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Options

Yuba Marketing and Positioning Strategies

A study and recommendation for
the e-cargo bike market



Front
Supermar

Super-size your cargo



This is a team project prepared for course credits in OSU BA 590: Marketing Management (Winter 2020) for Yuba bikes: a manufacturer of e-cargo bikes based out of California, USA

According to the regulations team member's names have been redacted, and may be available on request with consent.

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Executive Summary

The report provides an in-depth analysis of external and internal market conditions for Yuba bikes an e cargo bike manufacturing company based out of California, USA. It discusses tactics and recommendations to increase the unit sales of Yuba bikes in Corvallis, as well as create a promotional plan to encourage the adoption of low emission transportation solutions.

Key opportunities identified include continuing to target families with children and commuters, as well as increasing targeting of delivery and logistic businesses that can use e-cargo bikes as a replacement for freight vehicles.

Identified threats include the lack of biking infrastructure in some regions coupled with ambiguity regarding rules and regulations associated with loaded and unloaded e-cargo bikes and high upfront costs, which pose a barrier for wide-scale consumer adoption. Along with this, Rad Power is a direct competitor offering more competitive pricing with similar features and increased performance.

Strengths of the current marketing are centered around emphasizing the built quality and safety over the price of the product. Retail partners assure the safety of the product by their skilled assembly work, and these brick and mortar retailers make it possible for the customer to get hands-on experience with the bike.

Some of the areas of weakness associated with the current marketing plan include the slow adoption of e-cargo bikes by retailers as a whole-- who prefer catering to core cyclists & enthusiasts--and the misalignment of Yuba's products' value proposition and competitive differentiation through the current marketing strategies.

Key recommendations entail reformatting the website and making it more consumer-friendly to understand key product specifications like price, range per charge, charging time, motor power, max speed, as well as including features such as a dealer portal and information section for potentially interested dealers.

Marketing strategies in the Corvallis area should focus on families with children as well as commuters, with less focus towards core cyclists. Bikes can be effectively marketed as the delivery vehicles for local pizza parlors, catering, or rideshare programs.

Providing videos and tutorials of each bike's benefits and quality with an explanation of the technology used effectively convey the value of the product to customers, and justify the pricing. The report also mentions tailored recommendations to successfully communicate the three pillars of the brand: quality, safety, and customization.

The three markets requiring most focused marketing attention are commercial and delivery businesses, commuters, and families with children. Finally, the report mentions some of the promotional tactics that can be used to gain market share in these businesses.

We trust Yuba will find these resources helpful.

Full-Size Cargo

Spicy Curry Bosch

long-tail made for big loads and wiggly kids



Introduction



The history of Yuba must first be understood before considering any recommendations for the company. Yuba, which sells electric cargo bikes, started in 2007 under the founder, Benjamin Sarrazin. Sarrazin used his passion for bikes as both “tools and toys” according to the company’s website¹.

Yuba is a business where Sarrazin was able to funnel this passion into a profitable opportunity. The company is named after a river in California where Sarrazin enjoys spending time kayaking, one of his many outdoor passions. He has found that biking and enjoying the outdoors is a way for his family to spend time together while also cultivating a healthy lifestyle, something he values with his children.

Sarrazin funneled his passions and interests into the e-cargo bikes that Yuba sells, which allow for healthy outdoor activities while also providing a way for their children to tag along safely. The company has a full, functional team, including positions that provide a knowledgeable design and management support for the Yuba executive team. The team’s experience in the biking world varies, but their professional backgrounds contribute to Yuba’s design, sales, marketing, events, mechanic, and shipping logistics.

Yuba currently emphasizes several concepts of their bikes, including premium quality, comfort, and safety for a customizable e-cargo bike that has the capacity to replace a car.

Yuba’s director of American sales and marketing, is tasked with a dual set of goals for the company. The first is increasing unit sales for Yuba in the Corvallis area, while the second is creating a promotional plan that encourages transitions over to more transportation that is low emission².



External Analysis

THE BIKE MARKET

Yuba's market of bikes extends into the international bike market as a whole. While electric cargo, or e-cargo, bicycles may have their own market, they exist in the broader scope of all bicycle products. The entire bike market as a whole is worth an estimated \$45.7 billion as of 2017 and is expected to have a compounded growth rate of 6.1% from 2018 to 2025, meaning the market may be worth over \$70 billion by the end of 2025³.

The market is expecting an increase in demand for a variety of reasons, ranging from leisurely use to movements encouraging users to make more environmentally conscious decisions. These increases in demand are boosting long-term market growth for the bike industry.

E-cargo bikes, while not as common as the traditional bike, are starting to become more noticeable to consumers. The e-cargo bike industry has more of a monopolistic competitive structure, with multiple brands having a similar amount of pricing power and similar value propositions. The few brands also only have limited differences between their product developments and offerings in the market, meaning consumers may have limited perceptions of the differences between brands.

The e-cargo bike industry consists of fully electric and pedal or electric-assist bikes, including those with varying capacities for transporting goods. Within the bike market overall, the more specific e-cargo bike industry was valued at \$402.7 million according to a 2018 report by Persistent Market Research, meaning e-cargo bikes comprise less than 1% of the total bike market.

However, the industry for e-cargo bikes is projected to expand with a compounded annual growth rate of 13.3% with a value of \$1.095 billion by 2026. The projected growth suggests e-cargo bikes will become a higher percentage of the market but will remain a small part of the bike market overall. Approximately 95,000 electric cargo bikes were sold this year⁴.

DIRECT COMPETITORS

The competitive market of e-cargo bikes is dominated by six brands aside from Yuba: Rad Power Bikes, Xtracycle, Tern, Cero One, Surly, and Riese & Muller.

Rad Power Bikes is one of the most direct competitors against Yuba. The brand offers a wide range of products that rival Yuba, notably in terms of price. Rad Power Bikes are sold at prices ranging from \$1,299 to \$1,599, and most include an average load-bearing capacity of 300 to 350 lb. Products include fully electric bikes and those that have an assist mode that utilizes a motor and a battery. The battery powers a 25-45+ mile range for each charge it holds. Their most popular model is their RadWagon, which sells for \$1,499 and includes a 350 lb. load capacity with 25-45+ miles per charge⁵.

Xtracycle's products are priced higher and than Rad Power, with most bikes at \$4,497 or higher. Xtracycle offers more premium style bikes and has the option of custom attachments. A unique feature they offer is an adjustable wheelbase for changing the rear wheel positions, allowing the same bike to be used for different purposes, such as cargo transport versus commutes⁶.

Tern sells bikes that come with the accessories required for hauling cargo. Their bikes are foldable, reducing floor space required for storage. Tern's electric bikes include a dual battery system that allows for travel of up to 200 km and can range from \$1,499 to \$3,999 in price⁷.

Cero One's bikes are maneuverable and more flexible for transport but are not as well suited for carrying heavy loads. Their bikes generally cost about \$2,890⁸.

Surly offers a bike that includes the ability to carry heavier loads, including up to 400 pounds, and has an 11-speed drivetrain that provides power⁹.

Riese & Muller bikes are designed more specifically for transporting bulkier, heavier cargo, and thus includes a suspension system. Most bikes do not have designs that include suspensions. Their bikes have a maximum speed of 28 miles per hour, and their prices are around \$8,689¹⁰.

INDIRECT COMPETITORS

Yuba's competitors also exist in the rest of the bike market outside of the niche of the e-cargo bike.

Pedal-powered road bikes are the more traditional bicycle option. These are used by a large number of people to haul small goods with baskets or other small custom attachments. A few brands that are popular in this part of the market include Trek, Schwinn, Cannondale, Giant, Mongoose, Raleigh, Diamondback, Specialized, and others.

Electric bikes comprise another segment of the overall bike market. These bikes are generally used for long-distance transportation but often are not structured for cargo hauling. Electric bikes provide consumers with more variety in transit but limit the number of materials that can be transported. Popular brands for electric bikes include Specialized, Bulls, Volt, Surface, Rad Power, Magnum, and others.

Pedal-powered cargo bikes provide the capacity to transport cargo, but without the convenience or energy-saving of an electric bike. These bikes are often significantly less expensive than electric bikes. Brands in this category include Bunch, Energie, Babboe, and others.

THE CUSTOMERS

For bike manufacturers, the consumer market is twofold: first, to businesses such as retailers or big box stores who can sell their products to the end consumer, and second, directly to the consumers via online or brick and mortar storefront options. The business to business market differs from the business to consumer market, but both are important to the bike company's product sales.

Electric bikes are sold in a few stores across the state of Oregon, but mostly at limited retail locations. Larger cities such as Eugene and Portland offer bikes for purchase for consumers from smaller cities. Stores in the state that offer e-bikes, e-cargo bikes, and e-freight bikes include Cynergy E-bikes, eBike Store, Field Electric Bike, Clever Cycles, and Bike Gallery. However, each store's offerings may vary.

In Corvallis, Oregon, there are six bike shops. Four shops, Peak Sports Bike Shop, Bike N' Hike, Cyclotopia, and Corvallis Electric Bikes, offer electric bikes of some kind. However, only two--Peak Sports Bike Shop and Corvallis Electric Bikes--offer some form of an e-freight bike. Peak Sports is Yuba's local retail partner. Additionally, the e-freight bikes may be purchased from the retailers in physical stores or online.

Overall, the market of American bikes centers around the social movements of riding bikes instead of driving vehicles. The trend is part of a response to the challenges facing people in the United States related to current transportation and lifestyle choices. These challenges include increasing obesity, traffic congestion in many large cities, and worsening of climate change, including air and soil pollution.

