# A makeover for Dudley's Q+

### Caroline Glackin and Suzanne Altobello

udley's Q+ management had to move strategically and rapidly to ensure relevancy and viability in a crowded beauty care market where new companies serving the textured hair market seemed to appear daily [1]. The team had to decide how and when to create an integrated approach to reach new customers via new channels, such as online shopping and social media, without losing existing customers, product categories and distribution networks.

It had happened again. Ursula Dudley Oglesby returned from another presentation to college students at a Historically Black College and University (HBCU) and was happy and frustrated simultaneously. The older staff and faculty were excited to have a visit from the Dudley Beauty President and CEO, but the college students were unfamiliar with the brand. This was not the first time, but this time it was in Oglesby's home state of North Carolina. All sources led to the same conclusion, internal market research, the salesforce, customers, trusted advisors, and anecdotal evidence all pointed to the same problem: the Dudley's Q+ brand was outdated, inconsistent, and largely unrecognized by people with textured hair in Generations X (born 1965 to 1980), Y (born 1981 to 1996; also called Millennials) and Z (born 1997 to 2012) (Bresman and Rao, 2017).

Dudley defined itself as "the premier beauty company for the multi-cultural market" with a tag line of "In Partnership with the Professional Cosmetologist®" (Dudley, 2019). As a marketer of professional and retail textured hair care and personal care products to cosmetologists, barbers and beauty schools, older African Americans readily recognized the company and its products. After more than 50 years in business and led by the second generation, the Dudley Beauty team wanted to expand its reach beyond the aging African Americans in the Silent Generation (born 1925 to the end of World War II), Baby Boomers (born 1946 to 1965), and early Generation Xers (born 1965 to early 1970s).

Oglesby, the middle child of founders Joe and Eunice Dudley and a Harvard College and Harvard Law School educated leader, recognized that simply updating packaging and the company website would not be sufficient. No significant changes in core products or branding had occurred in over 20 years. With trends in Black hair styles and care changing and a desire to attract a younger audience, Oglesby realized that the brand was not resonating with younger people and Dudley needed a new approach. She wanted to attract a new generation of textured hair customers and recognized the threat of a shrinking customer base if they relied solely on their previous marketing and branding efforts. However, the history and structure of the company as a Black-owned, second-generation family business meant that she had many stakeholders to consider: her parents, employees, customers and independent sales representatives. Many of those stakeholders were older and believed that the way the company was currently operating did not need to change. Oglesby knew that she needed buy-in from existing stakeholders, but she also wanted to take a more entrepreneurial growth approach.

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Disclaimer. This case is intended to be used as the basis for class discussion rather than to illustrate either effective or ineffective handling of a management situation. The case was compiled from published sources.

### Dudley Beauty: company background and history

Dudley Beauty had a storied 50-plus year history as a family-owned and operated Black business serving ethnic markets. From its origins as Dudley's Beauty and Barber Supply, Inc. in 1967 with Joe and Eunice Dudley selling ethnic health and beauty products door-to-door to the current Dudley Products LLC with daughter Ursula at the helm, the company changed in multiple ways but was consistent in selling ethnic hair products. The primary customers were professional stylists, barbers and salons from the earliest years. The company evolved through internal product development and marketing as well as via acquisitions and sell-offs. In addition to its core business of ethnic health and beauty products, Dudley had businesses in ethnic beauty supply retail, beauty schools, beauty salons, travel and hospitality. With the brief exception of Chicago, Dudley headquarters and manufacturing were in North Carolina. Most recently, Dudley divided operations into marketing and distribution (Dudley Products), manufacturing (Arora Manufacturing) and beauty schools (Dudley Cosmetology University). Exhibit 1 is a summary of Dudley history and Exhibit 2 provides additional details.

### Dudley beauty selling model: beauty advisors and independent distributors

Direct Selling. The Direct Selling Education Foundation defined direct selling as "a retail channel used to market products and services to consumers. Direct selling companies use an independent sales team to market their products or services and provided low start-up and overhead cost (DSEF 2017)." For many types of organizations, direct selling was a viable go-to market strategy. The first organized trade group in the field was the Agents Credit Association, which was formed in 1910 for door-to-door salesmen (Taylor, 2012). For many decades, US households were visited by representatives of companies such as Fuller Brush, Avon, Charles Chips and World Book Encyclopedia. Over the years, the direct selling industry moved from door-to-door sales towards network selling (selling to people that the salesperson already knows in a person-to-person style) and party plans.

There were several ways that direct sellers were compensated: they carried sample inventory only and placed orders for customers at retail prices and earned commissions and bonuses; they bought products as sample and stock inventory at a discount price and resold inventory to customers at retail, keeping the pricing difference as income; and for multi-level marketers, they earned commissions based upon the sales of independent representatives that they recruited to sell for the company and earned income through multiple levels of "downline" recruits. Most independent direct selling representatives purchased sales kits and joined organizations for the discounts that they could receive rather than for an entrepreneurial opportunity (Coughlan et al., 2016).

According to the Direct Selling Association, of the 18.6 million US direct sellers in 2017, 73.5% were women, primarily selling person-to-person, in the top categories of wellness, services, home and family care/home durables, beauty and personal care, clothing and accessories and leisure/education (DSA, 2018). In the same year, of the 5.6 million business builders, those who intend to grow their businesses for income, 83.9% were part-time workers (DSA, 2018). Most direct sellers were millennials (36.9%) or GenX (34.0%).

Dudley Beauty operated in the \$34.9bn beauty and personal care category where 107 million direct sellers were engaged (DSA, 2018). In the categories Dudley served a niche market, specifically targeting consumers with textured hair. Wellness and personal care products constituted 32.3% of the \$44bn direct selling industry in the United States (Spitzer, 2019). Importantly, growth in e-commerce posed a threat to direct selling organizations (Spitzer, 2019). As direct selling grew over the past two decades, many new sellers were part of the Millennial and GenX generations (DSA, 2018). These generations were used to shopping at large retail stores or online, and since Dudley's Q+ products were not readily available in either channel until the mid-2010s, many potential new direct sellers were

unfamiliar with the brand. Dudley Beauty had fallen behind on the ecommerce trend. As a member of the Direct Selling Association's Board of Directors, Oglesby was keenly aware of the composition of the salesforces across the direct selling channel and recognized a need to alter the Dudley Beauty Advisor demographics from 98% African American to a broader demographic.

