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MOLDOVA

CASE STUDY

Firm Succeeds After Marketing Makeover

Revised plan focuses company on reaching untapped audiences



Photo: Chemonics Int./Andrei Seldakov

Olga Ceban shares her marketing success with a packed house of fellow manufacturers during a USAID-sponsored roundtable at the 2008 Made in Moldova exhibition.

“We concentrated so much on the production process that we overlooked the importance of marketing. If not for USAID’s efforts and encouragement, we would hardly have ventured to invest in marketing,” said Olga Ceban, general director for a Moldovan clothing firm.

Telling Our Story
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Challenge

When international lingerie companies arrived in Moldova, they easily attracted the pocketbooks of consumers eager for new, stylish trends. Olga Ceban, a local company selling its products under the Ravetti brand, had stable sales for many years, but suddenly faced a steep decline in revenue as the competition in Moldova increased. The company’s brand image was old and outdated, and customers saw it representing the past. With its future unclear, the company needed urgent changes, but was uncertain how to adjust.

Initiative

Olga Ceban enlisted the help of the USAID enterprise development project. USAID local experts quickly noticed that the company needed to better understand its customer base and target its market strategically. After analyzing consumer data with the company’s management, the project advised Olga Ceban to focus on young women ages 15 to 29, a market segment whose demands foreign competitors were not fulfilling. It advised the company to tailor its product, price, and promotion policy, and that the Ravetti brand receive a radical makeover. A new strategic marketing and promotion plan tied these recommendations together – a plan the company adopted and funded with enthusiasm.

Results

With limited technical assistance from USAID and initial company investments of \$36,000 in branding and marketing, results came quickly. During the first three months after launching the new brand, revenues increased by nearly \$70,000 – a 60% increase over the same quarter of the previous year. Olga Ceban opened two new retail shops and hired a full time brand manager. According to the firm’s general director, Olga Ceban, “Due to increased profits, it will take us only about nine months to get the return on investments.” This is an achievement that any company would be proud of, but it is particularly impressive for a company in Moldova, where private enterprise is still relatively new and local companies are striving to be competitive with international enterprises.