nature. On the other hand, the sales assistant revealed that there are customers who are interested in natural cosmetics but do not mind the reality that those still contains some amount of chemicals in it.

The current trend of going natural and taking care of body and skin has a great influence over the cosmetic industry. It has been a great pressure for the manufacturers of cosmetic industry to create something new and natural and also understand the consumer's need. Almost all the leading cosmetic brands are trying to adopt natural ingredient in their products. In case of Aamumaa, all Aamumaa soaps are based on environmentally friendly organically grown vegetable-based ingredients. without animal fat, palm oil or petroleum based ingredients. Even FSC-certified cardboard is used for packaging. Forest Stewardship Council (FSC) is an independent, non-governmental, not-for-profit organization established to promote the responsible management of the world's forest (FSC website 2018). She also mentioned that packaging of a product plays a vital role in marketing the product.

Packaging of the product is one of the great factor in marketing the product. Customers gets fascinated with the packaging, some even get connected with the sentiments behind the packaging design, sales interviewee emphasizes showing some examples of the product. Further, sales assistant explained that their natural cosmetic brand available in store is implementing innovative and special packaging concept. For instance, the natural cosmetics are encased in handmade papers. Those recycled paper uses ingredients that are in the product to clarify, the packaging of coconut butter is made with real coconut parts. It highlights the ingredient which the natural cosmetic brand is using for their product.

When launching a new product there are few things that needs to be considered. According to the founder of Aamumaa "Only well-designed products can survive among handmade profitable products." The founder deliberated the experience of difficulty in launching a new product as it takes lot of planning and dedication to organize capital. At the same time, analyze expenses to

make profit without compromising in the quality for which it is important to learn about production and hand industry management. Further, the founder also indicated the importance of defining target group for the product, as it makes marketing efficient and effective to reach potential customers. To make the product thriving in the market, efficacy of the product and the customer relation should also be maintained as per the founder of Aamumaa. Likewise, the other interviewee also highlighted the fact, positioning and targeting the product to certain consumer group is very essential. When targeting and positioning is done correct, it is easier to market the product to the right customer. She also mentioned that, there are great products in the market although it passes the potential buyers since it is targeted to the wrong audience or not targeted at all.

The founder of Aamumaa brings out the importance of marketing and the availability of product through right distribution channel. She believes that the product would be successful in market by building a strong brand and sharing the philosophy behind the product. In current context, where the world is so much into social media, she thinks using social platforms are great way to market and considers word of mouth very influential. Correspondingly, the sales assistant also added that most of the customers visit the store or buy the product due to recommendation from their family or friends. It makes clear that, peoples opinion and experience of the product is an important factor for purchasing decision. When asking about price of the product, the sales assistant's opinion was, price did affect the purchasing decision. When there were seasonal sales or discount introduced, the customers were certainly attracted. As for the first interviewee (founder), the price of the product should be competitive but the product's quality should not be degraded due to competition. Competitors and competitor's product should be studied so it is easier for positioning own product in the market. She again mentioned that product is only successful when the product is effective and fulfills customer's need and provides the cure that the product promises. Natural and organic adds value to the product so the consumers are ready to pay the premium for it.

When it comes to innovation in a cosmetic industry, especially natural or organic cosmetic industry; safety is the key factor. The creator of Aamumaa strongly mentions that the manufacturer must focus on real cosmetic needs of conscious consumer, while fulfilling the consumer's need minimum harm to the nature should be considered. To develop a new product for a new or a small company it is very challenging as the testing process is very demanding in which the product has to go under numerous test and pass through different steps of EU

cosmetic legislation. In comparison, for the natural cosmetic brand store, introducing new product to the market can be easier, as the brand is already established with the reliable marketing partners and the marketing budget is enormous enough to market the product and create demand for it. Both the interviewees had the same opinion about the strict cosmetic legislation and certification as it guarantees the consumer's safety and builds consumers trust on product amongst thousands other product flooded in the market.