Dudley's Sales Structure. Dudley evolved in its relationship with its salesforce over the years. Initially, Dudley company salespeople, including the founders, strictly sold products door-to-door to consumers. Then, the same employees sold to professional salons and barber shops as well. Additional sales were made through employees at the Dudley beauty supply stores and beauty schools. Dudley locations frequently had a company-owned salon or retail beauty supply store at the front and sales offices for door-to-door salespeople in the back. These employees were paid according to their roles but were all part of the company salesforce.

The sales structure changed significantly in 1996 with the advent of the Beauty Entrepreneurs program where there was a clear distinction between roles with Distributors selling to professional markets (salons and barber shops) and Beauty Entrepreneurs selling cosmetics to consumers. Beauty Entrepreneurs were licensed cosmetologists, and they were trained by Dudley and purchased sales kits for cosmetics.

By 2003, the company had the same categories with no company salespeople: Dudley Distributors who sold to salons, beauty supply stores and cosmetologists, and Dudley Beauty Advisors, who sold individually to consumers. In either case, orders were taken in person by the sales team or placed online via special representative sites and fulfilled by Dudley Beauty's corporate team. Distributors earned commissions on sales and Beauty Advisors earned commissions, discounts and free products.

Dudley Distributors had to commit to selling only Dudley Beauty hair care products and they sold to salons, barber shops and beauty schools. Other distributors sold cosmetics by signing up for the cosmetics program. They could purchase any mix of products they wanted but had to meet minimum order quantities. They purchased the products to resell at a 25 to 40% discount from the professional prices. Distributors were generally full-time salespeople and were all independent contractors starting in 2003, a substantial change for them. Joe Dudley noted the following about having independent salespeople, "By doing that, they can learn how to start a business and be job makers instead of job takers. Growing overall revenues will be one plus for us, but we are also looking at creating African-American entrepreneurs. Our focus has never been on sales, but on how the people building the organization can spread out and find success for themselves" (Spruell, 2003).

When the company transitioned its team of Distributors from company employees to independent sales representatives, several issues and factors converged. Dudley Products had previously assumed all the financial risk of product sales, which led to losses from customer non-payment and from salespeople keeping customer payments for themselves. As employees, the salespeople received products to distribute, collected payments from customers and earned 20% on the money they forwarded to Dudley. When the company converted to independent Distributors, the model changed so that Distributors purchased products up front at a 40% discount and assumed the financial risk. Dudley Beauty set up regional meetings to explain the new model and called anyone individually who did not attend in person. While there was some attrition due to the radical change, it was quickly offset by recruitment gains.

The Beauty Entrepreneurs program also changed at the same time. Per Oglesby, "Due to overwhelming demand, we changed the program to a multi-level program in 2003 and changed their name to Beauty Advisors and opened it up to anyone. This group sold the cosmetics, skin care and the retail hair care products." All Beauty Advisors were independent sales representatives, and most were part time, working according to their

own schedules and in a multi-level marketing structure like Avon, Amway and Mary Kay. Beauty Advisors earned commissions from their own sales to consumers, as well as from sales of their recruits (downlines). Beauty Advisors purchased products at a 30% discount from retail prices and could earn performance bonuses. They were usually recruited from referrals (uplines) and from the website. The Beauty Entrepreneur and later the Advisor program attracted younger cosmetologists who liked the products, adding younger people to the aging salesforce.

Considering growing industry and governmental concerns about the ethics, legality and legitimacy of multi-level marketing, Dudley Beauty moved to a single-level Beauty Advisor program where earnings were based upon individual performance. The salesforce was 98% Black and was located throughout the USA and in nine different countries.

### Dudley products and branding

Dudley's Q+ was the visible representation of the company from its earliest days. The products for professionals and consumers had the same look and feel with a variety of assorted designs based upon product type and specialty line. Dudley proudly proclaimed, "Dudley Beauty Corp, LLC stands behind our products. The Q plus in the logo stands for quality plus. We choose the finest raw materials that will perform as we promise" (Dudley, 2017).

The company initially sold products manufactured by other companies in its beauty supply stores and salons and used them in its beauty schools. Over time, Dudley developed its own products and purchased the rights to products developed by other manufacturers. As trends in textured hair changed, the company added new products and phased out others. The visual branding become a mix of styles, colors and designs with little integrated marketing. Exhibit 3 illustrates examples of Dudley's visual branding from 1983 and 2019: Dudley's Q+ hair products, Dudley Products Cosmetics and Fuller Quality Products.

As products were added to the Dudley Beauty catalog, different lines used different names, packaging and design. Packaging was typically in a white plastic container with the familiar Dudley's Q+ logo in a dark blue font, with different colored square icons below the name, indicating different product lines, such as shampoos, proteins, relaxers, conditioners and curl activators. As skin care and cosmetic lines were added, the same white plastic packaging with simple square icons remained in use, but the Dudley's Q+ logo was not always present at the top of the packaging (see skin care packaging at https://shop.dudleyq.com/collections/cleansers).

As the internet grew in significance, the company created a simple informational website (http://www.dudleyq.com; Exhibit 4, top photo). This website was focused on serving the Beauty Advisors and Distributors rather than beauty professionals and consumers. As ecommerce grew, consumers could buy directly from the company at https://shop.dudleyq.com/(Exhibit 3, bottom photo).

These websites had inconsistent branding and inconsistent navigation. In addition, the primary DudleyQ.com site had social media buttons at the top right, leading to the corporate social media Facebook, Twitter and YouTube accounts, but the second website referenced those accounts (plus an Instagram channel) only at the bottom of the page. As of spring 2019, the Facebook page (https://www.facebook.com/dudleyq/) had over 10,000 fans; the Twitter page (https://twitter.com/dudleyq/) had less than 1000 followers; and the original YouTube channel (https://www.youtube.com/user/DudleyQTV) had fewer than 500 subscribers with 36 videos, but had not been updated since 2014. The company started a different YouTube channel in 2017 (https://www.youtube.com/channel/UCrSrw6-mStvMqB7PGq8aGPw) which had more recent uploads but had fewer than 100 subscribers. The Instagram account (https://www.instagram.com/dudleyqbeauty/) had over 2,000 followers with less than 100 posts. The LinkedIn corporate page (https://www.

linkedin.com/company/dudley-beauty-corp-llc/) had over 2,200 followers and 44 employees with no corporate posts and no jobs listed.

### External factors affecting the cosmetics and beauty products market

Dudley Products came to life at a time when there were three major television channels, no internet, and door-to-door sales were common. At the time, their business-to-business and direct to consumer business model made sense. The times changed with shifting macroenvironmental factors, political, economic, sociological, technological, legal and environmental changes that affected the business but which the business did not directly control. Broad macroenvironmental factors affected Dudley Beauty as they did any firm in an industry, creating external opportunities and threats.

