

A Work Project, presented as part of the requirements for the Award of a Master Degree in Management from the NOVA – School of Business and Economics

This individual report should be read just after the global report

**BRANDING LAB TOPIC:**

How Can L'Oréal Relaunch Fructis as a Disruptive Brand for Millennials in Portugal?

**INDIVIDUAL PROJECT TOPIC:**

How are hair care brands digitally communicating to Millennials in Portugal? Global Analysis and Key Takeaways for the Relaunch of Fructis

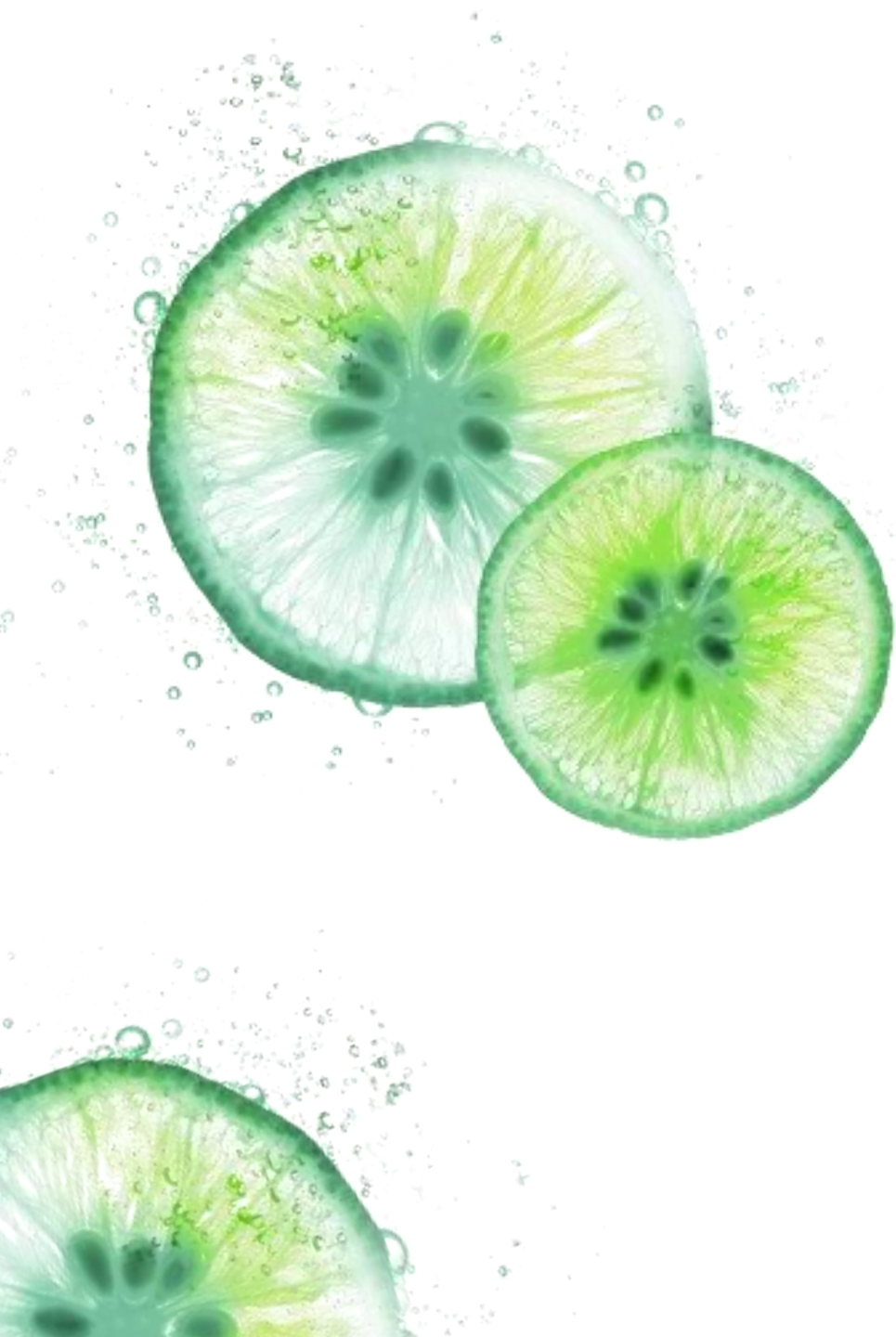
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A Project carried out on the Master in Management Program, incorporated in the Branding Lab in collaboration with Garnier Fructis, under the supervision of: Professor Catherine da Silveira

January 6, 2017



**CONFIDENTIAL**



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# ABSTRACT, TABLES & FIGURES

## ABSTRACT

This individual report aims at making recommendations on how to build a successful digital campaign to communicate Fructis' new positioning to **Millennials**. The most relevant digital practices of hair care brands in the Portuguese market were analyzed as well as the digital efforts of the best performing brands in the international hair care market.

It was concluded that, in order to successfully engage Millennials, Fructis should focus its digital campaign on **digital influencers** and **social media**. Moreover, Fructis should adopt an **authentic** and natural communication so that Millennials can trust in the brand and as a consequence favour it.

**Keywords:** Millennials, Digital influencers, Social Media, Authenticity.

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## OBJECTIVES

This Individual Work Project is conducted within the **scope of the Fructis\* Branding Lab**, at Nova School of Business and Economics (Nova SBE), in the academic year of 2016/17, and is based on a collaboration with the Garnier Fructis management team of the L'Oréal Group. A confidentiality agreement was signed by Nova SBE representatives and by the five students involved in the project, as well as the L'Oréal team responsible for the relaunch of Fructis, on September 30, 2016.

The main objective of the Branding Lab is to **support Fructis in implementing a new positioning** to regain a high market share. This project is developed to address the following question: **“How can L'Oréal relaunch Fructis as a disruptive brand for Millennials?”**.

In order to answer this question, an initial phase of brand diagnostic was carried out, followed by a second phase of recommendations. In order to develop these recommendations, our advisor met the Fructis management team to define five specifically relevant topics within the scope of the global project, that should address the management problem from different perspectives and nurture the global recommendations for the relaunch of Fructis.



# BRANDING LAB CONTEXT

## METHODOLOGY

The brand diagnostic phase was designed as follows:

- Two major research questions were defined:
  - 1) How do Millennials behave within the Portuguese hair care market?**
  - 2) Why has Fructis lost so much market share?**
- Both **primary research and secondary research** were conducted to address these research questions. Primary data was collected firstly via examination of 316 consumers during store observations\*, followed by the conduction of 32 in-depth interviews with current Fructis Users and Fructis Droppers, and 33 in-depth interviews with Millennials. These Millennials were split into two sub-targets, 18-25 year olds and 26-35 year olds, in order to capture the differences that may occur between age intervals. Moreover, secondary data on social development of Millennials in the world was analysed, in order to compare the findings of the primary research conducted in Portugal with global Millennial habits and trends.