Consumers' usage of bikes also varies. Purposes of a bike include commuting to work or using for local travel. Riding a bike can serve as an alternative for driving when a car may be less convenient or more expensive. The movement of cargo and e-cargo bikes is centered around finding the in-between space for commuting or travel or convenience with the benefit of more transportation capacity, similar to what a car would offer. The electric aspect of bikes also allows those who may not be physically able to ride a traditional bike to have the opportunity with this alternative model.

E-cargo bikes could be used as delivery vehicles by businesses that deliver or are in the logistics industry. E-cargo bikes provide an advantage for these businesses as they can go where cars cannot, and have zero fuel costs.

Delivery and logistic businesses can find these bikes desirable as they can replace the need for freight vehicles. They also have the capacity to have faster routes that take less time as they are able to access and utilize alternative road features such as bus lanes, bike lanes or paths, or pedestrianized areas. E-cargo bikes are also cheaper to purchase, maintain, and insure than actual freight vehicles or cars.

MARKET TRENDS

The political opportunities for the market of e-cargo bikes are positive factors. In countries such as the United Kingdom, Denmark, the Netherlands, and the United States, pre-existing infrastructure for bicycles on the road and in transport has laid the foundation for the growth of cargo bikes.

Movements towards more environmentally friendly options of travel are rooted in a more broad awareness that is becoming more prevalent in consumers' minds. Having an electric-assist option for bikes provides one of the most environmentally conscious alternatives to traditional hauling options, such as cars, while also being helpful for efficient transport beyond pedal bike options.

While environmental and political opportunities are positive for e-cargo bikes, social opportunities are more neutral. In some European countries, movements have spread for the purchasing and use of e-cargo bikes. However, the trend is lacking in the United States markets as the awareness of e-bikes seems to be lower.

Technology movements are a positive opportunity as well for the e-cargo bike industry⁴. The increased use of Li-ion batteries has provided a lighter battery with fast charging capabilities. The development of these batteries has been proven as an effective development for e-bikes as they remain safe and productive under normal conditions.

Economic factors are also positive as the power required for e-bikes--as being electric--is inexpensive and generally accessible. The simplicity of electric bikes is also easy to use for consumers. Overall, the economic impact allows for increasing the number of companies that may be interested in entering the market either as manufacturers or consumers.

However, while most factors in the market are either positive or neutral, the legal factors at play have negative barriers for the e-cargo bike market. In some countries, there has not been enough research and infrastructure implemented to support the use of bikes, especially those that have motor capabilities. There is unclear regulation about whether or not electric bikes are supposed to be driven in bike lanes or on the road. As bikes with motors move faster than a traditional pedal bike, they can pose a hazard to traditional bikes in designated bike lanes but may not move fast enough to be in main lanes of the road.

EVALUATION

The strengths within the industry of bikes and, more specifically e-cargo bikes, are rooted first and foremost in the growing awareness and desire for environmentally conscious transportation options. Finding ways to travel and commute with little to zero emissions is becoming important in the rising problems of the global crisis of climate change.

Another critical factor affecting the market is the increasing demand for inexpensive travel options. The concept of being able to drop a package or delivery as close to the delivery point as possible is another demand that e-cargo bikes will be able to fulfill.

Increasing the technological advances that have improved the capacity of batteries for e-cargo bikes also provides an opportunity to increase the range of travel per charge. The developments would create more options for the manufacturing and technology industries to develop these products further.

However, while the opportunities are potentials for developments of products in the market, issues such as high upfront costs remain barriers to consumers choosing to enter the market in the first place. The costs make it nearly impossible for fast, wide-spread adoption of e-cargo bikes for both businesses and customers.

Legal discrepancies with regulations around bikes leave questions and concerns about safety for users. The problems of these regulations would be lengthy and complicated to resolve completely. Additionally, e-cargo bikes are often cumbersome, difficult to store while not in use, and have a wide turning radius that may not be suitable for some aspects of roads.

It is also not necessarily possible for an e-cargo bike to fully replace and be an alternative to a car. The bikes are also generally recommended or limited to those who have experience in riding traditional bikes and feel comfortable with maneuvering bikes on the road as part of traffic flows.

CONCLUSION

Opportunities for the industry are centered around the increase of sustainability for the next five years. The growing awareness for adopting sources of travel that are sustainable and have minimal emissions will be a driving trend in the industry in the near future, causing it to have extended growth.

It is also expected that the industry will start to include more businesses that work with logistics as the bikes can be extremely beneficial in hauling or transporting goods efficiently and effectively. These businesses will be in more dense cities that have high volumes and sufficient bike transport infrastructure.

Specifically in Corvallis, there is an opportunity for use of electric bikes, including target markets of commuters, businesses with delivery capacities, and families with children. Corvallis also possesses good infrastructure that can support bike travel and an increase of e-cargo bikes.

Threats to keep in mind while evaluating aspects of the market to expand into are centered around the pricing structures of the bikes. The industry, as a whole, is structured around a one-time payment of the price in full and up front for the purchase to be complete. The structure prohibits mass adoption and presents a significant barrier for target markets to enter as consumers due to financial constraint. The average price of an e-cargo bike is about half that of what a pre-owned car would cost, and can be a barrier in convincing consumers that the price is worth the value proposition being offered.

There is also a potential of certain countries, states, or cities having restrictions in place prohibiting e-cargo bikes or simply not having enough regulation for safe usage and transportation. Opportunities for the industry are centered around the increase of sustainability for the next five years. The growing awareness for adopting sources of travel that are sustainable and have minimal emissions will be a driving trend in the industry in the near future, causing it to have extended growth.

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Internal Analysis: Positioning

VALUE PROPOSITION

According to the sale and marketing director, the current value proposition for Yuba focuses on providing premium quality cargo bikes based on materials and design². The company is emphasizing the quality as part of the reasoning for the pricing.

Along with the premium quality of the bikes, Yuba provides a comfortable and long-lasting product that is safe¹. However, these are seen as more secondary benefits of the bike purchase compared to the benefit of quality.

Yuba wants to market their e-cargo bikes as a replacement for a car, and view the price as a reflection of this replacement². While expensive compared to other bikes, it is cheaper than a vehicle. Using an e-cargo bike is an alternative to needing to own multiple cars or any cars at all in some cases.

Three main bikes are being sold by Yuba, each with a slightly different advantage and value to the customer based on variation of the product's intended use¹. While each product's use and purpose slightly varies, all three have the benefit of being able to haul kids, pets, groceries, etc. with the benefit of motor assistant.

TARGET MARKETS

The marketing director described a broad target market with a wide variety of characteristics that Yuba is currently targeting for its bike sales. The descriptions and evaluations of the current target markets are found in his provided client notes².

Geographically, the focus is on big cities and urban infrastructures, such as San Francisco, Chicago, New York City, Washington D.C., Minneapolis, Denver, and Boise. One of the requirements is cities that have the infrastructure already in place to support safe bike travel.

Retailers are relevant to their market as well, as having Yuba bikes in brick and mortar stores allow customers to have a connection for future bike upkeep and maintenance. Retailers that are the focus of these partnerships are independent retailers that are run by trained bike mechanics and professionals who specialize in the field.

Another reason to work with retailers is the confirmation that the bikes are assembled safely and adequately for use, compared to the final assembly being the responsibility of the consumer should they order the product online. Having access to a fully assembled display to examine and test drive is also an opportunity that retailers can provide.

However, while having Yuba bikes in retail locations is a positive goal in the market, retailers have had slow acceptance of selling electric bikes in their stores as a whole. Most locations tend to serve core cyclists or those who use the bike with purpose and are enthusiasts, a group that often views electric bikes as a cheat compared to regular bikes. Electric bikes are usually more appealing to non-core cyclists, such as those who use a bike for commuting, leisure, or as a tool.

For Yuba's target of consumers, the segments also mirror those of the retailing aspects of large cities with a sufficient bike transport infrastructure. The general characteristics also include those who can afford to spend money on the e-cargo bikes as well as those who are interested in a low carbon footprint.

However, while the sales director has broad aspects of the target market, the current segments lack differentiation and identification for the characteristics that define them. A few potential segments, according to the director, include families with young kids who want to replace a car, individuals with a 4-5 mile commute, core and non-core cyclists, individuals who wish to exercise, and environmentally conscious individuals.

Evaluating the target markets can identify five differentiated target markets, aside from retailers and the American market as a whole, based on the broad characteristics the director has shown interest in for expanding sales of Yuba e-cargo bikes.

The five potential target markets include core cyclists, commercial and delivery businesses, conscious commuters, families with children, and the break-the-mold boomers. While similarities exist throughout each target market, each has a differentiated focus on what Yuba would provide to them. In-depth descriptions of each target market segment can be found in [Exhibit 1](#).

COMPETITIVE DIFFERENTIATION

The director of marketing and sales at Yuba has identified the current competitive differentiation as the biggest and most accessible selection of e-cargo bikes and accessories for the market that can be identified as premium and with high quality standards². However, when evaluating the products against competitors, the value proposition does not seem to show a competitive differentiation in the market. Most competitors offer e-cargo bikes or cheaper similar products that can bear more weight and can travel further distances with a single charge of the batteries.

The director and Yuba must evaluate their current competitive differentiation and shift their messaging to more closely align with their value propositions if they wish to sell more units of their products.

BRAND IDENTITY

The director has also identified the company's brand identity to be rooted in safe, premium quality along with having high quality engineering². The company's personality is focused on environmentally conscious decision making and on emphasizing community along with family values.