Hair products created for Black consumers spanned style and political trends, including changing roles in the economy, as illustrated in Figure 1. With salespeople and customers in the USA and internationally, the use of hair as a political statement (e.g. natural hair, braids, twists, locks) affected beauty, hair and skincare companies. Cosmetics and beauty products were a \$52.4bn industry (39.4% in cosmetics and hair care products) and beauty salons generated \$46.3bn (9.5% from resale of merchandise and cosmetic products) in the USA (Diehl, 2019; Oliver, 2018). The categories experienced 1.4 and 2.3% annual growth, respectively between 2013 and 2018. Mintel (2018) reported that total haircare expenditure among Black consumers would reach \$2.51bn in 2018. According to Nielsen research,

Trends in hairstyles and products for people with textured hair over the decades Figure 1 · Straightened, mainstream Eurocentric styles 1950s · Natural hair became a political statement - Afros · Straightened hair still popular 1960s · Afros as a fashion choice 1970s More traditional African styles popped up • Decline of the Afro, but curls were popular – looser textured curls or Jheri curls · Asymmetric styles • Braids rose in popularity · Crimping, pop-corn curls, hard styles · Gels and pomades used to style edges · Sleek styles · Natural hair "revolution" (via online communities & YouTube) · More styling methods, such as cornrows · Decreased demand for relaxers · Increase in social media style gurus/influencers · Desire for natural products and sustainable packaging Sources: Oglesby interview, Composed (2019), and Allure video https://youtu.be/4vd-AP q2r4

African Americans "over-index for beauty product purchases – as many as nine times more than other consumers" (cited in Gleason-Allured, 2016). Holmes (2019) also cited Nielsen data which found that "African-Americans captured 86% of the ethnic beauty market, accounting for \$54 million of the \$63 million spent."

Demographers projected that individuals who identified as having multiple ethnicities would become most of the US population by 2050 (Census.gov). These multiracial consumers were actively searching for hair products, such as edge controls, relaxers and conditioners designed for textured hair. The relative lack of beauty offerings for multiracial consumers created opportunities for brands to specifically address their needs (Gleason-Allured, 2016). Although Dudley Beauty was a trusted brand in the older Black community, younger multiracial consumers did not recognize the brand and looked to online reviews or other online sources of information for beauty and hair care products. Some other direct selling companies used social media and online sales to promote their products to younger multiracial consumers (Parker & Pina, 2021). Some of these competitors had famous celebrities and names behind their brands. Although they may not have had the longevity or relationships with distributors that Dudley had, they had the digital audience that Dudley lacked.

Based on Oglesby's goal of broadening Dudley Beauty's target market to include younger people with textured hair, she also needed to respond to younger consumers' desire for more environmentally friendly products. Based on a 2019 study conducted by Composed, 65% of Millennial and Gen Z consumers polled said that their top motivator when purchasing beauty products was whether they could make a choice that was better for the environment, and they were significantly motivated by products that were created having the least environmental impact, such as less packaging waste, more sustainable packaging, fewer chemicals, and more natural and botanical ingredients. New competitors emerged, founded by other Black entrepreneurs, and created specifically to address these consumer demands, such as Plain Jane Beauty, an "inclusive green beauty" cosmetics company, focused on inclusive shading and made with earth-friendly and sustainable ingredients (Holmes, 2019). Brand packaging and product formulations for Dudley's Q+had not changed in decades, so any rebranding efforts called for consideration of these packaging and environmental factors.

As the hair care market changed primarily toward "natural" styles, Dudley was on top of changes based on feedback from Beauty Advisors and Distributors. In 2007, they responded to the trend toward natural hair with a line of products specifically for natural hair but did not put significant corporate marketing efforts behind it.

In addition, as social media marketing, social influencers and communication methods changed. Oglesby noted, "The language of beauty changed. Consumers became more familiar with hair products. Non-experts were acting like experts and people were listening...A lot of misinformation was spread about products in the marketplace."

Dudley Beauty had an opportunity to communicate about effective products for caring for and styling textured hair via social media marketing. The company knew that they needed a stronger digital presence, including video demonstrations of how to use their products and more consistent corporate social media postings that Beauty Advisors could share to their own social networks. Mintel (2018) reported that "social media is a growing channel for the Black haircare market" with "68% of Black women aged 18–34 interested in using social media to search for video how-to tutorials." Beyond learning about styles, social media was where Black consumers were doing their shopping. By 2018, one third of Black consumers purchased haircare products online, including one quarter that shopped for haircare products via online-only retailers—a nine percentage point increase over those who did so in 2016 (Mintel, 2018). Dudley Beauty had to incorporate online e-commerce sales into its internet presence, including allowing Beauty Advisors and Distributors to order online. The

creation of the shop.dudleyq.com platform allowed customers to buy direct from the company.

In addition to Black consumers using social media to learn about hair and beauty products, Hispanic consumers also communicated extensively about beauty brands on social media, according to Media Post (cited in Gleason-Allured, 2016). Holmes (2019) cites numerous examples of Black female entrepreneurs in the beauty field who have created products to solve their own beauty and hair care needs and used social media and digital marketing to promote online sales. These findings suggested that brands needed to boost their social media posts and increase their social listening to explore how they could organically engage in two-way conversations with Black, Hispanic and multiracial consumers. Without a dedicated social media manager at Dudley Beauty, no one was responsible for conducting online market research for target consumers or for responding to questions about products and usage posted to social media sites.

The competitive environment for Dudley included direct and indirect product competition as well as competition for direct selling representatives. As textured hair styles changed, so did the direct competition for professional markets. Exhibit 5 profiles key direct competitors over time as identified by Oglesby. These competitors were generally Black-owned and focused on hair care. Some, like Worlds of Curls, had pioneered Black cosmetics lines to offset market share declines in the 1990s and had the market taken away by mainstream firms (Tassy, 1993). Others remained in the hair care segment. However, the indirect competition differed as textured hair product consumers bought products at mainstream physical and online retailers. Major players in health and beauty products either bought established ethnic brands or created their own new products aimed at darker skin tones or both, using their marketing power to attract customers. Thorne (2020) identified additional Black-owned hair brands for a variety of hair types and textures that could also be considered indirect competitors of Dudley Beauty. In addition, Dudley faced competition for its salesforce from other direct selling companies such as Avon and Mary Kay as they expanded their product lines into Dudley's traditional markets. Moreover, individuals motivated to become direct selling independent representatives had hundreds of options available.