The detailed **sample characteristics** for store observations and in-depth interviews were predefined as displayed in the following matrix:

		PRIMARY DATA SOURCES					
		STORE OBSERVATIONS	IN-DEPTH INTERVIEWS				
RESEARCH QUESTIONS	1) How do Millennials behave within the Portuguese hair care market?	Consumers who <b>consider and/or buy a haircare product</b> in a store*, in particular those who seem to be aged <b>18-35 year olds</b>	<table border="1"> <tr> <th>18-25 year old Millennials</th> <th>26-35 year old Millennials</th> </tr> <tr> <td>Have bought for themselves at least one haircare product in the last year</td> <td>Have bought for themselves at least one haircare product in the last year</td> </tr> </table>	18-25 year old Millennials	26-35 year old Millennials	Have bought for themselves at least one haircare product in the last year	Have bought for themselves at least one haircare product in the last year
	18-25 year old Millennials	26-35 year old Millennials					
Have bought for themselves at least one haircare product in the last year	Have bought for themselves at least one haircare product in the last year						
2) Why has Fructis lost so much market share?	Consumers who <b>consider and/or buy a haircare product</b> in a store*, in particular those <b>who consider and/or buy Fructis</b>	<table border="1"> <tr> <th>Fructis Users</th> <th>Fructis Droppers</th> </tr> <tr> <td>Have bought Fructis at least once in the past 4 months</td> <td>Have bought Fructis at least once in the past 7 years but not in the last 4 months</td> </tr> </table>	Fructis Users	Fructis Droppers	Have bought Fructis at least once in the past 4 months	Have bought Fructis at least once in the past 7 years but not in the last 4 months	
Fructis Users	Fructis Droppers						
Have bought Fructis at least once in the past 4 months	Have bought Fructis at least once in the past 7 years but not in the last 4 months						

**Table 1:** Research sample characteristics  
**Source:** Primary Research

The **information to be collected** from store observations and in-depth interviews was predefined as displayed in the following matrix:

		PRIMARY DATA SOURCES	
		STORE OBSERVATIONS	IN-DEPTH INTERVIEWS
RESEARCH QUESTIONS	1) How do Millennials behave within the Portuguese hair care market?	Explore the <b>haircare consumer decision journey, in particular Millennials</b>	<ul style="list-style-type: none"> <li>Millennials' <b>behavior</b> regarding haircare products</li> <li><b>Brand perception</b> of Fructis and competitors</li> </ul>
	2) Why has Fructis lost so much market share?	Explore the <b>haircare consumer decision journey, in particular the one of consumers who consider and/or buy Fructis</b>	<ul style="list-style-type: none"> <li>Why are current consumers <b>using</b> Fructis?</li> <li>Why have former consumers <b>stopped using</b> Fructis?</li> <li>How do current and former consumers <b>perceive</b> Fructis?</li> </ul>

**Table 2:** Data Collection Matrix  
**Source:** Primary Research

\*Observations were conducted at five Continente stores in Lisbon and Porto: C. C. Colombo, Amadora, Bom dia Laranjeiro, Norteshopping and Antas.

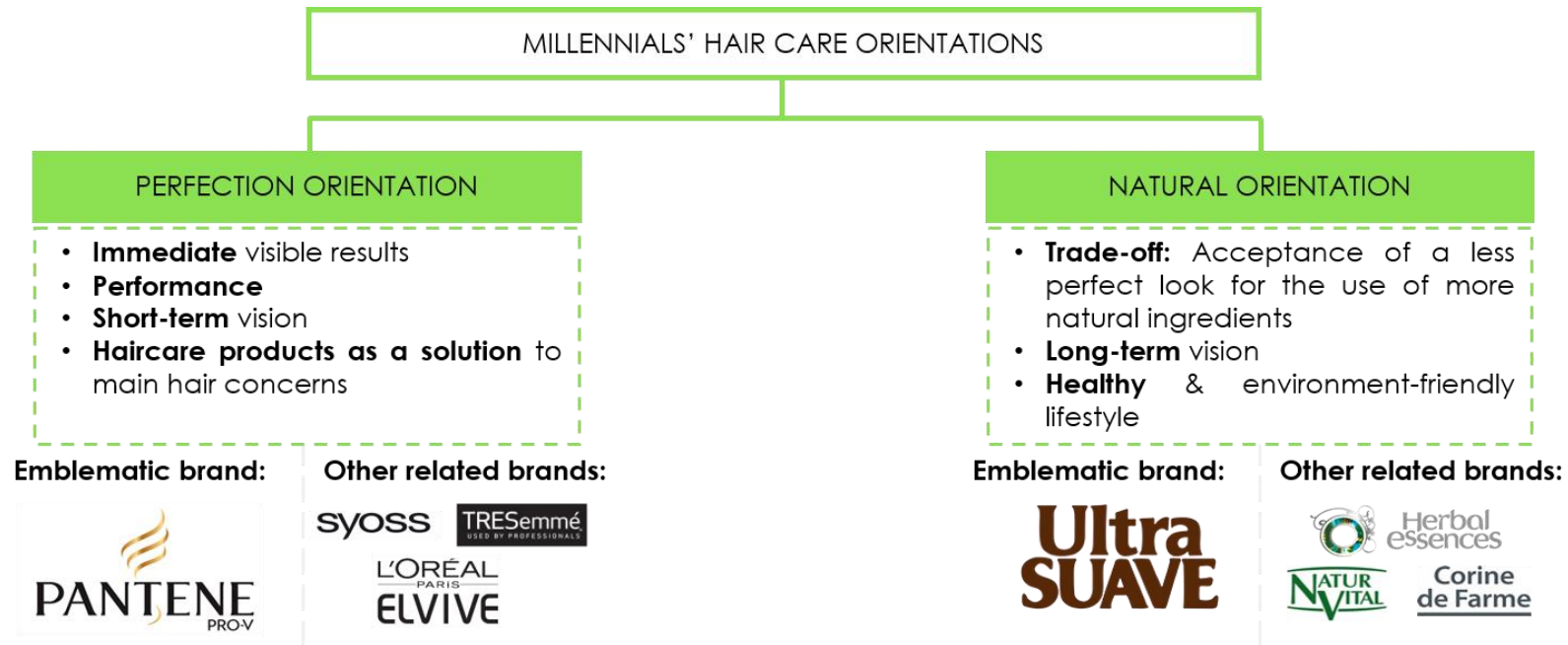


## RESEARCH INSIGHTS

### 1. How do Millennials behave within the Portuguese hair care market?

Based on our research, it appears that the behavior of Portuguese Millennials regarding hair care is guided by **two distinct orientations**:

- **Perfection Orientation:** The **vast majority** of consumers\* searches for **effective products** to address their hair concerns, not caring about potentially harmful ingredients for both their health and for the environment. They choose brands like Pantene or Elvive with 'technology-based formulas' to achieve immediately visible results such as curl definition, straightening or damage repair.
- **Natural Orientation:** A **few consumers\*\*** are willing to **sacrifice results** to a certain extent in exchange for the use of **more natural ingredients**. They choose brands such as Ultra Suave with "natural ingredient-based formulas" to preserve hair health.