Yuba has also stated what they value: "Bicycles can transform lives and society positively¹." Their goal is helping to create a "more sustainable lifestyle" through "bikes that carry their most precious cargo¹." They have identified this standard as "clean mobility¹."

BRAND EQUITY

Yuba's brand equity is evaluated on three standards: awareness, loyalty, and perceived quality. The company's products seem to be only highly well known by families looking specifically for e-cargo bikes. Facebook groups that are set up as a community for those interested in e-cargo bikes include discussions and awareness of Yuba products^{11,12}.

It is also difficult to quantitatively evaluate brand loyalty to Yuba as it is a large purchase that happens infrequently. However, discussions on social media platforms, including Yuba specific Facebook groups, suggest that owners of their products are impressed and value the purchase they made^{11,12}. Though responses also indicate that consumers have a high perceived quality of Yuba bikes, the accessories that can be added to the bikes are seen as lower quality.

A member of the Facebook group "Cargo Bike Republic" expressed this concern: "I'm in love with my Yuba but have gradually replaced the accessories on the bike starting from the cheap bell to the melting handlebars. I wish they would just not include cheap accessories as they become a waste quickly¹¹."

The company's products are also associated with negative connotations, such as being too expensive, too heavy, and awkward to store.

EVALUATION

Currently, with the downfall of Yuba's lacking competitive differentiation, strengths for the current positioning strategies are also falling short. While they stand by the fact that they provide high-quality products, they are unable to communicate this effectively to consumers to justify their prices. Additionally, while consumers are loyal to the products as they speak highly of the bikes' quality, they also identify the problem of accessories not being at the same quality level.

The director of marketing and sales at Yuba identified part of the challenges with the strategies as informing the clients that the product offerings from Yuba are of premium quality and the problem that judging by its cover or having a casual look make Yuba bikes similar in appearance to the inexpensive bikes from competitors [2]. Core cyclists also pose a concern due to their perspective on electric bikes being a form of non-purist act and instead need to be convinced that e-cargo bikes can take place of a vehicle and should not be considered a replacement for recreational bikes like mountain and road bikes

These concerns are also important to address as having a wide selection of bikes does not automatically attract consumers as most will need only one bike for each family or individual.



Internal Analysis: Tactics

PROMOTIONS AND ADVERTISING

Yuba has done previous sales and promotions for their bikes, where they provide discounts for their products. For example, they did a Winter Electric Supermarche special where the bike was \$1,000 off of the current price. They also had a Winter Spicy Curry promotion where a kid hauler pack was sold at \$525 off. Yuba has also previously implemented an emailing list, and its website includes a “Press” section that lists articles, press releases, and product reviews for consumers to read¹.

Yuba’s social media is active on four platforms, including Instagram, Twitter, Facebook, and Pinterest. Their Instagram account includes approximately 6,500 followers with a mixture of professional, promotional photos as well as contributed, testimonial photos from consumers¹³. The audience of the page is on being family and commuter oriented, and the account has a regular posting about two to three times per week.

Yuba’s Twitter has approximately 3,700 followers¹⁴. Their Facebook account has around 11,000 followers and has 102 reviews that have 4.6 out of 5.0 stars¹⁵. Their Pinterest account has about 6,700 monthly viewers¹⁶. All platforms have similar posting patterns and similar content.

Yuba is also in the process of working to hire a sales representative for Oregon and Washington. This employee will be tasked with building relationships with retailers and as a consultant for recommendations rather than simply being an order-facilitator².

PRICING AND PRODUCT

Yuba has three main bikes that they sell: the Electric Supermarche, the Spicy Curry Bosch, and the Electric Boda Boda¹.

The Supermarche is sold on Yuba's site for \$5,500 and at Clever Cycles Portland for \$5,500^{1,17}. The bike is a step-through frame style with a rear rack that has a child seat mount. It can hold a payload of 300 lbs. The bike itself weighs 78 lbs. and is 8 feet 5 inches long.

The Spicy Curry is sold on Yuba's site for \$4,500, at Clever Cycles Portland for \$4,500, and at REI Seattle for \$4,500^{1,17,18}. The bike has a step-through frame as well, also with a rear rack for a child's seat. The payload is the same as the Supermarche at 300 lbs., but the bike itself weighs 60 lbs. and is 6 feet 8 inches long.

The Boda Boda is sold by Yuba, Clever Cycles Portland, Sellwood Cycle & Repair, and REI Seattle, all at \$3,200^{1,17,18,19}. The bike can have either a step-through or step-over frame and has a rear rack with the capacity of two child seat mounts. Its payload is 244 lbs. while the bike weighs 60 lbs. and is 6 feet 1 inch long.

A pattern is showing that the shop dealers and retailers are selling the bikes at the manufacturer suggested retail price (MSRP). The bikes have a margin of 35% while the accessories have a 50% margin. The bikes are shipped 85% assembled, meaning orders online require additional assembly. Because further assembly is required, Yuba highly recommends that a professional bike mechanic check the assembly to ensure safety. A full description of each bike's features and add ons along with prices can be found in [Exhibit 2](#).

PLACE

Yuba bikes are currently available through two purchase avenues: either online or in brick and mortar stores. Through their website, the bikes are sold directly to consumers. Yuba's other sales are to the bike retailers and dealers, meaning it is a business to business sale¹. The stores and dealers can include different levels and purposes of selling, ranging from elite to partner to showroom levels.

EVALUATION

The current products that Yuba offers include high quality and high performing components for consumers. Their website is aesthetically pleasing and welcoming, creating an efficient way for consumers to navigate and learn about the company¹. Yuba also offers a wide range of customizable products as add ons for their bikes. Their social media currently has a positive presence that seems to be heartwarming and trustworthy, and it currently has an appeal to their target of wanting to reach families¹³.

However, while these are Yuba's current strengths in their tactics, the continued barrier of consumers not understanding the bike's quality follows into the weakness of their tactics. The prices of the bikes create a disconnect for consumers who do not know or understand the names of the technologies Yuba uses in their bikes. The company needs to find other ways to communicate their quality besides "name-dropping" the brands they use in their products.

Additionally, using technology from larger and more widely known brands such as Bosch and Shimano does not differentiate Yuba from other electric bike companies in a significant way as the consumer may not always be aware of the best value for their money. Other competitors also more explicitly display the features of their electric bikes, such as distance per charge, power, voltage, charging time, etc. on their websites. Yuba's website does not as effectively provide this information to consumers.

There is also not a clear format of communication laid out for dealers to request or show interest in acquiring Yuba bikes for resale. Their website lacks this information and does not provide a feature such as a dealer portal for coordinating their partnerships¹.

The continued direct competitive threat is Rad Power. They provide similar offerings at more competitive prices than Yuba. Yuba needs to continue to evaluate their pricing structures and assess how their messages and value propositions justify the higher prices compared to their competitors who have similar bikes at a cheaper cost, such as Rad Power's RadWagon Electric Cargo Bike⁵.

CONCLUSION

Overall, Yuba's current marketing is structured to appeal to the target segment of families. When considering their goal to expand into the Corvallis market and increase sales in the area, their current tone is a strong foundation for appealing to the segment of Corvallis families.

The company's position becomes a strength for appealing to families as safety is key to its value proposition. Core cyclists may be interested in the benefit of high-quality parts, but Yuba has yet to communicate this advantage well to this or any other segment. The welcoming and appealing website, however, has the potential to draw in potential and interested consumers.

Yuba's tactics for sales make their products accessible to families as they are not required to purchase the bikes from a brick and mortar retailer. Their promotion tactics on social media also have a positive tone that creates community and can draw in families.

Yuba's weaknesses for their positioning and tactics in trying to increase sales in Corvallis are rooted in the lack of communication about the quality of the bike and its association with the price. The similarity to competitors' products also makes a comparison between them very easy. The price for their bikes is too high, making it difficult for families to afford the purchase all in one upfront payment.

In terms of Yuba's goal to raise awareness about low emission transportation, they have a strong start to positioning with the potential to market their bikes as a replacement to cars. With their bikes being zero-emission, the marketing of the bikes use can help raise this awareness. Their social media accounts also highlight people and places that are working to reduce their carbon emissions. Locations for selling the bikes are focused on cities that have pre-existing bike infrastructure.

Challenges Yuba will face in trying to increase more low emission transport start with their marketing strategy of focusing on individual customers. They are currently lacking in a plan that connects with large groups, organizations, or businesses that would allow for buying the bikes in bulk quantities. The cost could also be a barrier to mass adoption, along with the limitation of the geographic areas requiring effective bike infrastructure.

The two factors that need to be addressed as the highest priority for Yuba's two goals are in positioning and pricing. These strategies require the most change in order for Yuba to achieve their goals.

Positioning for Corvallis needs to be emphasized on families with children, along with commuters, and less focus needs to be placed on the core cyclists. Their current positioning is targeting core cyclists, among others, but this segment is more averse to adopting the bikes. Therefore, Yuba must shift to target segments that are more likely to adopt the products and enter the market as consumers, including the top three of families with children, commuters, and delivery businesses.

Positioning for the more widespread adoption centers on the ideal of their bikes acting as a replacement for a car. However, this option can be explored further as the bikes can also be marketed as a potential replacement to vehicles or trucks for large, national businesses that focus on delivery and transport, such as pizza parlors and catering or rideshare programs.