The sales assistant adds, the cosmetic industry is full of innovation. Consumers are always looking for new products on the shelf and are always curious to get the new experience. Trends keep changing, it is all about understanding the consumer's need and bringing out the powerful product. Recently, vegan trend has been very prominent. Cosmetic industries are developing products that are vegan and cruelty free. These trends have set high possibilities for Arctic berry wax to strike and thrive in the market.

When asking about innovative co- branding concept to founder of Aamumaa, she had a very positive response. If the product fits into the Aamumaa's philosophy, she is more than happy to collaborate and develop a new product. More clearly, when asked about her thoughts of having Arctic berry wax in Aamumaa products, she thinks that adding Arctic berry wax in a beauty product might make it quite expensive. If used as one of the ingredient in organic beauty product, it should be able add value in it for its amazing benefits that cannot be found in other products. However, if the instant benefit of the product isn't visible, adding a small quantity of arctic berry wax can be a brand differentiator for any other cosmetic products. Undoubtedly, it seemed that Arctic berry wax possess the quality for its unique attributes and serve as a brand in the market of similar products.

The opinion on co-branding was quite personal and it is understandable that the decision about whether to co brand or not, is substantially dependent on two factors: the opportunities for creating competitive advantage, and the operational benefits that will result in.

4.4 Summary of the findings

From the findings, we can observe that the Arctic berry wax has a great business potential in the natural cosmetic industry. Since it is pure and natural, containing unique properties for the skin care it can be used to develop new exotic natural and organic beauty products.

Ultimately, the growing trend of natural beauty has even raised the consumer of different ages (Cosmetics design-europe.com 2017, cited 29.05.2018). Most importantly, as the sales assistant had mentioned that consumers are more health conscious, wise and thoughtful about nature these days than before; many following veganism lifestyles not only in their diet but also extending it in their clothing's, footwear and of course in beauty products. Berry wax could be the perfect answer for these targeted consumers as according to research the demand for the vegan products across both makeup and skin care will increase in near future.

Innovation in natural cosmetics is recognized to be the most important part in today's market. It can also be observed that consumer's attitude towards the natural products are positively increasing (see figure 1). As investigated how willing other established companies are to participate in an innovative co-branding concept, the answers have been very hopeful and affirmative. The founder of Aamumaa has presented the idea of ingredient branding in an existing product or developing a brand-new product, that is berry wax acting as a component that adds a functional benefit and competitive advantage.

4.5 SWOT analysis of natural wax: Arctic berry wax as a brand

The SWOT-analysis is applied to identify internal strengths and weaknesses and to identify external opportunities and threats in the market. The following figure (table 2) represents a SWOT analysis for natural wax: Arctic berry as a brand based on the information collected from the Arctic berry wax workshop conducted by Wax project team consisting experts from Oulu university and Luleå technical university.

Table 2: SWOT analysis of Arctic berry wax as a brand

Strength	Opportunities
<ul style="list-style-type: none"> • It is pure • natural and organic • Arctic brand • can be used for different purpose 	<ul style="list-style-type: none"> • natural cosmetic trend • vegan trend • large customer target • possible to collaborate with other natural cosmetic companies.
Weakness	Threats
<ul style="list-style-type: none"> • expensive • life span • small quantity production • unstable supply of ingredient • unknown in the market, takes extra effort to be established and take advantages of the natural and organic trends. 	<ul style="list-style-type: none"> • rivalry/ competition • substitute

Berries are rich in antioxidants, vitamins and essential fatty acids. Scientifically, berry wax contains 90% glycerolesters of C16-C18 fatty acids, 2-5% glycerolesters of C20-C22 dicarboxylic acids (so-called Japonic Acids) and 5% free fatty acids and alcohols (Endlein & Peleikis 2011). The berries that are grown in Arctic region after the severe winter then summer lights consist of nutrients and extracts that are highly beneficial for skin. Since it is grown in wild isolated area it is considered to be less contaminated and nonirritant to the skin (see chapter 4). The wax extracted from the arctic berries are pure and natural, for above reasons which eventually serves as an arctic brand.