**Figure 1:** Two distinct orientations of the hair care market in Portugal according to the Millennials perceptions

**Source:** Original Content

\*31/33 respondents from the Millennials target

\*\* 2/33 respondents from the Millennials target

### 2. Why has Fructis lost so much market share?

The answer to this question is associated with two main issues pertaining to the launch of the brand:

- 1) In general, **Fructis is not considered anymore a quality brand**: the brand was launched very quickly and many formulas fail to address consumers' hair concerns in the long run. However, **a few of Fructis' products are perceived to be good**, namely Hydra-Caracóis and Anti-Caspa, making Fructis users loyal to these few respective products, not to the brand.
- 2) Fructis is **not perceived as a "natural brand"** according to the definition of natural currently used by Millennials: When the brand was launched it was perceived as natural by Baby Boomers' but this definition has changed over time.

Considering the **two opposite haircare orientations** previously identified, one can see that **nowadays Fructis fits neither**. The overall poor quality of the formulas do not allow Fructis to compete as a 'perfection-oriented' brand, and the use of mostly chemical formulas exclude Fructis from the 'natural orientation' as well.



**Figure 2:** Categorization of Fructis within the two existing orientations  
**Source:** Primary Research

As a **middle-market brand**, not significantly cheaper than competitors, and by not fitting either orientation, many consumers do not perceive **Fructis as a good purchase** compared to other brands.

## RELAUNCH OF FRUCTIS • WHY, WHEN AND HOW (1/2)

Fructis was launched in 1996, after a very short time of product development. **The brand entered the market as a disruptive haircare brand** characterized by its shiny green packaging and rebellious advertising. In just three months **Fructis became the number two haircare brand worldwide**. However, in recent years, the brand has been losing market share all over Europe\* (L'Oréal Portugal).

In particular in Portugal, where Fructis achieved its highest market share of 14,5% in 2006, **Fructis' market share has been continuously decreasing since 2008**, reaching 8,3% in YTD August 2016 (Figure 2). This trend has not been reversed so far, even with a portfolio extension in 2009 which introduced a wider range of colourful packaging. Given this, **L'Oréal has decided to take action globally by relaunching Fructis completely**, again as a disruptive brand, fitting tightly the latest lifestyle trends of the new generation of 18-35 year olds, the so-called Millennials (L'Oréal Portugal, 2016).

The relaunch of Fructis that will globally take place in April 2017 includes **changes in terms of formulas, packaging, price and communication strategy**. One objective of the relaunch is to pull market share from the market leader Pantene (Market Share in Portugal: 18,7% YTD August 2016) (L'Oréal Portugal).

Time and money were invested in order to create **new formulas\* which are not only more natural and healthier but also more effective** than the current ones. This reformulation is based on the **combination of fruit extracts and technology**. Additionally, several of these new formulas were developed without silicone, parabens and/or sulfates, in order to attract health-conscious and environment-friendly consumers (L'Oréal Portugal, 2016).

NEW FORMULAS WITHOUT		
<b>PARABEN</b> For all SKUs	<b>SILICONE</b> For 46% of shampoos	<b>SULFATE</b> For 2 ranges
NEW FORMULAS WITH		
<b>NEW TRANSVERSAL FRUITS FORTIFYING ACTIVES</b>	<b>NEW TAILOR-MADE EXCLUSIVE COMBINATIONS</b>	
vitamins B6&B3	Oil Repair: 3 oils + 3-Glyceride	
natural citric acid	Damage Eraser: Amla + Keraphyll	
sugar cane	Densify: Pomegranate + Fibra-Cylane	
apple extract	Grow Strong: Apple Extract + Ceramide	
lemon peel		
green tea		
lemon protein		

**Figure 3:** Overview of ingredients of new Fructis formulas  
**Source:** L'Oréal Portugal

\*Except for Germany, where the brand managers have adopted a low price strategy, which is not an option for the Portuguese market  
 \*\*Formulas for Curls (Hidra-caracóis) and Anti-Dandruff (Anti-Caspa), because current consumers are especially loyal to these formulas



# BRANDING LAB CONTEXT

## RELAUNCH OF FRUCTIS • WHY, WHEN AND HOW (2/2)

The new **packaging will be transparent** to better communicate the new positioning of “naturalness” and authenticity (“What you see is what you get”). As the new products better address consumer needs and are also more costly to produce, the range will be sold for a higher price. Initially, the new products will be introduced in the form of a promotion by attaching a bottle of the new formula to the current one (L’Oréal Portugal, 2016).

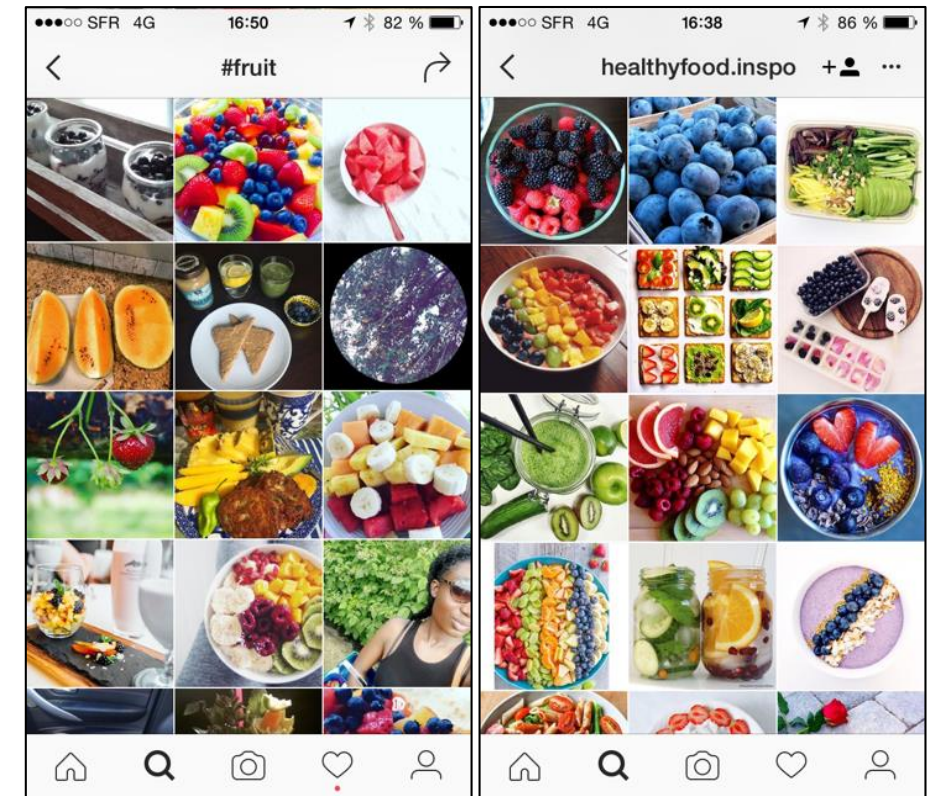
The relaunch will be handled as a launch, attracting both current consumers and new potential consumers, with a “disruptive go-to-market strategy”. In order to follow the current trend of more natural and health-conscious consumers, **Fructis will focus its communication strategy on the power of Superfruits, using the slogan “Superfruits for Super Hair”**. Especially the flavour Coconut is expected to receive a hype in 2017. This strategy will be communicated strongly on a digital basis, for instance, using influencers on Instagram, in order to reach the aspired millennial consumers, the “Don’t Bullshit Me Generation” (L’Oréal Portugal, 2016).