The pricing structure needs to be reevaluated and developed to allow for their target markets to decide to enter the market without having to pay, at minimum, more than \$3,000 upfront. Reducing prices overall is an option to consider. Other pricing changes could include implementing rental programs or installment payment plans.

Other factors of promotion and product can be developed as secondary priorities, after pricing and positioning. Yuba's social media should be maintained and grown through engaging with their target markets on their platforms while also working to improve their number of followers and engagements. With the goal of increasing low emission transport, Yuba has the task of boosting their follower count to get the message out to a broader audience. Other promotion tactics could include spearheading legislation and engaging in lobbying in cities that need more biking infrastructure.

The final shifts they could make would be to make more variation in how they present their bikes to make them visually different and to create more distinction from competitors. The changes would provide the opportunity to show the differences and not rely solely on the claim that Yuba bikes are of higher quality.

Recommendations

The goals for Yuba are increasing unit sales in Corvallis and expanding the national transition over to more low emission transport options. For these two goals to succeed, the most significant changes need to come in shifts for positioning and in changing the pricing structure. Changes to promotions, products, and places should be the following priorities and in that order.

POSITIONING RECOMMENDATIONS

The company must change its message to target markets across all channels and begin to emphasize the three benefits that set them apart from the competition: safety, high performance, and customizable. While these aspects are already part of the company's value proposition, Yuba must change their messaging and implementation around these pillars. Additionally, pricing needs to be restructured to allow for mass adoption and to bring in consumers from lower-income brackets. Finally, expanding promotional events and tactics, along with placing products in more retail locations and making minor changes to the products, are the final crucial steps for Yuba in achieving these goals.

VALUE PROPOSITION

The shift in value proposition needs to be rearranged and more defined for Yuba moving forward. To adequately communicate to their target market segments the purpose of their

company, Yuba needs to redefine and explain how these three pillars are unique to their company.

The first is safety. Yuba's products promise a safe alternative to other low emission transportation, such as mopeds or electric scooters, by being a more stable alternative for the road. The electric motor also provides the opportunity for those with some but possibly little experience on a bike to balance easier and conserve energy during use. The products' ability to be a safe option for families on the road is a massive benefit as it gives parents the confirmation that they can transport their children safely.

Secondly, the high quality and high-performance features of their bikes need to be explained more. Currently, the company is assuming that the customers understand quality through the price, and through the “name-dropping” of specific technology features the bike may boast. Instead of assuming potential customers' and consumers' knowledge of technology, the company can provide that information up front. By offering videos and tutorials of each bike's benefits and high quality with descriptions of the technology and its quality, interested consumers can learn the importance of the company's commitment to high performing bikes. Additionally, adding essential information directly to the bikes' website pages about the capacity and capability of each bike can help inform potential consumers about the product.

Finally, the third pillar to be emphasized is customization. By describing the flexibility and customization of the bikes, each consumer can explore how the bike can be applied to their own lives and their purposes for the purchase. Whether it be commuting, for transport family, or for delivering something entirely different, defining the unique accessorization that each consumer has is essential in the value propositions. Adding videos to the website of different bikes that consumers have customized the bikes for their own lives is also a promotional opportunity to inform potential consumers of how their bikes can be adapted to a variety of lifestyles.

TARGET MARKETS

Five distinct target markets, not including retailers and the general American market, can be identified as potential segments that Yuba can target in their marketing and social campaigns ([Exhibit 1](#)).

The core cyclists view biking as a form of fitness and exercise, valuing any aspect of cycling as a way of maintaining a healthy, active lifestyle. The defining characteristic of this market is this lifestyle impact that bicycles symbolize in their day to day life as a tool for fitness and adventure. Core cyclists would likely be competitive but also focused on other aspects of that could impact health, such as being outdoors and valuing environmental impact.

Commercial and delivery businesses are looking for options that are more affordable and more environmentally friendly than traditional freight or transport vehicles. E-cargo bikes would allow for food or other deliveries in large amounts without the necessity of an expensive vehicle that has high environmental impacts. The cost savings and time savings are the focus of these businesses, but having a sustainable option is a plus in the process.

The conscious commuters are focusing on alternatives to their standard commuting options, such as public transportation, personal vehicles, or traditional pedal-powered bikes. Environmental impact is valued highly by this segment, and they are looking for an efficient opportunity for traveling to and from work on a daily basis. Possible reactions to e-cargo bikes may vary, however, as those who commute via personal vehicles may have more of a negative view towards bikes on the road than a commuter who travels via public transportation or by bike.

Families with children value opportunities to bond and spend time with everyone in their family. Most in this segment have much younger children, ranging from 1-12 years old, and would use the bike as a way for the family to spend time outside together. The bike may also be used by a parent to help with transporting the children to school if they live within proximity to it. The parents in these families would value safety as a very high priority and would be price sensitive to the product's current high pricing.

The break-the-mold boomers are either retired or in the process of planning for retirement, meaning fiscally responsible decisions are crucial. However, they are looking for a way to travel and run errands that is safe, requires limited energy, and has a minimal environmental impact. The bikes would be used for transport and recreation while also being a tool for staying fit.

However, while these five are all potential segments, the three markets that require the most focus and emphasis for identifying promotional and pricing tactics in Corvallis are commercial and delivery businesses, commuters, and families with children. While core cyclists are a potential market, they are more hesitant to adopt the product into their lifestyles. Additionally, the population of Corvallis suggests focusing on the other three markets instead of the boomer population are greater in numbers and interest in the product.

For retailers, which would fall under a few of the same tactics that would be used to market to commercial and delivery businesses, they are not being considered a target market. However, Yuba should focus on applying similar tactics for retailers in the Corvallis area to make their products more readily available.

Yuba's secondary goal is to create a shift to more low emission transport options and to raise awareness for these options on a more national scale. While this is a broad market to target for national marketing, there are still similar characteristics that make up the segment.

The US market in "general" that Yuba can be targeting through national marketing techniques is mostly middle class with white-collar backgrounds in urban areas. They care about active lifestyles and are conscious of environmental impacts, but are also financially responsible. Family life and community is also significant to this segment. Overall, the segment is broad but would have these general characteristics and should be kept in mind for more broad national marketing campaigns.

COMPETITIVE DIFFERENTIATION

The factor that sets Yuba apart from its competitors lies in the bike's purpose. Because the bike is maneuverable, efficient, safe, and customizable, its application to a multitude of uses for delivery, commuting, and family transportation is unique compared to competitors. While Rad

Power's bike has the ability to change its purpose, it does not have the same goals of building community and providing a safe option for families and companies for transportation.

BRAND IDENTITY

The current brand identity of a sustainable transportation option that brings together a community is effective and relatable to the three main target markets, as well as the secondary two markets and the general US market.

TACTICAL RECOMMENDATIONS

The recommendations for promotions, pricing, product, and place will be in relation to the three selected target markets and the "general" US market.

PROMOTIONS

For commercial and delivery businesses in Corvallis, select businesses that would have the potential for contrast with Yuba include Oregon State University, Dominos, Panera, Little Caesars, and other companies that use delivery or pickup in their operations and logistics. Promotions would consist of providing presentations and conferences with these businesses to explain the benefits of the products.

The new Oregon and Washington representative would be crucial as their face to face time with representatives from these businesses is important to creating the accounts. Promotional materials would include presentations, flyers, brochures, and an online prototype that shows the potential for custom wrapping with business colors and logos that are company-specific. The creative brief for commercial and delivery businesses is in [Exhibit 3](#).

For the conscious commuters, the message in promotions should be the emphasis of not needing to pay for a school parking pass and not having to worry about finding parking spots at school, at the grocery store, or downtown. The bike allows for running errands and for traveling to work.

Having trials and demos at local events such as the Corvallis farmer's market will be vital in helping the community see the bikes in their everyday spaces. Demos and trials are also necessary for assisting potential consumers in understanding what the product can do. Pitching to local community organizations about partnerships and about who Yuba is will help raise awareness as well. Earning endorsements from Oregon State University and some of its organizations gives community members more knowledge about Yuba's bikes as well.

Local newspaper and radio ads will increase the number of potential consumers who have heard of Yuba. Painting the town with flyers at community hotspots, bus stops, and bike shelters--along with ads both on the outside and inside of buses--will increase Yuba's visibility in the business community. Additionally, partnering with large companies in the area such as Hewlett-Packard or Oregon State for presentations and demonstrations about the benefits of using Yuba bikes for commuting can build community connections and bring in large numbers of potential customers who can afford the purchase. The creative brief for commuters is in [Exhibit 4](#).

For families with kids, the time to begin emphasizing and marketing Yuba in the community should be April as that is when retailers start their shift summer products. The bike can provide an opportunity as a summer activity that carries over into a transport option for the families to school once school starts again in the fall. Safety demonstrations at stores during this transition period will also help increase attention and emphasis on the bike's safety features for families. Partnering with companies that already make child car seats could also provide an overall message of child safety.

Demonstrations and trials at the Corvallis farmers market could also appeal to younger families who care about the community, staying local, and healthy lifestyles. Creating ambassadors at local schools and partnering with Parent-Teacher Associations through presentations, demonstrations, endorsements, and events like "Walk and Bike to School" events could all be sources of increasing awareness and interest in Yuba's bikes.

Connecting with local libraries or other hotspots for families around the community would be beneficial in creating ride around events and fundraisers for local organizations that use Yuba products.

Digital marketing plans should include the creation and development of Oregon specific Yuba social media accounts that feature Yuba products in iconic locations and towns around the state that would be welcoming and interesting to Oregon locals. Local endorsements from organizations and influential individuals would also be useful on these accounts.