Several legal factors also affected Dudley Beauty over the years. In addition to laws and regulations facing all businesses, as a direct selling company in the health and beauty market, Dudley had specific legal concerns. The organization had to comply with regulations that apply to multi-level marketing (MLM) organizations. The Federal Trade Commission (2018) reported that "at the most basic level, the law requires that an MLM pay compensation that is based on actual sales to real customers, rather than based on mere wholesale purchases or other payments by its participants." This meant that Dudley had to tailor its sales compensation structure to focus on end consumer sales rather than sales to distributors. Any new product formulations had to filed with the USA. Patent and Trademark office and existing formulations combined under the Dudley's Q+ family of brands (Glenn Corporation, 2016). Dudley Beauty had to ensure its website complied with e-commerce security protocols for online payment, such as encryption for the https://shop.dudleyq.com/website (Mandle & Namdeo, 2019).

The company was facing financial challenges at the same time. The firm had to refinance their primary banking loan because of the US recession in 2008. They experienced multiple leadership changes and looked outside the company for new leadership via costly executive search firms. As Dudley was a leader in the African American hair and skin care market, other firms began to poach Dudley's top distributors with promises of higher salaries and benefits, resulting in turnover of some of Dudley's best salespeople. In addition, factors such as competitor pricing and product availability, the cost of new product development and testing, and changing demand for hair care products all posed threats to Dudley's.

### Dudley's second generation: Ursula Dudley Oglesby, JD

Ursula Dudley Oglesby was born in Brooklyn, NY, the second of Joe and Eunice Dudley's three children. She began working in Greensboro at the Dudley Beauty Center as a cashier at age seven. Her early entrepreneurial adventures included selling pantyhose, fruit and popcorn, all by age 10. As a teenager, Oglesby worked in numerous roles within Dudley.

Oglesby joined the company as General Counsel and Director of Customer Service in 1991. She developed Dudley Products Cosmetics soon thereafter. The line grew from 57 to over 250 products in 27 years and had the motto of "Changing Lives by Changing Faces." Over the years, Oglesby's responsibilities increased until 2008 when she became President of Dudley Beauty LLC. Her primary goal was "...to help change the economic base of the African American community in Greensboro" (Made in Greensboro, 2017). Her personal motto was, "Where much is given, much is required" (Dudley, 2019).

Oglesby earned her undergraduate degree in Psychology in 1988 from Harvard College and followed it with a Harvard Law School *juris doctorate* in 1991. She was married with two adult children and was active in her church. Oglesby was a member of the Direct Selling Association Board, and the National Conference of Community and Justice Board. She served as adjunct faculty at North Carolina A & T University and was active in numerous community and professional organizations. With Oglesby's extensive experience in law and in corporate board activity with outside organizations, she recognized that management within her own organization needed to evolve if the firm was to retain and build on the Dudley name.

### Approaching strategic and tactical changes for Dudley's Q+

Ursula Dudley Oglesby faced her greatest professional challenges, addressing the firm's declining market share and reaching new customer segments for the Dudley's Q+ brand. Several factors contributed to the decision to change strategies and tactics. As Oglesby explained, over time, Dudley's distributor base aged, as did its loyal customers. At the same time, customers began to ask for new packaging and new products to reflect current trends, particularly for natural care products rather than products for chemically straightened hair. The current products did not have a cohesive look and feel. In addition, customers wanted healthy and environmentally responsible products. Oglesby was a member of several peer groups which consistently suggested the need for more corporate marketing to increase brand awareness, rather than relying on the independent Beauty Advisors and Distributors to communicate about the brand. She understood the importance of improving communications via company-owned social media accounts and hired a social media professional in 2013. Dudley Beauty's social media presence, including YouTube instruction videos was growing, but they lost the momentum in 2014 when the social media manager left the firm. In 2018, Oglesby began discussing social media with another consultant and the more they discussed the subject, the more they realized they needed to consider a total rebranding effort.

Oglesby recognized the importance of using a planned and inclusive approach to positioning and marketing Dudley's Q+. Many of the Beauty Advisors and Distributors had been associated with the company for decades and trusted the Dudley family name; they had a personal stake in any changes in marketing strategy or tactics and needed to be made aware of managerial decisions that would impact their businesses. The Dudley's Q+ team recognized that although the market for textured hair products grew, 22 to 40-year-old African Americans and others with textured hair were not purchasing their products in the volume that the market segment's size and spending suggested.

Oglesby and her team did not understand how those consumers made beauty product purchase decisions, as they had limited engagement with them. They held focus groups to assist in securing a better understanding of this potential target market. In addition to learning about brand recognition issues, Dudley learned that "product fragrances and packaging is just as important as the quality of the product to the younger customer." One participant said, "I used to use Dudley when I had a relaxer. I didn't know that it was still around." Another commented on her changing needs, "I remember the smell of Dudley's Oil Sheen when I used to get my hair done at the salon. I would like to see some new products for my natural hair." Oglesby also contemplated attending trade shows to observe products, styles and other key aspects of branding of competitor products. She thought talking with chemists and others to get new, improved products developed and natural oils for fragrances might be valuable.

She also encountered resistance to the ideas for change as stakeholders became aware of the possibilities. Primary resistance came from older Distributors who did not see a reason to change. Oglesby also had to consider that changing the approach to the Dudley brand to reach a younger target market had the potential to alienate long-time customers or cosmetologists that were accustomed to the older products. Overcoming generational differences between strategic partners that had been with the company as her parents were in control to newly recruited Beauty Advisors would take more than finesse. Oglesby could use outside expertise and her reservoir of trust and respect within the company to offset the resistance and help move the process forward.

Oglesby had to consider the financial costs of designing new products, costs to "teach" stakeholders about the product, packaging and marketing changes, and time to implement new online marketing communications, e-commerce sales and social media. The marketplace was turning from face-to-face to online selling, customer haircare trends and preferences were changing, and demographics in the USA were also changing. The decades old approach to selling, marketing and branding was simply not sufficient for the current environment.

Dudley's Q+ management had to move strategically and rapidly to ensure relevancy and viability in a crowded beauty care market, where new companies serving the textured hair market seemed to appear daily. The team had to decide how to create an integrated approach to attract new customers via new channels without losing existing customers and distribution networks.

### Note

1. This case was prepared as a basis for classroom discussion, not to illustrate either effective or ineffective handling of a managerial situation. All individuals and events depicted are real. The author wants to thank Ms. Ursula Dudley Oglesby, President and CEO of Dudley Beauty, LLC for her valuable insights during a personal interview conducted in September of 2019 and in subsequent correspondence.