To sum up, Fructis will be relaunched as a **“modern, efficient, natural, value-[adding], [connecting], [evolutionary], stronger, healthier [and] authentic”** brand (L’Oréal Portugal, 2016).



**Figure 4:** Packaging of relaunched Fructis Shampoos  
**Source:** L’Oréal Portugal

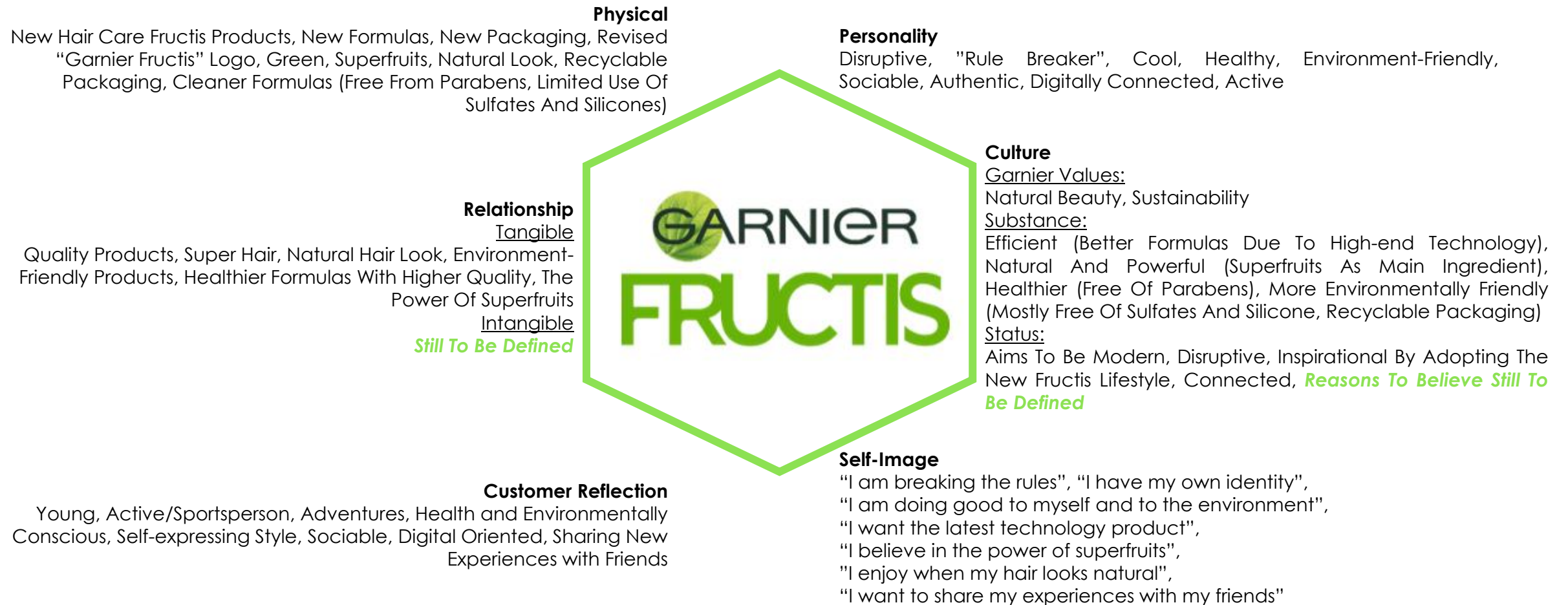
## #SUPERFRUITS FOR SUPER HAIR



**Figure 5:** Superfruit trends on Instagram  
**Source:** L’Oréal Portugal

## RELAUNCH OF FRUCTIS • NEW BRAND IDENTITY

With the relaunch, a **new brand identity\*** is suggested. In order to build Fructis' brand identity, the insights provided by the Fructis management team are translated into the Kapferer's Identity Prism model. This framework consists of six dimensions: Physical, Relationship, Customer Reflection, Personality, Culture and Self-Image. Due to the ongoing brand defining process, the components "Relationship" in terms of Intangible Assets and "Culture" in terms of Status, can not be stated at this moment, but will be shaped and defined throughout this work project.



\*The Brand Identity is what a brand manager likes the brand to be, what it stands for and what makes it unique.

## RELAUNCH OF FRUCTIS • IN PORTUGAL

As stated before, **Portuguese Millennial hair care consumers are mostly 'perfection-oriented'**. In fact, the number of 'natural-oriented' Millennials in Portugal is still very small and, so far, this trend seems to be restricted to trendsetters.

Considering both the context of the Portuguese hair care market as well as **Fructis' new identity** based on the combination of fruit extracts with technology, one can see that the brand aims at **creating a new hair care orientation**, one that combines aspects from both current orientations in new formulas which are at the same time more natural and more effective.

Since the relaunch of Fructis implies the rise of a new haircare orientation in the Portuguese market, a way must be found to **convince Millennial consumers to shift towards the new orientation**.



**Figure 6:** The creation of a new hair care orientation  
**Source:** Primary Research



## INTRODUCTION

We are living in a highly digital and integrated world where traditional marketing channels are no longer an option for competitive businesses that have the ambition to succeed in their markets. Nowadays, 80% of consumers use online channels (on average six) to know more about a brand or a product before making a purchasing decision (Digital Marketing Philippines, 2014). However, just a few brands have discovered how to really engage and create meaningful relationships with Millennials on these online channels.

This specific topic aims to give Fructis' Team **insights on how to successfully and digitally engage with Millennials** in the scope of the relaunch of the brand which **communication strategy is strongly digital**.

Considering that the behavior of Millennials in the Portuguese hair care market is mainly perfection-oriented, our digital communication strategy consists partly in supporting the shift of this group towards Fructis new orientation. In order to do so, we aim, digitally, to make Fructis an aspirational brand by selling the Fructis lifestyle based on the use of superfruits as one of the latest trends.

In the beginning of this report we describe the **main characteristics of Millennials on social media**. Secondly, we study and compare the most relevant **digital practices of hair care brands in the Portuguese market**. Additionally, we analyze the **best performing brands worldwide** and take a closer look at their **key success factors**. Having done this approach in advance, we are able to suggest some initiatives to Fructis to efficiently communicate the relaunch of the brand among Millennials in a disruptive way and focused on the superfruits.