Advertising through more traditional outlets, such as promotions in the local parks and recreation brochures and catalogs, along with newspaper ads, are essential to local promotion as well. The creative brief for families with children is in [Exhibit 5](#).

For the US market in "general," nationwide campaigns in large, urban cities are crucial to begin creating the awareness of low emission transportation. For example, creating a "You Ride" campaign where riders post a picture or video on social media teaching a friend to ride a bike or a "Bike n' Me" campaign where users post about their favorite memories with their bikes would all create more conversation around using bikes more for transportation as a low emissions option. Local posts with the most likes could receive awards such as discount coupons or features on Yuba's social media accounts and website.

Holding Bike Fests in major cities is another way to increase community awareness, hype, and participation. The events could include food, local drink offerings, and local entertainment, but the entry fee is that participants must arrive on a bike. Bike marathons could also increase community participation. Other large scale events such as a "Bikes Day Out" for group bike trips, a booth and demos at events that celebrate the 50th anniversary Earth Day in 2020, and initiatives with weight loss programs that emphasize are all opportunities to promote both the health aspects and environmental impact of both traditional and electric bikes.

Increasing social media presence is crucial for Yuba, so using these events as a launchpad for social media engagement will be vital to this increase. National TV and YouTube ads will help

Yuba's name to become more recognizable. Working to have endorsements and media coverage for future events and campaigns is another opportunity to capitalize on large-scale reach. The creative brief for the general US market is in [Exhibit 6](#).

PRICING

For commuters and families with children, pricing restructures could include options such as leasing programs, such as what can be seen with vehicles. As the bike is expensive upfront, Yuba benefits by allowing consumers to structure a contract that can include payments over a set period of time and the option to purchase the bike, opt out of the agreement, or create a new contract at the end of the time period. Tiered leasing plans could also be structured where larger businesses who would like to use Yuba bikes can pay for more bikes over a period of time as they lease them in bulk, versus a more lenient leasing program with a more extended lease period could be structured for smaller, independent businesses.

For businesses specifically, pricing options can include bundling canopies or other add ons for delivery capacities with bikes. Grocery stores and other large brick and mortar storefronts could also buy the bikes in bulk and choose to rent them out to customers for set periods of time to help balance the high cost of the bikes.

Commuters must see the price drop or have some form of payment system to move their decision into the action of purchasing. Creating a commuter discount would help eliminate or at least minimize this barrier of price.

Families with children also see price as a barrier. In response, Yuba can create significant discounts that are associated with other seasonal specials, such as summer and back to school promotions. Providing accessory bundles or selling accessories at a discount with other purchases or seasonal promotions would help to appeal to this target market.

Nationally, ways to help improve the issue of high pricing can include more opportunities to rent Yuba e-cargo bikes from other businesses or through programs like bike shares. Offering the choice for consumers also to sell their used bikes back to Yuba or creating a trade-in program for their products would be approaching the pricing structures seen with cars and car dealerships. The offer would also provide consumers the opportunity to buy used bikes from Yuba at a discounted price.

PRODUCT

For commercial and delivery businesses, allowing the bikes to have the add ons of an embedded GPS would enable the bike to be tracked by customers of the companies while also providing directions and maintaining safety for the delivery personnel. Businesses could also request customized colors and logos as paint and wrapping for the bikes, along with customized canopies, all to help promote their brand alongside Yuba. Partnering with the businesses and insurance providers may also be necessary to ensure the safety and liability aspects of using a Yuba bike for transport by an employee instead of a car.

Commuters and families may also be interested in insured bike parts to ensure that should the bikes or a part malfunction, they can have the option to work with Yuba to solve the problem effectively. The comfort of insurance may also be a benefit that these two target markets' value.

These initiatives for insurance and large scale customization can be beneficial in the broad US market if Yuba moves into rideshare programs or other mass adoption marketing movements.

PLACE

Yuba should continue to partner with local retailers in Corvallis as well as well known and reputable retailers in major cities throughout the United States. The recommendation for their product placement should continue with its current strategies but should focus on expansion. Yuba should also continue to provide its products online via its website and should partner with bike shops in major cities to provide information on how to ensure their products are assembled safely by the consumers. This partnership could also include allowing consumers to choose a local shop they would like their bike shipped to for assembly by the shop's mechanics.



Exhibits

EXHIBIT 1: TARGET MARKET CHARACTERISTICS

Core Cyclists

Demographics:	<ul style="list-style-type: none">- 20-45 years old (on average)- all gender- upper middle class- either younger population with no children or older population with older or no children
Geographics:	<ul style="list-style-type: none">- rural or urban, as long as there is terrain for varying difficulty levels- more moderate weather without high extremes
Psychographics:	<ul style="list-style-type: none">- fitness is key, competitive and focused on healthy alternatives- enjoy the challenge and want the opportunity to push themselves- environmental impact is an important factor- enjoys travel and the outdoors- adventure and outdoor sports likely beyond biking (possibly hiking, rock climbing, canoeing, etc.)
Behavior:	<ul style="list-style-type: none">- concerns with the e-cargo bike being a form of cheating and not enough of a physical challenge, so not jumping on the e-cargo train- if the younger half, may need financial support to buy; if the older half, can be both the decision maker and financial provider for the purchase

	<ul style="list-style-type: none"> - very early stages of buying process, not even 100% into recognizing need/problem that the bike will solve - if possibly even aware, they see no draw from the value proposition - would want extensive information and involvement in buying process
Benefits Sought:	<ul style="list-style-type: none"> - quality is important - e-cargo is not the most convenient option as likely own other bikes already that are more transportable - not as price sensitive if can be convinced that this is an alternative, not a replacement - e-cargo could be seen as lower status in core cyclist community due to the perception of a cheat

Commercial and Delivery Businesses

Demographics:	<ul style="list-style-type: none"> - business with delivery options - focusing on chains and larger entities that have transport or delivery/pickup services
Geographics:	<ul style="list-style-type: none"> - urban - large cities with effective road logistics (for bikes) - universities (urban or rural) - more moderate weather without high extremes
Psychographics:	<ul style="list-style-type: none"> - cost efficiency and environmental impact - infrequent but consistent purchases/contracts to continue for long term usage
Behavior:	<ul style="list-style-type: none"> - Information research (second stage) --> open and looking for alternatives - wanting to find ways to have physical representation for their emphasis on carbon neutral/environmentally friendly initiatives
Benefits Sought:	<ul style="list-style-type: none"> - environmentally friendly way to deliver their products - cost-savings in their delivery - time-savings because parking takes time but with a bike can leave places where cars cannot - SAFETY

Conscious Commuters

Demographics:	<ul style="list-style-type: none"> - of working age so 18-50 years old - middle class - generally white collar jobs - well educated
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	<ul style="list-style-type: none"> - financially flexible/stable
Geographics:	<ul style="list-style-type: none"> - urban or suburban - more moderate weather without high extremes - 4-5 mile commute
Psychographics:	<ul style="list-style-type: none"> - very environmentally focused - moderately price sensitive - enjoy travel occasionally, as permitted by budgets - values family life - likely more politically left
Behavior:	<ul style="list-style-type: none"> - likely open if aware, interested in finding new opportunities for daily commutes that are healthier/cheaper - if drives personal vehicle for commuting: may feel negatively towards bike community as a whole, seen as inconvenience - if takes public transport for commuting: may be more open to bike community, might want to look for other commuting options
Benefits Sought:	<ul style="list-style-type: none"> - save time - save money on transport compared to public transport options - effective but safe option for travel - might be seen as a status boost as moving away from public transport or traditional commuting - RISK: if e-cargo bike completely replaces personal vehicle, limited travel options if weather does not permit, so not necessarily possible to have as full replacement in some geographic areas

Families with children

Demographics:	<ul style="list-style-type: none"> - families (parents ages 25-40) with small children (average of 2) (ages 1-12) - lower middle class income - possibly a little bit of college education - desk job - married
Geographics:	<ul style="list-style-type: none"> - urban or suburban - more moderate weather without high extremes - neighborhood that is close to shopping options and trails/bike paths
Psychographics:	<ul style="list-style-type: none"> - family matters - seen as opportunity for bonding/spending time with families and children - not seen as replacement, only as alternatives, maybe one-two cars and then bike as during daily transport if car is needed for other

	transportation/commuting - not focused on travel (financially tight) - possibly politically moderate but slightly left leaning - not extreme environmentalists, care when its convenient for them (no barriers or there is potentially a financial benefit)
Behavior:	- Early to mid stages of buying processes - probably very open to concept, see bikes as a way to enjoy time together and get out doors - not very knowledgeable about concepts of an e-cargo bike but very interested in the concept of cargo bikes - would have stints of loyalty; once children are older and not transportable anymore, would likely not find the same usage for the bikes anymore
Benefits Sought:	- SAFETY IS ABSOLUTELY KEY - good value for price, needs to see the benefits of purchase outweigh the current benefits of owned bikes or cargo bikes - looking for transportation option with children that allows for the bonding of family time while also being an effective form of transport

Break-the-mold Boomers

Demographics:	- 50+ - low/middle income - possibly retired or planning/saving for retirement - grown children or no children - can be married or unmarried
Geographics:	- large rural, urban, suburban - more moderate weather without high extremes - weather would be more of a barrier for this target market; less adaptable to weather extremes
Psychographics:	- environmentally conscious (not necessarily focused) - possibly see bikes as a barrier of travel, physically straining or dangerous - values making the most of the time/opportunities given - politically left and very interested in environmental impacts - looking for physical but safe ways to move and spend time - might be interested in travel as adventure, wanting new ways to "spice up" lifestyle
Behavior:	- extremely brand loyal - likely only one major purchase of a bike, not continual buying but extremely loyal to the brand they buy - would be buyer and user, but financial impact is important