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Table E1						
Attributes	1960s	1970s	1980s	1990s	2000s	2010s
Firm name(s)	■ Dudley's Beauty and Barber Supply, Inc.	■ Dudley Products, Inc. ■ Fuller Products	■ Dudley Products, Inc.	■ Dudley Products, Inc. ■ Dudley Travel Agency, Inc. Inc. ■ Dudley Cosmetology University	■ Dudley Products, Inc. ■ Dudley Beauty Corp LLC ■ Arora Mfg. Inc. ■ Arora Mfg. Inc. Cosmetology Univ Cosmetology Inn & Conference Center, Inc.	■ Dudley Beauty Corp LLC
Headquarters	Greensboro, NC	Greensboro, NC & Chicago, IL	Greensboro, NC	Kernersville, NC	Kernersville, NC	High Point, NC
Business type(s)	<ul><li>■ Fuller distributorship</li><li>■ Manufacturer</li></ul>	■ Manufacturer ■ Distributor ■ School	■ Manufacturer ■ Distributor ■ School	■ Manufacturer ■ Travel Company ■ School	■ Manufacturer ■ Distributor ■ Hospitality Company School	■ Marketing & Distribution ■ (Manufacturing, School)
Key leaders	Joe & Eunice Dudley	Joe & Eunice Dudley	Joe & Eunice Dudley	Joe & Eunice Dudley	Joe Eunice Dudley, Ursula Dudley Oglesby, Genea Dudley	Ursula Dudley Oglesby
Distribution & sales channels	■ Door-to-door ■ In-house salesforce ■ Beauty salons, barbershops, & consumers	■ Door-to-door ■ In-house salesforce of 400+ ■ Beauty salons, barbershops, & beauty supply retailers	■ In-house salesforce & independent representatives (Dudley Distributors) ■ Beauty salons & barbershops	■ In-house (Distributors) & independent salesforces (Beauty Entrepreneurs) ■ Beauty salons, barbershops, & consumers	■ Independent direct sales (Dudley Beauty Advisors) ■ Beauty salons, barbershops, & consumers	■ Independent direct sales (Dudley Beauty Advisors) ■ Online sales ■ Professionals & consumers ■ National Dudley Days (continued)

Table E1						
Attributes	1960s	1970s	1980s	1990s	2000s	2010s
Product categories	■ Beauty, health, skin care	<ul><li>■ Beauty, health, skin care</li><li>■ Beauty schools</li><li>■ Beauty supply stores</li></ul>	<ul><li>■ Beauty, health, skin care</li><li>■ Beauty schools</li></ul>	■ Beauty, health, skin care ■ Beauty schools ■ Travel	■ Beauty, health, skin care ■ Beauty schools ■ Hospitality	■ Hair care ■ Cosmetics ■ Skin care
Brands	■ Fuller Products ■ Dudley's Q+	■ Fuller Products ■ Dudley's Q+ ■ Maco Beauty College	■ Dudley's Q+ ■ Dudley Beauty College	Dudley's Q+, Dudley's Q+, Dudley Products Cosmetics Entrigué Dancing Feet Hair Images Salon Control Levels (logo) Fuller's Quality Dudley Beauty College	■ Dudley's Q+ ■ Dudley Products Cosmetics ■ True Indulgence ■ iDiversify ■ Dudley Beauty College ■ Adora ■ Evening Kiss	■ Dudley's Q+ ■ Dudley Product Cosmetics ■ True Indulgence
Acquisitions, Startups, Closures, Reorganizations and Other Milestones	■ Opened a Fuller distributor in Greensboro, NC ■ Purchased seven product formulas ■ Started manufacturing hair & skin care products for African Americans	■ Added mfg. & distribution center	■ Integrated Fuller Products operations into Dudley's ■ Purchased Barclee Cosmetics ■ Joined American Health & Beauty Aids Institute – leading Black hair & beauty cos. ■ Committed to selling only to hair care professionals	■ Added travel agency & inn to new 85,322 square foot office & manufacturing site ■ Purchased Parnassius, a cosmetics manufacturer ■ Acquired nine beauty schools in FL, NC, & SC ■ Opened Beauty College in Chicago ■ Opened Dudley Cosmetology U	Opened 20     concept salons     under Dudley Salon     Group     Closed three     beauty schools     Sold two schools     Sold two schools     Fire & three-month closure     Reorganized to change leadership	■ Three separate companies managed by three family members ■ Manufacturing & marketing, & distribution separated ■ Added online store ■ Launched Salon Success 101

### Exhibit 2. Brief company history

Joe L. Dudley, Sr. and Eunice Mosely were young, part-time salespeople for Fuller Products, selling ethnic beauty and health products door-to-door, when they met in New York in 1960. After marrying, they became full time workers for Fuller in 1962. For both, a goal was "to help people to maximize their potential and achieve success" (Dudley, 2019). To further this goal, they created a Fuller distributorship, Dudley's Beauty and Barber Supply, Inc., in Greensboro, NC in 1967. By the end of the decade, Joe and Eunice began manufacturing their own line of hair and skin care products for African Americans in addition to continuing to sell Fuller products. Joe Dudley recalled, "I wondered if I should go and get a job but decided to make my own job...By making our own products, we would be able to control distribution and product quality. This decision also enabled us to build a national company (Broome, 1996)." The Dudleys sold Dudley and Fuller products directly to beauty salons and barbers as well as to consumers with their own salespeople who often sold in both markets. Exhibit 1 provides a timeline of Dudley company milestones.

The 1970s brought more changes as Dudley's added manufacturing and distribution and its name changed to Dudley Products, Inc. to reflect its broadened scope. Dudley purchased its first beauty school (Maco Beauty College) and acquired beauty and barber supply stores in Richmond, VA and Greensboro, NC. By the mid-1970s, the Dudleys and many employees moved to Chicago to manage Fuller Products and the Dudleys continued to own and operate Dudley Products.

By 1980, Fuller Products consolidated under the Dudley Products brand name. Dudley sold hair care products directly to salons and barber shops without beauty supply retail stores in the middle and vowed not to sell to retailers to preserve exclusively for their professional customers. They purchased more companies and seized the opportunity to promote themselves as a Black-owned company to Black consumers and grew the product line exponentially. Dudley was part of the American Health and Beauty Aids Institute (AHBAI) which had only Black-owned company members. This organization did many types of promotion including newspaper, radio and magazine advertisements. Most importantly, AHBAI members could display the Proud Lady logo on their products to distinguish them. By 1984, the Dudleys moved back to North Carolina. They also began mailing a newspaper to over 15,000 stylists nationally and held their first National Educational and Motivational Seminar, growing their name recognition across the USA.