## MILLENNIALS MAIN CHARACTERISTICS ON SOCIAL MEDIA

To assess how hair care brands are digitally communicating with Millennials in Portugal, it is crucial to have a look on Millennials' main characteristics in the beginning.

### 1. MILLENNIALS ARE SKEPTICAL

Millennials are skeptical and question the genuineness of content regularly. Therefore, brands need to be **honest, transparent** and **authentic**. "Brands that are **overly promotional, dishonest** or **fixated on themselves** will have a difficult time reaching this group." (Friedman, 2016)

### 2. THEY VALUE POSITIVE BRAND EXPERIENCES

Millennials purchases are based on how they perceive the brand. This is linked to the previous experiences they or their peers had with that brand. The impact of a positive word of mouth about an experience can be much higher than of a campaign (specifically tailored to Millennials). Hence, brands should prioritize **responsiveness, reliability** and **customer satisfaction** to provide a positive brand experience to its consumers. Consequently, it will make it easier to build long term relationships with consumers who usually are more loyal and in the end more profitable. (Friedman, 2016)

### 3. THE POWER OF INFLUENCER MARKETING AMONG MILLENNIALS

**People trust people.** The easiest way to engage with Millennials is through their peers. Brands should find the **right digital influencers (brand's fit) and speak to Millennials through them.** They should share their positive experiences with the brand and authentically represent their products. (Friedman, 2016)

### 4. MILLENNIALS LIKE TO FEEL CLOSE TO BRANDS

On one-to-one platforms (e.g. Snapchat and WhatsApp) Millennials enjoy to look **behind-the-scenes content** such as employee features, office tours and day-in-the-life moments where a brand will be more **humanized**. This way of communication allows the brand to create closer **human relationships** with their consumers. (Friedman, 2016)

### 5. MILLENNIALS VALUE PERSONALIZATION

Millennials are willing to **co-create** products with brands. **Do It Yourself** experiences are a good way to engage with Millennials and increase brands' popularity on social media. Millennials are supposed to share their experiences and to stimulate a positive word of mouth by doing so. (Friedman, 2016)



# ADDRESSING MY INDIVIDUAL WORK PROJECT TOPIC

## NATIONAL BENCHMARKS - OVERVIEW

Before deeper analyzing the most relevant digital practices of hair care brands in Portugal, this section provides an **overview of the digital channels they are investing in**. The brands presented below are part of the top 4 (excluding Fructis) in the Portuguese Market in terms of market share (regarding YTD August 2016) (L'Oréal Portugal, 2016). The fields in the table are highlighted in two different colours: **black** if the brand is **investing in** the selected digital channel and **white** if the brand is **not investing in** that digital channel.

Brand/ Market Share	Pantene MS 18,7%*	Garnier Ultra Suave** MS 15,3%*	L'Oréal Paris Elvive MS 14,1%*	TRESemmé MS 7,9%*
Facebook	Investing in...	Investing in...	Investing in...	Investing in...
Instagram	Investing in...	Investing in...	Investing in...	Investing in...
YouTube	Investing in...	Investing in...	Investing in...	Investing in...
Snapchat	Not investing in...	Not investing in...	Not investing in...	Not investing in...
SEM	Investing in...	Investing in...	Investing in...	Investing in...
Blog	Investing in...	Investing in...	Investing in...	Investing in...
Influencers	Investing in...	Investing in...	Investing in...	Investing in...

**Table 3:** Overview of the main hair care brands' investment in digital channels in Portugal  
**Source:** Original content



**Figure 7:** Garnier Twitter post inviting its followers to follow the brand on Snapchat  
**Source:** Garnier USA Twitter

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After conducting a **google search**, we could not find sponsored search results of Garnier Ultra Suave. Additionally, any of these brands have a Portuguese account on **Snapchat** although the previous insight about Millennials shows that they enjoy this platform to engage with brands. Nevertheless in the USA, brands as Garnier are already exploring its behind-the-scenes content on this platform.

From the presented table above, we can conclude that **Pantene** is the **brand which invests in most digital channels**. Elvive and TRESemmé have a similar digital investment and Garnier Ultra Suave does not really seem to have an exclusive digital presence.

\*These market shares (in value) regard to YTD August 2016 and were provided by the Fructis Team in the first briefing.  
 \*\*Considering the lack of investment an indicator of poor investment on digital communication to Millennials, we decided not to conduct a deep analysis of Ultra Suave and focus in the remaining ones' best and worst practices.

# ADDRESSING MY INDIVIDUAL WORK PROJECT TOPIC

## NATIONAL BENCHMARKS · PANTENE (1/2)

### BRAND OVERVIEW

Pantene is a hair care brand of the Procter & Gamble group. It is the **number one in the Portuguese market** (L'Oréal Portugal, 2016), and Portuguese consumers have showed high levels of loyalty towards this brand (Global Research). In terms of share of voice (SOV), it is also the brand with the highest value (18,6%) in Portugal (L'Oréal Portugal, 2016).

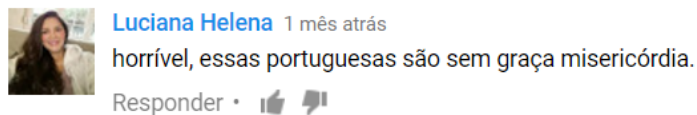
### DIGITAL APPROACH (1/2)

Although present in several digital channels, Pantene seems to have a **very focused approach on promoting the brand**. In order to showcase this statement, two examples are presented below:

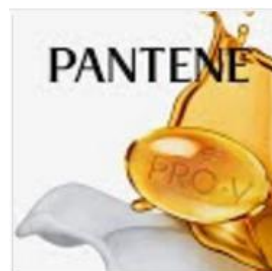
#### 1. Tutorials on Pantene's YouTube Channel

These tutorials were produced by the brand itself. The hairstylist has poor acting skills and promotes the brand with phrases such as "with your Pantene hair [it is very easy to...]". Therefore, it seems to be **too forced, unrealistic** and might not ensure high visibility to Pantene (Cabelo Pantene YouTube, 2016).

In total, the seven tutorials of this series count **123.000 views**, **one comment** with a negative perspective, **62 "likes"** and **12 "dislikes"** (Cabelo Pantene YouTube, 2016).