	<ul style="list-style-type: none"> - really emphasize as alternative to using a car/public transport - opportunity for safe but effective physical exercise - practical usages: using to transport groceries without needing to use buses, subways, etc.
Benefits Sought:	<ul style="list-style-type: none"> - recreation - transport - safety is important - fitness opportunity - not seen as status but as a point for the connection to the community

US Market in “General”

Demographics:	<ul style="list-style-type: none"> - middle class income overall - population age range generally from 20-45, except for break the mold boomers (50+) - white collar background / desk jobs - some or full college education
Geographics:	<ul style="list-style-type: none"> - mostly urban, a little suburban - temperate temperatures without extremes - commute or travel (delivery/pickup/work) is around the 5 mile range
Psychographics:	<ul style="list-style-type: none"> - environmentally curious/conscious/concerned - active lifestyle is an interest or is important - financially responsible - family is important
Behavior:	<ul style="list-style-type: none"> - early stages of buying, between awareness and possibly liking, so needing to emphasize the movement of who Yuba is and why people should care - could build loyalty, but no loyalty yet because not fully aware of the product
Benefits Sought:	<ul style="list-style-type: none"> - Safety - recreation - transport - environmental impact

EXHIBIT 2: YUBA'S PRODUCTS¹

Electric Supermarche \$5,500

Frame	<ul style="list-style-type: none"> - Step-through frame style - Adjustable cockpit and seat post collar - Frame lock tabs - Integrated rear rack with Yepp child seat mount
Features	<ul style="list-style-type: none"> - Fits riders 4'9" to 6'5" - Payload of 300 lbs - Bike weight is 78 lbs - Bike length is 8'5"
Color	<ul style="list-style-type: none"> - White
Included	<ul style="list-style-type: none"> - Openloader + bamboo baseboard - LED lights - Full coverage fenders - Rear wheel skirts - Two-sided kickstand - Chainguard - Bell - 2-year warranty - 1-year warranty on motor/ battery
Standard	<ul style="list-style-type: none"> - ISO 4210/ EN 15194-201 compliant
Add ons	<ul style="list-style-type: none"> - Open loader seat kit \$200 - Cargo canopy \$250 - Bamboo box \$200 - Bamboo box seat kit \$150 - Yepp Maxi EasyFit seat \$219.95 - Lock \$35 - Cargo straps \$19

Spicy Curry Bosch

Frame	<ul style="list-style-type: none"> - Step-through frame style - Adjustable cockpit and seat post collar - Frame lock tabs - Integrated rear rack with Yepp child seat mount
Features	<ul style="list-style-type: none"> - Fits riders 5'0" to 6'5"

	<ul style="list-style-type: none"> - Payload of 300 lbs - Bike weight is 60 lbs - Bike length is 6'8"
Color	<ul style="list-style-type: none"> - White
Included	<ul style="list-style-type: none"> - LED lights - Full coverage fenders - Rear wheel skirts - Stand Together kickstand - Chainguard - Bell - 2-year warranty - 1-year warranty on motor/ battery
Standard	<ul style="list-style-type: none"> - ISO 4210/ EN 15194-201 compliant
Add ons	<ul style="list-style-type: none"> - 2-Go Cargo bags \$199 - Adjustable monkey bars \$199 - Bamboo Sideboards \$120 - Bread basket \$180 - Stand Together kickstand \$99 - Mini Soft Spot padded seat \$30 - Ring \$70 - Carry-on \$99 - Bamboo deck \$40 - Yepp Maxi EasyFit seat \$219.95 - Hold on bars \$70 - 2-Go bag extensions \$20 - Lock \$35 - Cargo straps \$19

Electric Boda Boda

Frame	<ul style="list-style-type: none"> - Step-through or step-over frame style - Adjustable cockpit and seat post collar - Frame lock tabs - Integrated rear rack with 2 Yepp child seat mounts
Features	<ul style="list-style-type: none"> - Fits riders - Step through 4'9" to 5'10" - Step over 5'5" to 6'5" - Payload 244 lbs - Bike weight is 60 lbs - Bike length is 6'1"

	<ul style="list-style-type: none"> - Shimano STEPS E6100 pedal assist system
Color	<ul style="list-style-type: none"> - Blue - White
Included	<ul style="list-style-type: none"> - LED lights - Full coverage fenders - Rear wheel skirts - Stand Together kickstand - Chainguard - Sideloader foot/ cargo supports - Bell - 2-year warranty - 1-year warranty on motor/ battery
Standard	<ul style="list-style-type: none"> - ISO 4210/ EN 15194-201 compliant
Add ons	<ul style="list-style-type: none"> - Adjustable monkey bars \$199 - Baguette bag \$150 - Boda foot pegs \$30 - Bread basket \$180 - Mini Soft Spot padded seat \$30 - Ring \$70 - Bamboo deck \$40 - Bamboo running boards \$99 - Yepp Maxi EasyFit seat \$219.95 - Hold on bars \$70 - Lock \$35 - Cargo straps \$19

EXHIBIT 3: COMMERCIAL AND DELIVERY BUSINESSES CREATIVE BRIEF

DESCRIPTION OF TARGET MARKET

- **DEMOGRAPHIC:** For the commercial and delivery businesses, the focus for the demographics should be any businesses that have the option or desire to have delivery, pickups, or other transportation of goods. In particular, the focus for this target market needs to be restaurant chains or other large entities such as universities that have the financial capacities to buy the product as well as a consistent brand.
- **GEOGRAPHIC:** These companies and businesses should be located in urban areas or have a limited area that they serve. The metropolitan cities these entities are in should have effective road logistics for bike travel and should be located in geographic areas with moderate weather and no temperature or weather extremes.
- **PSYCHOGRAPHIC:** The companies we will be targeting are those that value cost efficiency and have an interest in their environmental impact. Their loyalty to the brand would show infrequent but consistent purchases or establishing long term contracts with Yuba for an extended period of usage.
- **BEHAVIOR:** The companies are likely in the very early stages of the buying processes and may not even be aware of Yuba or what they offer, let alone the concept of e-cargo bikes. These organizations may also be looking for ways to have a physical representation of their commitment to more environmentally friendly practices.
- **BENEFITS SOUGHT:** The companies and entities are wanting an environmentally friendly way to deliver their products. An option that is cost-effective and saves time as well. Safety is also key as employees of the companies will be at risk during their deliveries or pickups. To eliminate liability, the safest option for employees is crucial for the companies' purchase decisions.
- **SPECIFICALLY IN CORVALLIS:** We would like to focus on companies in the Corvallis community such as Oregon State University, Dominos, and Panera, to name a few.



Promotion

PROMOTIONAL OBJECTIVE

The goal of targeting this particular market is centered on awareness first as the companies may not be aware of the product of e-cargo bikes, mainly as they apply to delivery and pickup services.

MESSAGE

For the message to this market, there will be a slightly shifted value proposition message based on these three pillars:

1. Safety: As large scale employers who have employees using these bikes for transport or delivery, the safety of the bikes is critical as the product must emphasize the safe transportation of employees to limit the liability of the employers.
2. High-performance: Because the companies usually have time constraints in services, the bikes should ensure efficient and high-performing transport for the companies to confirm the high level and timely services.
3. Customizable: As brands have their own colors, logos, and presentation ideals that vary from company to company. Yuba would allow custom wraps or styling of the bike that will give companies with delivery and pickup services the chance to promote their brand even further while providing services.

MEDIA AND MATERIALS

For our promotions directly to companies that we have targeted in Corvallis, we will need materials for our presentations and promotional tactics. We will need a presentation that describes our message to the companies and our mission. We will also need flyers and brochures as takeaways that have the condensed focus of our message along with our social media handles. Additionally, we would like an online feature of a customized prototype as a visual for presentations when working with companies and their representatives.

MOCK-UPS


Brochure to be printed and distributed to potential clients. Page 6 is an example of a removable insert that can be customized to the client.

About Us

Yuba believes in the power of bicycles.

At Yuba, we believe that bicycles can transform lives and society positively. Our mission is to enable a healthier, happier, more joyful, more economical, more practical, more sustainable lifestyle by creating bikes that allow people to carry their most precious cargo and therefore reduce car trips.

Through innovative design, focused market research and the application of the best modern technologies, Yuba provides a clean mobility solution for parents, children, commuters, businesses and entrepreneurs with the largest and most practical selection of pedal-powered and electric-assist cargo bikes.



yuba

bikes that carry more



Electric Cargo Bike Catalogue
2020-21

Our values

Yuba electric cargo bikes are made with the highest quality material, enabling a safe, quick ride to your employees' destination, and our expansive variety of accessories allows them to ride there in company style.

Designing our electric cargo bikes to be safe for all users is one of our top priorities. For businesses, this means our bikes will be safe for your employees.



Our electric cargo bikes will allow you to get from point A to point B efficiently. Waste no time in your tight schedules with our electric pedal assist system.

Promote the sustainable actions of your business by customizing and branding our electric cargo bikes with your logos.

Three models of electric cargo bikes



Electric Boda Boda

The Electric Boda Boda is designed to haul anything life throws at you while keeping that light, nimble steering for a super smooth ride, every time.