The 1990s saw increased national media exposure, the creation of Dudley's Q+ Salon Current magazine, and a mentoring program introduced by Joe Dudley, Sr. Headquarters moved to Kernersville, NC. On the same campus, they constructed the Dudley Inn and Conference Center and opened the Dudley Travel Agency for students and stylists attending Dudley Cosmetology University. They purchased a cosmetics manufacturer and daughter Ursula launched Dudley Products Cosmetics. Further expansion occurred with the acquisition of nine beauty schools in Florida and North and South Carolina. Dudley's first website launched in 1997. The decade ended with updated product packaging.

In the 2000s, Dudley again expanded, first in Dudley Products Cosmetics with the creation of True Indulgence by Dudley® brand, and then by opening 20 concept salons to train cosmetologists. According to Oglesby, although the new century began well, both external and internal issues began to affect the business. Three Dudley schools (Charlotte, Greensboro and Kernersville) closed and two (Washington, DC, and Durham) were sold due to the US economic downturn. The company also had to refinance their primary bank loan. In 2007, a flash fire erupted in the manufacturing area, leading to a three-month shutdown of manufacturing and consequent financial challenges. Also, during this time, their primary chemist reaped personal gain from company resources by starting his own company to compete (unsuccessfully) with Dudley.

In 2008, Dudley Beauty Corp, LLC formed under the leadership of Ursula Dudley Oglesby as the sales, marketing and distribution organization for Dudley brands. The following year, the company added free live teleconferences (ProLink Live), launched Twitter, Facebook and LinkedIn company pages, and was featured in Chris Rock's "Good Hair" movie. Salon Success 101 online education was introduced in 2011 for students and professionals. In 2012, the company introduced National Dudley Days to simultaneously educate cosmetologists globally. World headquarters moved to High Point North Carolina in 2014 and the company celebrated 50 years in business in 2017.

## Figure E1



### Figure E2

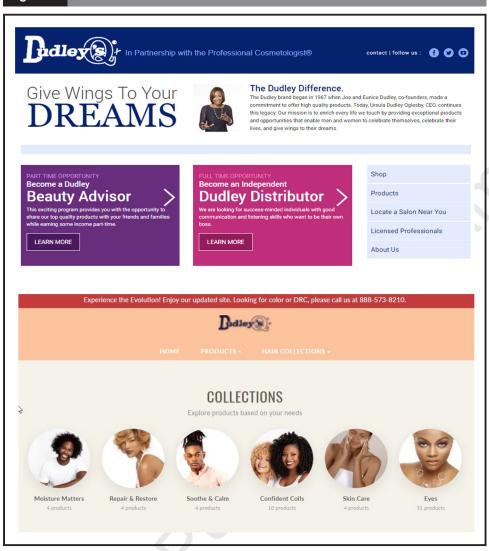


Exhibit 5. Dudley's Q+ hair care competitor chart

Table	E2				
Time	Competitor	Customers	Sales force	Founded	Notes
2010s	Design Essentials (https://designessentials.com/)	Salons	Company + influencers	1990	Multiple lines Hair ID Quiz
	Nairobi Professional (http://nairobiprofessional.com/)	Salons	Distributors	1984	\$4,000 Start up \$4,000/month minimum
	BASIC Hair Care Systems (https://basichaircarepro.com/)	Salons	Company	2005	Naturally derived
	Mizani (https://www.mizani.com/)	Salons & Amazon	Texture Squad influencers	1991	Texture Quiz Natural performance ingredients
2000s	Design Essentials – Above Mizani – Above				
	Luster's Products (https:// lusterproducts.com/)	Retailers & B-to-C	Company	1957	Sally Beauty & Walgreens Online
1990s	Summit Laboratories, Inc. (https://summitlabsinc.com/) (Formerly part of Clairol)	Online & B-to-C	Company	1989	Online. Also does contract packaging.
	Universal Beauty Products, Inc. (https://www.universalbeauty.com/)	Retailers & B-to C	Company	1995	Online direct Major retailers
	Bronner Bros (https://bronnerbros.com/)	Professional & retail lines & B-to-C	Company	1947	Shows. Online. Sally's & Walmart. Over 300 F.T. & P.T.
1980s	Soft Sheen Products, Inc. (https://www.softsheen-carson.com/)	Salons, B-to-C, retail	Company + Brand Ambassador + Influencer	1964	L'Oreal since 1998. Virtual hair color site.
	Johnson Products (www.afrosheen. com/) Bronner Bros – See above	Retailers, Amazon	Company	1960	Sponsored "Soul Train"
1970s	Worlds of Curls (www.worldsofcurls.com/) Soft Sheen Products, Inc Above Luster's Products – Above	Retailers, Beauty Supply, Amazon	Company	1981	Tried selling cosmetics lines, in addition to hair products
Source	e: Compiled from company websites				

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### Teaching notes

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### Synopsis

The "A Makeover for Dudley's Q+" case explores the challenges of a second-generation textured hair care and personal care company in the direct selling channel as it faces an aging market and changing business and economic environment. A Black-owned company, begun in 1967 by her parents, Dudley Beauty is led by the founders' daughter, Harvard College and Harvard Law School-educated, Ursula Dudley Oglesby. At over 50 years old, the company has continually created new textured hair products and has high brand awareness among older Black consumers but has not adequately addressed changing hair trends and shifting communication preferences of younger consumers. The company is at a critical point needing to reach a younger, larger market to survive. The business situation supports marketing, management, strategy and/or entrepreneurship undergraduate students in understanding how macroenvironmental forces and internal structures affect businesses.

### Learning objectives

Upon completion of this case analysis students should be able to:

- 1. Explain how internal and external challenges may impact a firm.
- 2. Analyze the various macroenvironmental factors that can affect business using the PESTLE framework.
- 3. Develop recommendations to respond to changes in the competitive environment/ microenvironment.
- 4. Critique the digital and social media marketing of a firm.

#### Research methods

This case was developed from both secondary and primary sources. The secondary sources included industry reports, news reports, social media sites, books and company websites. Primary sources included interviews with Ms. Ursula Dudley Oglesby, President and CEO of Dudley Beauty, LLC.

### Intended audience, recommended courses, placement and teaching plan

This case is intended primarily for use by undergraduates in a variety of courses. It is suitable for courses in Principles of Marketing, Strategy, Entrepreneurial Marketing, general Entrepreneurship and Marketing Strategy courses covering topics such as direct selling, the role of environmental factors in business, marketing and women/minority business owners. It should be placed in one of four portions of the course depending upon the specific course structure: managerial decisions, macroenvironmental factors affecting an aging business (PESTLE). The case discussion works well with classes of 12 to 40 students, depending upon the teaching approach, and it can be readily adopted by instructors in an online course environment by using interactive discussion tools.