**Figure 8:** Only comment among all Pantene's tutorials  
**Source:** Cabelo Pantene YouTube



122.534 views

62 likes 12 dislikes

**Figure 9:** Pantene's Tutorials Figures  
**Source:** Cabelo Pantene YouTube



**Figure 10:** YouTube playlist with Pantene's tutorials  
**Source:** Cabelo Pantene YouTube

# ADDRESSING MY INDIVIDUAL WORK PROJECT TOPIC

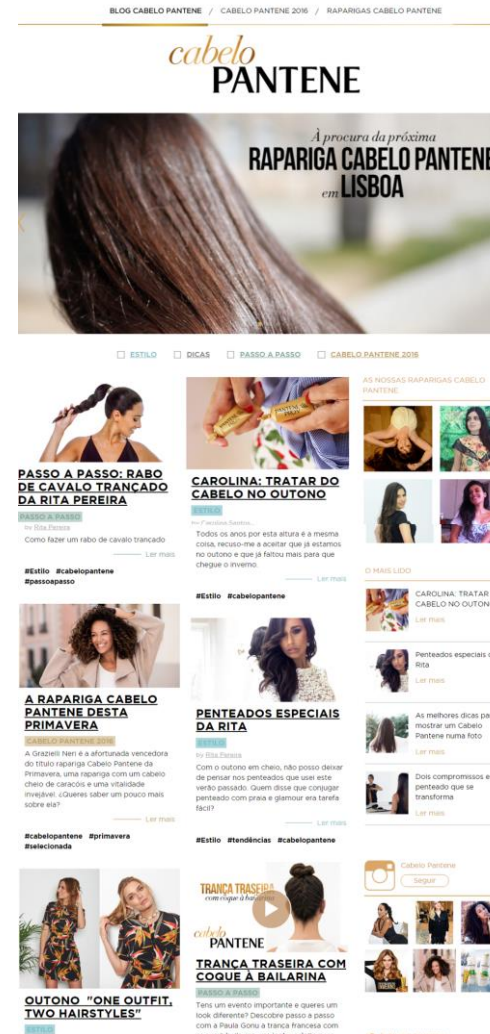
## NATIONAL BENCHMARKS · PANTENE (2/2)

### DIGITAL APPROACH (2/2)

#### 2. Cabelo Pantene blog:

This blog has a **lifestyle magazine blog design**. The content is divided into “**style**”, “**tips**”, “**how-to**” as well as “**Cabelo Pantene 2016**” and includes **several posts written by well-known digital influencers**. Despite the characteristics which could make this blog to the one which attract several Millennials, **this blog does not seem to be a success**. Although **it’s difficult to assess the failure or success rate of a blog**, it seems to be obvious in this case due to very **few comments** of consumers what can be considered as an indicator for low engagement (Cabelo Pantene Blog, 2016).

Summarized, both the tutorials and the blog created by Pantene make the **content not authentic**. Therefore, this content is very likely to be perceived as an attempt to push the product and doesn’t lead to an engagement with Millennials. In the end, it is an effort that the brand is doing which seems not to be worthwhile.



**Figure 11:** Cabelo Pantene blog homepage design  
**Source:** Cabelo Pantene blog



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## PASSO A PASSO: RABO DE CAVALO TRANÇADO DA RITA PEREIRA

PASSO A PASSO

by Rita Pereira

Como fazer um rabo de cavalo trançado

— Ler mais

#Estilo #cabelopantene  
#passoapasso

**Figure 12:** Example of a post written by Rita Pereira  
**Source:** Cabelo Pantene blog

# ADDRESSING MY INDIVIDUAL WORK PROJECT TOPIC

## NATIONAL BENCHMARKS · L'ORÉAL PARIS ELVIVE

### BRAND OVERVIEW

The **oldest beauty brand in the world**. L'Oréal Paris belongs to L'Oréal group and offers products in several product families such as hair care, make up, colorations, skin care and others (L'Oréal Paris Website, 2016). The hair care brand of L'Oréal Paris is named Elvive and is the **number 3** in the market in terms of value referring to YTD August 2016 (L'Oréal Portugal, 2016).

### DIGITAL APPROACH

L'Oréal Elvive is a **very active brand on social media**, mainly on **Instagram** and **Facebook**. Its presence is supported by a **successful partnership with Cláudia Vieira**. She is L'Oréal Paris' brand ambassador and a very famous actress who counts 436.000 followers on Instagram and more than 1 million followers on Facebook (Cláudia Vieira Instagram, 2016 & Cláudia Vieira Facebook, 2016).

Recently, L'Oréal Paris challenged her **in the scope of the new Elvive Low Shampoo**. Cláudia Vieira was offered a trial kit and was asked to use the product during 10 days and to share her experiences on social media. During this period, she posted **5 videos** about the new product of Elvive on her Instagram and Facebook pages. In total she attracted **about 500.000 views**. Besides the number of views, Cláudia Vieira's posts about the Low Shampoo

generated innumerous comments about the product, such as questions of how to use it, where to buy it and feedback of users that already tried it (Cláudia Vieira Instagram, 2016 & Cláudia Vieira Facebook, 2016).

As we can infer from this example, having Cláudia Vieira associated with the Low Shampoo resulted in a **high level of engagement** of Elvive with its audience. Additionally, Elvive also achieved a **high level of visibility** for its brand and new product by taking advantage of the brand ambassador.

siidinis onde podemos comprar?  
@claudiavieiraoficial

inesvieira\_cv Lindona. 😊 Amanhã vou já comprar para começar os 10 dias. 😊 Boa Noite e Beijinhos Diva. 😊😊

teresa.de.matostm Já experimentei 😊 e deixa mesmo o cabelo bem lavadinho e suave.

joanaferreira\_\_\_\_\_ Se tu dizes então vou seguir o teu conselho mil beijinhos ídola @claudiavieiraoficial ❤️

jpatriciaferreira555 Vou seguir o teu conselho bjs querida

**Figure 13:** Comments on one of Cláudia Vieira's posts about the Low Shampoo  
**Source:** Cláudia Vieira Instagram



**Figure 14:** Instagram Post of Cláudia Vieira with the Low Shampoo  
**Source:** Cláudia Vieira Instagram



**Figure 15:** Images on Instagram with #10diaslowshampoo  
**Source:** Instagram



# ADDRESSING MY INDIVIDUAL WORK PROJECT TOPIC

## NATIONAL BENCHMARKS · TRESEMMÉ (1/2)

### BRAND OVERVIEW

TRESemmé is the **No. 4 hair care brand in Portugal** (L'Oréal Portugal, 2016) and belongs to Unilever Group. It is the leading brand with a professional positioning in mass market.

### DIGITAL APPROACH (1/2)

TRESemmé is the brand which seems to **perform better** (in comparison to the other analyzed brands) **on YouTube although they are not using their own channel**. The brand has a successful partnership with three very well-known Portuguese YouTubers (Mia Rose, Mafalda Sampaio from Maria Vaidosa and Alice Trewinnard from Golden Locks) with the **“Love The Hair” channel**.

Through this channel, TRESemmé creates relevant content for its audience basically through **YouTubers** who are followed by thousands of Millennials and **discrete product placement** (the **scenarios** of the videos in this channels are exactly the same ones that bloggers use for their own videos; each YouTuber just says in a natural way which **TRESemmé products** she used to prepare her hair as she usually does for all other products on her own channel). Even in the **description** of the channel, TRESemmé is **not mentioned** (Love The Hair YouTube, 2016).