Fits riders 4'9" to 5'10" | Payload of 244 lbs



Spicy Curry Bosch

The award-winning Spicy Curry electric cargo bike now with state-of-the-art Bosch eBike performance system capable of serious climbing and unparalleled range.

Fits riders 5'0" to 6'5" | Payload of 300 lbs



Electric Supermarche

Equipped with a powerful Bosch motor and designed to be the smoothest steering front loader ever, the Electric Supermarche is destined to deliver.

Fits riders 4'9" to 6'5" | Payload of 300 lbs

Add-ons

Baguette Bag

Fits the Electric Boda Boda



Bread Basket

Fits the Spicy Curry Bosch



2-Go Cargo Bags

Fits the Spicy Curry Bosch



Bamboo Box

Fits the Electric Supermarche



Cargo Canopy

Fits the Electric Supermarche



Customize our electric cargo bikes and accessories to represent Domino's on-the-go.



Bread Basket

Fits the Spicy Curry Bosch



EXHIBIT 4: CONSCIOUS COMMUTERS CREATIVE BRIEF'

DESCRIPTION OF TARGET MARKET

- **DEMOGRAPHIC:** For the market of conscious commuters, we will be focusing on those in the age range of 18-50 years old. More importantly, this market is more in the middle class and generally holds white-collar jobs while having some college education. This market has individuals who are financially flexible and stable.
- **GEOGRAPHIC:** The target market of conscious commuters would be located in urban or suburban areas that allow for individuals to have approximately a 5-mile commute. They must have an accessible distance to work for bike travel. Additionally, cities or areas that have more moderate climates without extreme temperatures or weather patterns is important, especially if the bike is to be their primary source of commuting throughout the year.
- **PSYCHOGRAPHIC:** These individuals are very environmentally focused and conscious with the goal of finding ways to change their own carbon footprints. They are moderately price-sensitive as the purchase would be a significant commitment, but they are also financially stable enough to be decision-makers in the purchase. The market enjoys travel occasionally, or as is affordable, and they value family life and the community they establish with their family.
- **BEHAVIOR:** Those within this target market would likely be open to the concepts of Yuba, but only if they are aware of the product and what is being offered. These people are probably interested in finding new opportunities for their daily commutes that are more fitness-focused or have a smaller environmental impact. If the consumer often travels to work via their personal vehicle, there might be a barrier for their interest in the product as they might have negative experiences with other bikes on the road during their commute. In contrast, if the consumer often travels to work via public transportation, they might have a more positive view of the bike community as their commuter transport often will not be impeded by bikes on the road. However, both groups are part of the target market and may have different levels of barriers to clear to ensure a purchase is made.
- **BENEFITS SOUGHT:** Part of the benefits that the target market may be looking for include saving time in the commute as well as saving money for the commutes to work. They are looking for an effective but safe option that efficiently transports them from home to work and back while also saving time to continue emphasizing the importance of more time with family. They might view the bike as a status boost for them in their community as well. One aspect to keep in mind is while marketing the bike as an alternative to cars or public transport for commuting, not all geographic or municipal areas can have the capacity to support bike-only transport 100% of the time, meaning owners may still require an alternate vehicle.
- **SPECIFICALLY IN CORVALLIS:** When considering the target of this market in Corvallis, commuters to HP or Oregon State University or other large companies in the area are viable options.

PROMOTIONAL OBJECTIVE

The goal of targeting this particular market is centered on providing an alternative for more traditional forms of commuting by offering an option that is environmentally conscious with a minimal carbon footprint and is more fitness-focused.

MESSAGE

For the message to this market, there will be a slightly shifted value proposition message based on these three pillars:

1. **Safety:** As commuters, the bikes must ensure that consumers can safely ride through a variety of roads and weather patterns. The bike must be able to be sold and operated in cities with suitable bike paths and regulations. Additionally, the bike must be able to be operated in more rainy weather, while it might not be practical or possible to be operated in the snow. However, it must be possible as an option in more moderate weather patterns while still being safe under the conditions.
2. **High-performance:** One emphasis for the target market is finding opportunities to save time and, in turn, spend more time with their families or doing the things they love. Therefore, the product must be fast and efficient for their travel while also being high quality for the price they pay.
3. **Customizable:** Due to weather and other transport restrictions, the bike must have options for covering cargo as well as allowing for potential bike covers. In contrast, the bike remains outside during the workday. Accessories will enable commuters to find the add ons necessary to maintain their level of comfort for their commutes.

MEDIA AND MATERIALS

For our promotions, the goal will be working with local media sources and outlets. Materials needed for presentations and demos include flyers and brochures that include social media handles, as well as new Oregon Yuba social media accounts. These accounts should showcase the company's products in a variety of communities across the state to showcase the company and raise awareness. Additionally, we will need to work with the local university to endorse the product and allow for advertisements on their own social media accounts. We require designing and buying local newspaper ads, promoting radio ads, and a designed flyer to hang up at local hotspots for the target market such as coffee shops. A presentation with pamphlets and flyers for presentations to large companies in the community will allow for a seminar that addresses those who may be commuters and may be interested in the company's alternatives. Cheaper and more simplified flyers will be needed to paint the town to hang up in bus stops and bike shelters around the city. Finally, a bus ad for the sides of a bus, as well as the panels inside the bus, will be required to address those who may use it as a mode of commuter transportation already.

MOCK-UPS

Instagram post advertising Yuba that can be posted on social media platforms relevant to the conscious commuter target market. Post contains two photos with the caption:

“Give yourself and the environment more time with a Yuba electric cargo bike. By commuting to OSU on one of our electric cargo bikes, you can avoid parking pains and planet pollution. Go to yubabikes.com to see our three models of electric cargo bikes that are all made with the highest quality material, enabling a safe, quick ride to school, work, and even the grocery store!

#yubabikes #cargobike #electricbike #cargobikelife #biketowork #biketoschool #commuterbike #onelesscar #transformingtransportation





EXHIBIT 5: FAMILIES WITH CHILDREN CREATIVE BRIEF

DESCRIPTION OF TARGET MARKET

- **DEMOGRAPHIC:** For this particular target market, the demographic is mainly centered around families with younger children. For example, the parents' ages may range from 25-40 and have an average of 2 children whose age ranges from about 1-12. Financially, the market is more in the lower middle class as they are young and have small children. They have possibly a little bit of college education but are not necessarily fully college-educated. Jobs include more middle management positions. Additionally, the parents are still married.
- **GEOGRAPHIC:** These families are located in urban or suburban neighborhoods. The weather in these areas must be moderate without high extremes for transportation efficiency and interest. They also likely live in communities close to shopping centers or schools, or possibly even parks with trails or bike paths.
- **PSYCHOGRAPHIC:** The market emphasizes the importance of family. They enjoy opportunities for bonding and spending time with their children. They are looking at alternative forms of travel, not necessarily a replacement, as they might need more options for transport if they own a single, family car. They are not extremely focused on travel as finances are tight and must be spent accordingly. They are possibly politically moderate but may have left-leaning tendencies. They are not extreme environmentalists

but will make environmentally friendly decisions when it is convenient for them or does not present any major barriers. They also may be financially motivated to make positive environmental choices.

- **BEHAVIOR:** The market is in the early to mid-stages of the buying processes. They may not be aware of our product, but they are likely looking for outdoor activities that they can do with their children. They are not very knowledgeable about e-cargo bikes but may know about and be users of cargo bikes. They would likely have waves of loyalty. Once their children are older and no longer transportable by the e-cargo bike, they probably will not hold the product at the same value and may not have an interest in being a loyal customer any longer.
- **BENEFITS SOUGHT:** These families find that safety is critical as transportation involves their children. They are looking for a good value for the price as they need to see the benefits of such a financially consuming decision. The benefits must outweigh the current benefits of bikes or cargo bikes they currently own.
- **SPECIFICALLY IN CORVALLIS:** We would like to focus on schools and communities in the Corvallis area that have direct contact with these families.

PROMOTIONAL OBJECTIVE

The goal of targeting this particular market is centered around awareness and liking. They are likely familiar with the concept of a cargo bike or a cargo attachment to a bike to allow a parent's bike to transport the children. They are also likely very open to this concept and simply need more information to feel comfortable taking the next steps toward the decision and eventually purchase.

MESSAGE

For the message to this market, there will be a slightly shifted value proposition message based on these three pillars:

1. **Safety:** Because they are planning on using these to transport their children, safety is of the highest priority. Additionally, showing the safety measures of the cargo area is vital. Possibly comparing safety levels of other attachable cargo options versus the Yuba bike is also key as it could prove the quality of the bike in terms of safety regulations.
2. **High-performance:** Having a motor-powered option that is efficient is essential for this market as they are possibly transporting small children or groceries, whose weight could make transport significantly more difficult. Being a high-performing product allows for more efficient transportation, saving of money, and preserving of energy while also getting exercise.
3. **Customizable:** Safety add-ons and other customizations can allow each family to tweak the product according to their personal needs. Whether it be a specific safety belt or a pop up covering to protect the children from the rain, they will have the opportunity to customize their use of the product.

MEDIA AND MATERIALS

For our promotions to these families in the Corvallis community, most of the media will need to be physical handouts as most of the marketing will need to consist of person to person contact. We will need presentations to use as a pairing with demos that we hope to do for local organizations such as PTAs. We will also need planned, designed, and branded posts for an Oregon specific set of Yuba accounts to help target the communities in the state and feature stories from Oregon users. We will need ads for the Corvallis Parks and Rec annual brochure as well as ads for local newspapers. Endorsements from local organizations and leaders will also be necessary, so radio or print ads for those endorsements need to be prepared.