The berry wax can be used in different sectors for example; cosmetics, bio composites, dietary supplements, biomedical compounds, food additives, packaging industry, optical coatings. As this

research is more focused on natural cosmetics, more intense use of wax in natural cosmetics are studied. Berry wax can be used in natural cosmetics like: lipsticks, lip gloss, balms, lip/eye pencil, mascara, makeup, skincare and haircare products. Berry wax are low melting soft waxes which offers velvety, powdery skin feel and functions as an outstanding pay-off enhancer for stick and pencil preparations (see chapter 2.2)

Arctic berry wax has a great business potential in natural cosmetic industry. According to the scientific analysis done by the Plant Biology and Biotechnology researchers from Oulu University (Arctic berry wax project) the berries grown in arctic have different composition of biochemical than the southern counterparts which illustrates that the berry wax produced from arctic region are high in quality and more effective. The growing consumer trend of natural and organic beauty products are primary opportunities for arctic berry wax. According to the market analysis the market of organic and natural beauty market is expected to reach 22 billion by 2024 (Persistence market research, 2016) which indicates that the demand for natural cosmetic product are to increase in coming years. Berry wax being completely natural and pure it is also vegan undoubtedly which adds to the potential strategy to target vegan consumers. Besides, cosmetic industry berry wax also has business potential in other industries as mentioned above.

The wild arctic berries are grown for very limited time which causes difficulty in supplying the raw materials in certain times. Further, to preserve the berries from heat and maintain its freshness and quality it requires proper storage in a refrigerator, which results in higher expenses and increase the cost for berry wax product.

Fierce competition in the cosmetic market with a new brand launching itself every day is the biggest threat for arctic berry wax. Competition both with mainstream big brands, and niche natural, environmental and ethical businesses. The exquisite ingredient (berries) can be found from all across the world therefore, the price may be cheaper for the products that are produced for example in China. Meanwhile, the arctic berry wax can be substituted in natural cosmetic use by many different essential oils that are found in market in reasonable price. Different flower, fruits and seed oils are the prominent alternative for the arctic berry wax.

5 CONCLUSION AND DISCUSSION

The aim of this study was to study the possibilities, if Arctic Berry Wax could be established as brand in natural cosmetics industry as wax is an important ingredient in formation of cosmetic product. To find the answer to the research question, the study explored the uses of natural waxes in natural cosmetics and consumer behavior towards natural cosmetics as well as their willingness to pay for natural product. The study also analyzed characteristics of natural cosmetic products.

The existing literature on factors affecting consumer behavior and Maslow's theory of need stressed the importance of how important it is for any company to keep in account the factors that affect the purchasing decision to know the consumer's need and get in contact with target consumer. The study of natural cosmetics trends has highlighted the increasing trend of natural cosmetics and consumer's demand for natural cosmetic products which are natural, safe, environment friendly and cruelty free. These findings have significant implication for understanding the opportunity of Arctic berry wax in natural cosmetics and how can it can meet the consumer's need.

Further, the research also focuses on brand identity and building brands. Studying the questions like how can we build strong brands and what makes a brand strong provides more significant implications on why branding is important? Studying the consumer behavior and their positive inclination towards branded products, explains the need to build the brand. Moreover, the study takes a deep note on why building strong are difficult and not a child's play in addition, Keller's CBBE model is described to understand brand building efforts. A special attention is given on what factors make brand building difficult? Hence, the wax project team can consider these points and be thoughtful about it in future.

The main objective of the study, was to suggest the wax project in creation of strong brand in the current natural cosmetic market using different branding strategies like co-branding and ingredient branding. The concept of different branding strategies is explained clearly so idea would not be misunderstood by the reader. Also, few examples, of beauty products and company which uses such strategies are studied. This chapter also provides picture, with the condition in near future, Arctic berry wax project plans to bring berry wax in the market it can use co-branding/

ingredient branding strategies through which it can save huge amount of capital and effort in launching the product in market.