Overall, the videos of the “Love The Hair” channel take a **focus on product results instead of on the product itself**.

This channel, sponsored by TRESemmé, was **created in July of 2016** and all tutorials (channel and YouTubers' videos not included) count about **2,1 millions views, 25.500 “likes”, 600 “dislikes”** and **several user comments** (Love The Hair YouTube, 2016).

On one side, the videos posted on this channel will be also posted on the YouTubers' channels. In this way an even bigger audience can be reached. On the other side, they are never shared by TRESemmé.

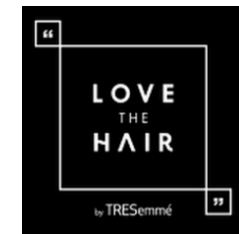
Additionally, if we compare the most frequently watched tutorials of the “Love The Hair” channel and the one of the “Cabelo Pantene” channel, we can conclude that the video from **Love the Hair has about 60% more views than Pantene’s video that was released three months earlier**.



**Figure 16:** Product placement in one of the Love The Hair tutorials

**Source:** Love The Hair YouTube

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**2.053.544** views

**25.472** **570**

**Figure 17:** Love The Hair tutorials Figures

**Source:** Love The Hair YouTube



# ADDRESSING MY INDIVIDUAL WORK PROJECT TOPIC

## NATIONAL BENCHMARKS · TRESEMMÉ (2/2)

### DIGITAL APPROACH (2/2)

Comparing these tutorials with Pantene's, we can see that TRESemmé's model results in more engagement with Millennials than Pantene's.

As a conclusion, the format of **"Love The Hair"** reaches more people than a **common hair care brand channel on YouTube**. Additionally, we can infer from the previous analysis that discrete product placement is more effective **in terms of visibility**.

#### *But what about engagement and sales conversion aspects?*

We believe that TRESemmé's channel can increase its level of **awareness** within Millennials since the products are showed in the tutorials. However, there are **no comments about the products itself** (Love The Hair YouTube, 2016) as it happens on Cláudia Vieira's Instagram page (L'Oréal practice). That's why we are **not sure if they can convert followers into TRESemmé buyers**. Nevertheless, the fact that these influencers say that they use these products, increase chances that viewers buy the product, though we cannot really assess this impact.

On the other side, looking at the frequency and content of the comments, we can confirm that this channel results in a **high engagement** with Millennials. However, not necessarily the brand itself with them. These comments are in majority suggestions for new content and feedback about the videos. Furthermore, it seems that the audience is ignoring the product placement of TRESemmé. Inclusively, there is one comment that says "I think this is sponsored by TRESemmé, but I don't care because I love these three [influencers] and the videos" (Love The Hair YouTube, 2016).

To put it in a nutshell, this channel really seems to be a success within Millennials, but only due to the content of the videos. It means, TRESemmé **might be increasing its awareness, but not necessarily engaging** with Millennials and converting them into buyers.



**Figure 18:** Selection of comments retrieved from some "Love The Hair" tutorials

**Source:** Love The Hair YouTube

# ADDRESSING MY INDIVIDUAL WORK PROJECT TOPIC

## NATIONAL BENCHMARKS - CONCLUSION

			
Visibility	?	✓	✓
Engagement	✗	✓	?
Sales conversion	?	✓	?

**Table 4:** Impact of each brand's digital practice on consumers (based on our analysis)

**Source:** Original Content

Table 4 is based on our analysis and supports to conclude the impact of each brands' digital practice on consumers. Considering the previous practical cases, we came up with a necessary **trade off** that brands are facing when promoting their products online.

1. Firstly, it is **Pantene** that adopts a **push the product approach** through its blog and tutorials. On one side, both **do not create engagement** since there exist very few comments of users in both practices (Cabelo Pantene Blog, 2016 & Cabelo Pantene YouTube, 2016). For this reason we cannot really assess if this results in an increase of visibility and finally in higher sales.

2. Secondly, it is **L'Oréal Elvive** with its strategy of having a very well-known ambassador who guarantees a **high levels of visibility** to the brand. Based on the comments on Cláudia Vieira's social media, we can also infer that this partnership results in **engagement** with the users [through her] **and sales conversions** ("Great! Tomorrow I will buy it and start the #10dayslowshampoo") (Cláudia Vieira Instagram, 2016).

3. Lastly, it is **TRESemmé** that can achieve **high levels of visibility** through the big audience of "Love The Hair" YouTube channel sponsored by the brand. However, although this channel counts a lot of comments, we believe that the brand cannot really engage with its users. Besides, we cannot conclude from the available data that this initiative results in increasing sales.

Based on these assumptions, we conclude that if on one side the **discrete product placement might guarantee high levels of visibility** [Millennials reject overly promoted content (Friedman, 2016)], **it might also result in Millennials who are ignoring the brand** (even though they still get aware of the brand).

This reflection leads us to state that the brands should **prioritize** their goals. If the brand wants to increase its visibility, it should adopt a discrete product placement (through digital influencer with also high visibility); if the brand wants to convert that into sales, it should opt for an initiative as brand ambassador.

In order to achieve a more diversified and bigger audience, the best option for Fructis is to select a brand ambassador and to promote a discrete product placement through digital influencers.

# ADDRESSING MY INDIVIDUAL WORK PROJECT TOPIC

## INTERNATIONAL BENCHMARKS



**L2** is a member-based business intelligence service that benchmarks the digital performance of 2.200 brands across 11 sectors such as activewear, beauty, automotive or retail. The benchmark is done according to L2's four dimensions of digital: site & e-commerce, digital marketing, mobile, and social media. All L2 members have annually access to the L2 research and its executive education events (L2 Website, 2016).



**Figure 19:** #LoveYourHair video campaign

**Source:** Dove US YouTube



**Figure 20:** "Strong is Beautiful: Dad-Dos" Video Campaign

**Source:** Pantene YouTube

Additionally to the previous analysis and to find some other digital hair care brands' practices at an international level, a closer look was taken into **L2** (see "box" in the left side of the page). From there, we are able to extract insights of the top 10 **international** hair care brands listed in **L2's Digital IQ Index®: Hair Care & Color of 2016** (Rosen, 2016):

1. *L'Oréal Paris*
2. *Pantene*
3. *Garnier*
4. *Redken*
5. *Dove*
6. *Head & Shoulders*
7. *Aveda*
8. *Bumble and bumble*
9. *John Frieda*
10. *Carol's Daughter*

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From this index, where each brand is also briefly analyzed, we can state that:

1. **"How-to" content, live chat, sampling, SEO practices, geo-targeted video ads** are some of the best practices that are used by these brands and a reason for their well performance in the ranking (Rosen, 2016).
2. Campaigns such as **"Strong is Beautiful: Dad-Dos"** from Pantene as well as **#LoveYourHair** from Dove were extremely successful on social media and achieved about 7,5 and 14,5 millions of views. Emotional messages are part of these videos and might be the reason for success (Dove US and Pantene YouTube, 2016 & Rosen, 2016).