MOCK-UPS

Custom bike reflectors that can be placed on bike spokes and handed out at events like the Corvallis Farmers Market to reach the families with children target market.

Spoke Bike Reflector - Front



Spoke Bike Reflector - Back



EXHIBIT 6: US GENERAL MARKET CREATIVE BRIEF

DESCRIPTION OF TARGET MARKET

- **DEMOGRAPHIC:** The demographic of the “general” US market is extremely broad, but there are patterns that arise when considering who our promotions should target. Overall, the market would likely consist of a population whose age ranges from 20-45 and are middle-class income. Most have white-collar backgrounds and hold desk jobs, and they might have some or a full college education.
- **GEOGRAPHIC:** Most of those who are a part of this market live in urban areas while a few live in the suburbs. They live in moderate climates without temperature extremes. Most often have some level of commute or short distances of travel is required for their jobs or businesses.
- **PSYCHOGRAPHIC:** The market values environment impacts at some level, ranging from curious, conscious, to concerned. They all have some value of an active lifestyle. All are financially responsible and value their families and communities very highly.
- **BEHAVIOR:** The market as a whole is very early in the buying process, meaning the goal of raising awareness is crucial. They may be interested or slightly aware of the concept of an e-cargo bike or other aspects around this product, such as bike-sharing or electric scooters. They have the potential to build loyalty, but they currently don’t have a commitment to a particular brand of an e-cargo bike as they are not fully aware of the product.
- **BENEFITS SOUGHT:** The individuals in this market are looking for safety but want recreation options or time-efficient and environmentally friendly transport.

PROMOTIONAL OBJECTIVE

The goal of targeting this particular market is centered on awareness of what an e-cargo bike is and how Yuba can be an excellent option for this market.

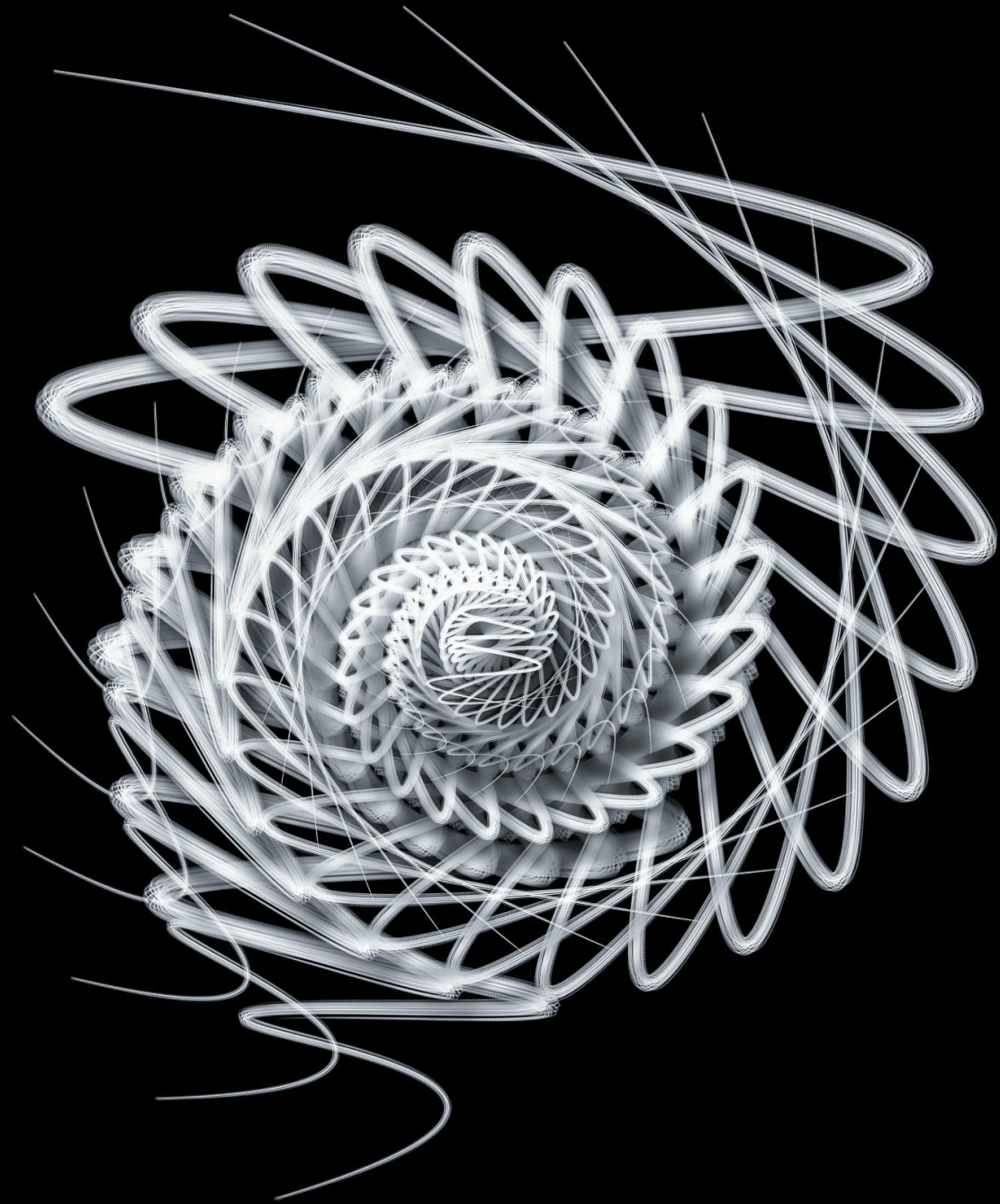
MESSAGE

For the message to this market, there will be a slightly shifted value proposition message based on these three pillars:

1. **Safety:** For the cost of the bike, it must be up to standard on safety features.
2. **High-performance:** The product development will reflect the level of performance that the consumers expect to be worth for the price and to convince them that the bike is a viable transport option.
3. **Customizable:** Attachments and accessories are available to allow for tailoring the bike to individual needs and requirements.

MEDIA AND MATERIALS

For our promotions to the “general” US market, most promotional events and tactics include prolonged social media posts as well as large scale events. The accounts will need to be revamped and more active with a consistent voice across all mediums that addresses the three pillars of the value proposition as well as the values of the market. Digital marketing will be crucial. TV ads are important as they are a high tactile point to meet customers where they already are, as are boosted ads on social media. Features of local events should be promoted on social media and covered with local news outlets. Youtube ads are also an opportunity to spread awareness about the products.



Footnotes

- 1 - “Yuba: Bikes That Carry More.” Yuba Electric Cargo Bikes, n.d. <https://yubabikes.com/>.
- 2 - Client Notes (given resource, obtained from interview with the Director of American Sales and Marketing at Yuba)
- 3 - Grand View Research (November 2018); Bicycle Market Size, Share & Trends Analysis Report By Product (Mountain, Hybrid, Road), By Technology (Electric, Conventional), By End User (Men, Women, Kids), By Region, And Segment Forecasts, 2018 - 2025
- 4 - Persistence Market Research (November 2018); CISION PR Newswire (November 2018); Electric Cargo Bikes Market to Reach US\$ 1,095.2 Mn by the End of 2026 - Persistence Market Research
- 5 - “A Seattle Electric Bike Company.” Rad Power Bikes, n.d. <https://www.radpowerbikes.com/>.
- 6 - Xtracycle. “The Original Utility Bicycle.” Xtracycle Cargo Bikes, n.d. <https://www.xtracycle.com/>.
- 7 - “Introducing the HSD.” Tern Bicycles | United States, n.d. <https://www.ternbicycles.com/us/>.
- 8 - “Compact Electric Bike: Commuter Cargo Bike.” CERO, n.d. <https://cero.bike/cero-one/>.
- 9 - “Steel Bikes & Frames: Customizable Steel Bikes.” Surly Bikes, n.d. <https://surlybikes.com/>.
- 10 - “Riese & Müller: E-Bikes, E-Cargo Bikes & Folding Bikes.” Riese & Müller | E-Bikes, E-Cargo Bikes & Folding Bikes, n.d. <https://www.r-m.de/en-dk/>.
- 11 - “Cargo Bike Republic.” Cargo Bike Republic Public Group, n.d. <https://www.facebook.com/groups/cargobikerepublic/>.
- 12 - “Yuba Bicycle Owners Group.” Yuba Bicycle Owners Group Public Group, n.d. <https://www.facebook.com/groups/169347199916584>.
- 13 - “@Yubabicycles • Instagram Photos and Videos.” Instagram, n.d. <https://www.instagram.com/yubabicycles/>.
- 14 - Bicycles, Yuba Cargo. “Yuba Cargo Bicycles (@YubaBicycles).” Twitter. Twitter, n.d. <https://twitter.com/YubaBicycles>.
- 15 - “Yuba Bicycles.” Facebook, n.d. <https://www.facebook.com/yubabicycles/>.
- 16 - “Yuba Bicycles (Yubabicycles) on Pinterest.” Pinterest, n.d. <https://www.pinterest.com/yubabicycles/>.

17 - "Clever Cycles." Clever Cycles, n.d. <https://www.clevercycles.com/>.

18 - Rei. "REI Seattle Flagship Store - Seattle, Washington - Sporting Goods, Camping Gear." REI Co-op, n.d. <https://www.rei.com/stores/seattle.html>.

19 - "New and Used Bicycles, Service, and Repair in Portland, Oregon." Sellwood Cycle Repair, n.d. <https://sellwoodcycle.com/>.