All students should read the case before participating in the exercise. Each student should also have viewed the video(s) for a total of one to two hours of outside preparation. For an introduction to the company, students could watch at least one of the many Dudley Beauty videos (Who is Dudley Beauty Corp, LLC? Video: https://youtu.be/1Mqrz7BmfhE and others at both of the DudleyQTV YouTube channel: www.youtube.com/channel/UCYL5H5Alie\_ Tw9eb1q\_tagA; www.youtube.com/channel/UCrSrw6-mStvMqB7PGq8aGPw). Students may also enjoy a short Allure video on the last 100 years of Black hair https://youtu.be/4vd-AP\_q2r4

It is best for instructors to hold the discussion during a single face-to-face class, although the case could be used online or in a virtual discussion as well. Suggestions herein would work best in a class of at least 50 min, although 90 min are preferable. It is useful to have a 5 to 10-min question period at the beginning of class to clarify facts or interpretations before in-depth case analysis and discussion begins. Begin with a student delivered precis and a brief discussion of the factors for Oglesby to consider by weighing macroenvironmental



factors, competitive environment and changing goals. The discussion questions should guide the classroom or online discussion. Depending on the size of the class, instructors can divide students into teams to address each question (each team addresses one question) and report back to share a discussion.

The following schedule may guide the discussion process:

Topic	Time allocation
Precis	10 min
Video (optional)	5 min
Student questions	10 min
Discussion questions	50 min
Debrief	10 min
Epilogue	5 min

### Discussion questions

- Q1. What internal and external challenges is Dudley Beauty facing?
- What external environment factors have changed since Dudley Beauty's inception? Create a PESTLE analysis. Use evidence from the case to support your analysis and explain the implications of each factor for the firm.
- Based on your analysis of internal and external factors facing Dudley Beauty, what are four things that Ms. Oglesby can do this month to achieve and sustain a competitive advantage?
- Q4. Critique Dudley Beauty's digital media marketing. Use evidence from the case to support your critique.

### Answering discussion questions background and model answers

External challenges include heightened competition from other direct selling companies, online sales, environmental and health concerns among consumers and the shift towards more customer-to-customer communication via social media for beauty products. The times have changed with changing macroenvironmental factors. Macroenvironmental factors include political, economic, sociological, technological, legal and other environmental changes that affect a business but which the business does not directly control. These factors are often termed the PESTLE factors for the first letter of each word. Story (2019) reviews current PESTLE issues facing businesses, including contemporary issues such as social media marketing around the globe, changing cultural demographics and online e-commerce encryption security protocols for online payment security.

Many political, economic, sociological, technological, legal and other environmental changes and innovations have occurred between Dudley Beauty's incorporation in 1967 through to today. Story (2019) provides a refresher summary of PESTLE factors and Gleason-Allured (2016) summarizes environmental changes occurring in the beauty industry relative to multiculturism.

Rebranding occurs when a company changes the corporate image of an organization. It may involve creating new names, symbols, or design for an already-established brand (Economic Times, 2019). Rebranding can be for proactive or reactive reasons. Proactive reasons emerge when a company recognizes that there is an opportunity to innovate and grow, to tap into new businesses or customers, and to reconnect with its users, whereas reactive rebranding is often in response to negative publicity, mergers/acquisitions or legal issues. Merrilees and Miller (2008) highlight six principles of corporate rebranding: maintaining core values and cultivating the brand, linking the existing brand with the revised brand, targeting new segments, getting stakeholder "buy-in", achieving alignment of brand elements and the importance of promotion in awareness building. Movahhed (2016) highlights the six elements to consider during brand strategy: the target audience, the brand promise, brand perception (past, current, and future), brand values, brand voice and brand positioning.

### Q1. What internal and external challenges is Dudley Beauty facing?

Internal challenges	External challenges
Different management style than Oglesby's parents had. Transition between generations	Competition in the direct selling channel from other beauty products aimed at multicultural consumers
Distributors and Beauty Advisors may be in different generational cohorts and may resist rebranding	Increased power of social media influencers (consumers talking to other consumers) might lessen corporate marketing efforts
Resistance to any changes to products or labeling	Potential to alienate long-time customers or cosmetologists who are accustomed to the older products/brands, as well as Distributors
Cost of rebranding efforts	How to educate consumers about how to use products to prevent misinformation

To delve deeper into internal challenges regarding Oglesby's decision to rebrand and efforts to use more collaborative decision-making (as mentioned in the case with her use of focus groups), Malsam (2019) summarizes top-down versus bottom-up management style that would be relevant here.

Q2. What external environment factors have changed since Dudley Beauty's inception? Create a PESTLE analysis. Use evidence from the case to support your analysis and explain the implications of each factor for the firm.

Macroenvironmental category	Category factors affecting Dudley Beauty	Implications for Dudley Beauty			
Political	Hair as political statement (e.g. afros, natural hair); Political environments in other countries affecting possibility of brand extension to international markets	Must adapt products; Must be aware of political structure in countries where international Beauty Advisors and international customers resided			
Economic	Cost of new product development and purchase rights to products made by other manufacturers; Size of cosmetic and beauty industry; Category annual growth; Competitor pricing and availability;	Opportunities for new customers as category spending increases; Potential threats from competitors			
Sociological	More multicultural consumers based on demographic trends; Changing popularity of hair styles requiring new, different products; Consumers looking to other consumers for product recommendations and reviews; Desire for more natural products in sustainable packaging	Offering a variety of products to suit all types of hair styles; Transition to direct selling in Beauty Advisor program to promote products in more personal settings with demonstrations			
Technological	Development of social media platforms; Consumer demand for more instructional/tutorial videos; Rise of ecommerce;	Corporate website and social media platforms require constant updating and management; Creation of online ordering systems for Beauty Advisors, Distributors, and customers			
Legal	Multi-level marketing guidelines from the FTC, data protection and security encryption for online sales; copyrights, patents, and trademarks on products	Changed their marketing to focus on end consumers to comply with MLM rules; Had to ensure website and online store were compliant to allow for secure transactions			
Environmental	Younger consumers want more sustainable product packaging, less packaging waste and fewer chemicals in products	Explored new product formulations and new brand packaging			

It is highly likely that students will mention additional external factors for each of the PESTLE sections and this is an opportunity for substantial interaction.

Q3. Based on your analysis of internal and external factors facing Dudley Beauty, what are four things that Ms. Oglesby can do this month to achieve and sustain a competitive advantage?