## KEY TAKEAWAYS FOR FRUCTIS' RELAUNCH

Having completed the previous research, we are now more capable to build recommendations on **digital communication for Millennials** in the scope of the relaunch of Fructis. It is important to keep in mind that Fructis wants to come to the market with a disruptive go-to-market strategy with a focus on superfruits trend. In order to do so, Fructis should:

### BE TRANSPARENT AND AUTHENTIC

Millennials are **skeptical** and therefore “brands that are **overly promotional, dishonest or fixated on themselves** will have a difficult time reaching this group.” (Friedman, 2016). Considering this, Fructis should adopt a **communication based on transparency and authenticity** to connect efficiently with Millennials. In this way they gain trust and build long-term relationships.

### FIND THE RIGHT BRAND AMBASSADOR

Having a well-known brand ambassador ensures high visibility of the brand itself and the new products as well as high engagement with their followers. Based on the named reasons, Fructis **should associate itself to a celebrity** who fits the new identity and **who already has high visibility and engagement** with her or his followers on social media.

### PROMOTE THROUGH YOUTUBERS AND BLOGGERS

The easiest way to engage with Millennials is through **digital influencers** (Friedman, 2016). Therefore, we suggest Fructis to communicate with Millennials through **Youtubers and bloggers**. It is important that the promotion of Fructis is always as most **authentic** as possible. In order to achieve this, the brand also should ensure a really positive experience to influencers so that they can advocate the brand in an authentic and honest way. On YouTube as well as in Blogs, influencers could do **product reviews**.

### PARTNER WITH INSTAGRAM GIRLS

We are calling it the “third level of digital influencers” – Instagram Girls. They are not necessarily publically known, but they are definitely **trend setters** who are followed by thousands of young people. Fructis should also cooperate with them to promote the alignment of its new range with the trends of superfruit and wellness way of life. This promotion differs from the others for being directed to a niche market. However, probably with even higher credibility since YouTubers or Bloggers might already lose credibility due to their big range of partnerships.

### DO NOT ADVOCATE ITS OWN BRAND

Any content made by a brand is perceived by Millennials as an attempt to push the product. Therefore, **Fructis** should not create own content advocating its own brand. This does not include the TV advertisement model where the audience is usually more open to see the brand advocating itself.

### DO NOT CREATE A BLOG

Since a company-owned blog is not a credible tool through Millennials' eyes, Fructis **should not create an own blog** as Pantene did. Millennials prefer to follow the blogs which were created by their peers, where the communication is fully genuine and follows a one-to-one basis.

## KEY TAKE AWAYS FOR FRUCTIS' RELAUNCH

### CREATE AN INSPIRATIONAL INSTAGRAM PAGE

In order to engage with Millennials and make the brand aspirational, Fructis should sell its lifestyle (based on superfruits) through a highly inspirational content on Instagram. In this way, the brand has the possibility of establishing an emotional connection to its consumers. In this way, Fructis would stand out in the Portuguese hair care markets since all others are very product-oriented and too related to hair.

### CREATE AN ACCOUNT ON SNAPCHAT

The most successful brands on one-to-one platforms have explored the **behind-the-scenes content**. Based on this statement, Fructis should explore Snapchat and Instagram stories to share its behind-the-scenes as well. This is the right opportunity to humanize the brand and to get closer to Millennials. Examples that could be shared on this platform are events of the brands, commercial shoots and news about the product such as current promotions or just-in time news.

### PROVIDE A LIVE CHAT

Brands should prioritize **responsiveness, reliability** and **customer satisfaction** to generate positive word of mouth which is extremely powerful among Millennials. In order to achieve this, Fructis should have a **live chat on its website** to support the consumer at any time. Additionally, the brand should communicate on Facebook with its followers in an informal, honest and proactive way with the objective of building a **close and effective relationship with its audience**.

### PROVIDE DO IT YOURSELF EXPERIENCES

Do It Yourself experiences are highly sharable by Millennials and result in an increase on a brands' popularity on social media. To achieve this, Fructis should come up with a **"Do It Yourself" campaign** among Millennials.

### FIND AN EMOTIONAL STORY TO TELL

An **emotional message can be very efficient** to reach high levels of visibility on social media. When a hashtag is associated to this story, it incentivizes the consumers to share their own story on their social media accounts, increases the popularity of the campaign and gives it a personal touch. Taking this into account, Fructis should create some **content with an emotional story** and appropriate hashtags.

### SEND SAMPLES TO ITS USERS

In order to make people try the new formulas, Fructis should enable its consumers to sign up on the website or social media to receive **free product samples** which will be sent to their homes.



## STORE OBSERVATIONS

- Limited number of stores (5) visited.
- Limited geographical reach: Observations in Lisbon and Porto.
- Restriction in retailer: Observations only in Continente stores.
- Restriction in store type: Only one supermarket visited, thus no conclusions about different behaviours according to shop type possible.
- Limited time spectrum: Observations taking place only during a specific week with specific promotions, on the selected days Wednesday to Saturday, during selected time slots.
- No background information about observed consumers available: difficulty to draw takeaways based on observations of behaviour.
- Respondent selection error: Due to inability to receive the information of the age of the observed people, the categorization in age groups (18-25 and 26-35) was based on our own judgement.
- Uneven sample size per gender: fewer male consumers observed, non representative sub-samples of men aged 18-25 and aged 26-35.
- Significant number of brands on promotion\*: difficulties to identify the influence of promotions on the loyalty loop of consumers.
- Comparison between brands in and not in promotion: possible biased result about purchasing behaviour of consumers.
- Fructis not on promotion: no conclusions possible about consumers who buy the brand when its on promotion.
- Non-representative Fructis sample: sample size too small (20<30).
- Lack of understanding of promotion for Pantene consumers: majority of consumers did not seem to decode the “2 for 1” offer.

## IN-DEPTH INTERVIEWS

- Convenience sampling: most respondents belong to the personal network of the team, therefore more Millennial respondents were interviewed in comparison to respondents aged >35.
- Non-representative sub-samples (Millennials aged 18-25, Millennials aged 26-35, Fructis Users, Fructis Droppers): less than 30 respondents for each.
- Uneven sample size per gender and social class.
- Questioning Error: any improper delivery of questions by the interviewer.
- Respondent error: possible untruthfulness of some responses.
- Inability error: Respondents not being aware of some factors that influence their behaviour as consumers, thus not mentioning them.

## INDIVIDUAL RESEARCHES

- Limited space: little number of brands analyzed and analysis of each brand based on the communication activities most relevant.
- Inability to accurately assess the successfulness of the communication strategies of the brands analyzed.
- Inability to accurately assess the amount and type of investment on social media of the brands analyzed.
- Conflicting information between data sources about Millennials.
- Limited information available about Portuguese Millennials.

## RECOMMENDATIONS

- Some communication objectives are mutually exclusive, thus, can not be addressed simultaneously, which implies a trade-off.

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