The empirical findings of this research were studied through qualitative research method. Interview through email questionnaire and face to face interview were designed to gather the information. Interviewees belonged to natural cosmetics industry for a long time and their experiences are considered valuable to determine the research questions. The strength, weaknesses, opportunities and threats of Arctic berry wax as a brand has also been drawn from the data and information collected from workshop and from the findings. Although only two experts were interviewed for the research, the results of the finding indicated that Arctic berry wax has a potential business market in natural cosmetics worldwide for its unique properties and indeed grow into a strong brand, if used as an ingredient in a beauty product. The information was also gathered that there are few natural cosmetics companies that are interested to use Arctic berry wax as the core ingredient in their products, if the ingredient matched the natural standard.

To sum up, the research has also explored the opportunities of Arctic berry wax as a brand in natural cosmetics industry. This study indicated that despite having few weaknesses and threats the Arctic berry wax certainly has opportunities and strength to stand out in market as a strong brand.

5.1 Limitation

Like any other research study, this study also has limitations. Firstly, there had been very narrow information on arctic berry wax and finite laboratory research results on how does it differ from any other natural wax. Very limited number of literature published for reference about the use of arctic berry wax in natural cosmetics. Secondly, it has lacked for the approximated data of how much would the extracted berry wax cost after reduction of expenses rather it has assumed it be costlier than any other natural waxes. Since the study is about building arctic berry wax as the brand, price would be very important factor in market analysis.

Regarding the empirical part, the major weakness was to find different candidates related to natural and organic beauty for interview. If there had been more experts from different cosmetic

companies in Finland who would have pondered their opinions about collaborating with arctic berry wax project, there would have been more possibilities for the wax project to know which companies are willing to go with the co-branding concept. Nevertheless, there had been numerous attempt to get in contact with the founder/CEO of various natural cosmetic organization. The findings of this study are therefore limited.

5.2 Direction for future research

The natural cosmetic trends and the demand for natural beauty products have been analyzed in this research followed with the use of natural wax in cosmetic products. There has been potential market for the berry wax due to this growing trend. Moreover, this study is focused on building Arctic berry as a brand, it would be good to evaluate, if the co-branding and ingredient branding strategies would help to create strong brand out for Arctic berry wax project in future.

An interesting topic for future research could be finding out more companies that manufactures natural and organic beauty products using natural wax in Finland and Arctic berry wax project collaborating with such companies to develop a new product. Correspondingly, another useful research could be similar study of investigating how willing companies like; Lumene, Naviter, Supermood (Finnish companies) which produces natural beauty products using natural ingredients would be in co-branding concept? Arctic berry wax could be the significant ingredient brand in an established existing beauty products. Since co-branding concept would be finding a potential partner for the wax project, it would be interesting to do a similar kind of research to find out if the results vary from this research. If the empirical findings would be more similar, the study would have given more weight to this research.

The findings of research focused on these questions could help Arctic berry wax project and partners to establish the best strategy, to build a brand and find a potential partner for future.

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1. Introduction
 - a. education
 - b. interest
 - c. work, position
 - d. how long have you been working?
2. How did you discover Aamumaa?
3. What is Aamumaa and what is its philosophy?
4. How would you define natural cosmetics?
 - a. Why is certification necessary to define natural and pure?
5. For whom is pure and natural targeted?
6. How can we define genuine natural product?
7. Why does it need to be certified?
8. How easy/ difficult it is for a new product to end up in the market? (in case of Aamumaa)
9. How would you define innovation process in cosmetic industry?
10. What makes a product successful?
11. What is important in launching a new product?
12. How willing is Aamumaa, to participate in innovative co-branding concept?
13. Does Aamumaa have partner associations?
14. What are your thoughts of having arctic berry wax in your products?

1. Introduction
 - a. education
 - b. interest
 - c. work, position
 - d. how long have you been working?
2. What kind of customers are interested in natural and organic products?
 - a. Is consumer concerned about ingredients included in the products?
 - b. Do they look for the certified standards?
3. What motivates customer to buy natural products?
4. What influences consumers' purchasing decision?
5. Does price, special offers, discount, quality and efficacy of the product affect consumers' preference?
 - a. What attracts customers?
6. Does the packaging or green policy affect the quality/ image of the product?
7. Does customer hesitate to try new cosmetic products or loyal to certain brands?
8. How often are new products are launched?
9. What things are required to make product successful in market?
10. Are their beauty products that already uses berry wax in it?