Students will likely focus on marketing, branding, and social media recommendations. They will discuss the need for a marketing plan with specific objectives and timelines. Oglesby should clarify her goals and objectives with her core corporate team which could then be dispersed to Beauty Advisors and Dudley Distributors. The class may highlight the need for a social media manager (or consultant) to coordinate the digital messaging of the company across their owned channels. The company could create a social media calendar to release content across channels on a consistent schedule. Dudley could encourage Beauty Advisors to follow the company's main social media accounts to increase followers immediately. Assessing the competitors' websites and social channels, students may mention the competitive benchmarking to highlight website and social media changes that Dudley can implement quickly. Oglesby can confer with her manufacturer about brand and packaging changes to make their core products more attractive to younger consumers. As students mention their suggestions aloud, the instructor could discuss and identify which actions can occur simultaneously versus those that must occur sequentially.

Q4. Critique Dudley Beauty's digital media marketing. Use evidence from the case to support your critique.

This question should spur a lot of engaging discussion about social media and digital marketing opportunities for Dudley Beauty. Students who have visited the existing websites and watched the YouTube videos will also discuss the social media links for the company. For example, if students follow the three social media links at the top of the main Dudley website, https://dudleyq.com/, they may notice the following:

- The Facebook page (https://www.facebook.com/dudleyq/) has over 10,000 fans. Students may notice that this page seems targeted to multiple audiences: their independent beauty advisors, with videos on how to run their business, cosmetologists looking for training from the company, and final customers with description of (new) products and promotional offerings (coupon codes for online shopping).
- The Twitter page (https://twitter.com/dudleyq/) has a little over 900 followers. An examination of their posts suggests the company uses the platform to simply "push" promotional offers. There is little engagement or interaction occurring with followers on Twitter and few (if any) retweets or comments or discussions on the company posts. Twitter is an underutilized social media channel.
- The first YouTube channel (https://www.youtube.com/user/DudleyQTV) has fewer than 500 subscribers with 36 videos. By sorting the videos by "date added," it is clear Dudley has not updated the channel since 2014. The second YouTube channel (https:// www.youtube.com/channel/UCrSrw6-mStvMqB7PGq8aGPw) appeared in 2017 and Dudley is beginning to update it more frequently. It has fewer than 100 subscribers.
- The Instagram channel (https://www.instagram.com/dudleygbeauty/) has over 2000 followers with less than 100 posts, but the link is not on the main Dudley Q+ website and only appears at the bottom of the https://shop.dudleyg.com/site
- The LinkedIn company page (https://www.linkedin.com/company/dudley-beauty-corp-IIc/) has over 2,200 followers, 44 employees, no corporate posts and no job listings.

From reviewing the websites identified on the competitor chart provided, students can also discuss the digital marketing and social media differences between Dudley and their competitors. The company does not effectively use social media strategies such as hashtags, "stories" or tagged posts on any of their social channels. For example, searching for "Dudley Beauty" on Instagram, yields many different hashtags and individual accounts mentioning Dudley Beauty. There does not seem to be coordinated hashtags that can be used to grow the business with new customers (pushing people to the online shop) or to grow the business with new independent salespeople via the Beauty Advisors program. Students should also discuss how Dudley can take advantage of influencer marketing on Instagram to grow the new brand and may point to accounts that they themselves follow on social media for beauty or hair care tips.



The company's LinkedIn business page (https://www.linkedin.com/company/dudleybeauty-corp-llc/people/) has the largest following of all the Dudley social accounts with over 2,200 subscribers, but that social channel is not linked on their website or other social channels. There could be an opportunity to leverage the LinkedIn page to promote the company's longevity and trust in the textured hair care market.

### **Epilogue**

Dudley Beauty continues to encourage two types of sales programs within the organization, part-time Dudley Beauty Advisors and the full-time Dudley Distributors. They continue to also sell products direct to consumers via their shopping website. In 2020, they unveiled a new logo and new branding that dropped the "Q" and "Q+" from the image (Figure 2). Eventually, this image will eventually replace the heritage logo on packaging.

The most recent Mordor Intelligence hair care market report (2020) noted that "the beauty industry (comprising skin care, color cosmetics, hair care, fragrances and personal care) has been affected by the COVID-19 crisis, as there have been widespread retail and salon store closures," which provides an opportunity for Dudley Beauty to focus on their direct sales strategy. During the COVID-19 pandemic, with the recognition that traditional direct sales approaches were not possible, the company partnered with a media company, called ProLink Live to provide monthly educational teleconferences to their Beauty Distributors and Advisors. These teleconferences not only included product and company information but also addressed financial and entrepreneurial training focused on how the Dudley Beauty salesforce could improve their business skills.

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### **Abstract**

**Title** – A makeover for Dudley's Q+.

**Theoretical basis** – The Dudley Beauty case illustrates a contemporary branding, management and marketing challenge facing many companies that are 50 plus years old. Movahhed (2016) highlights the six elements to consider during brand strategy: the target audience, the brand promise, brand perception (past, current and future), brand values, brand voice and brand positioning. The times have changed with changing macroenvironmental factors including political, economic, sociological, technological, legal and other environmental (PESTLE) changes that affect a business but which the business does not directly control.

**Research methodology** – The case is based upon an interview with Dudley Beauty CEO and President Ursula Dudley Oglesby and secondary sources.

Case overview/synopsis – The "A Makeover for Dudley's Q+" case explores the challenges of a second-generation textured hair care and personal care company in the direct selling channel as it faces an aging market and changing business and economic environment. A Black-owned company, begun in 1967 by her parents, Dudley Beauty is led by the founders' daughter, Harvard College and Harvard Law School-educated, Ursula Dudley Oglesby. At over 50 years old, the company has continually created new textured hair products and has high brand awareness among older Black consumers but has not adequately addressed changing hair trends and shifting communication preferences of younger consumers. The company is at a critical point needing to reach a younger, larger market to survive. The business situation supports marketing, management, strategy, and/or entrepreneurship undergraduate students in understanding how macroenvironmental forces and internal structures affect businesses.

Complexity academic level – This case is intended primarily for use by undergraduates in a variety of courses. It is suitable for courses in Principles of Marketing, Entrepreneurial Marketing, general Entrepreneurship and Marketing Strategy courses covering topics such as direct selling, the role of environmental factors in business, rebranding efforts using digital and social media marketing and women/minority business owners.

**Keywords** Minority business, Macroenvironmental factors, PESTLE, Direct selling Woman-owned business, Female entrepreneur, Family business, Strategy, External environment, Changing competitive environment