



Olay Market Research Presentation

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Solutions to accelerate growth

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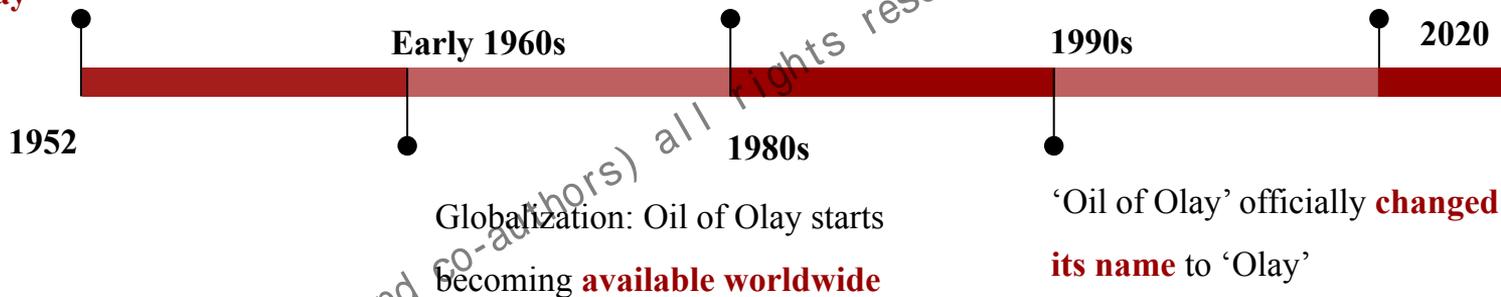
Company Background

Graham Wulff, a former Unilever chemist, started the company in South Africa under the name “**Oil of Olay**”

“I don’t intend to **grow old gracefully**, I intend to fight it every step of the way”

Famous for their “**Jar Packaging**” and “**Regenerist**” product line.

Perceived a need to attract a **younger target market**



Project Background

Steps Already Taken to Meet Goal

Product Innovation



Olay's Main Goal

Target GenZ & Millennials



Olay's Efforts to Reach Goal Fall Short

1. Products with better ingredients - **Regenerist**
2. Launched **Whip Product Line** to meet new consumer needs

How We (This Project) Can Help

1. Provide **key insights** to better understand new market
2. **Recommend** market strategy based on research

In Order to

Become more relevant

And

Reinvent brand image

Qualitative Findings (Pre-Survey Design Interviews)

Increased influence of social media as skincare brands have a huge presence in social



Consumers are having trouble **finding** what they want in a skincare product

Gen Z customers **are most concerned about skincare**, meticulous in their purchase preferences, and are **price-sensitive**



Olay's **most searched products** include their retinol, serum, and moisturizer

Millennial customers use skincare **products routinely**, have little brand-loyalty, and rely on **word-of-mouth**



Gen X customers **use the most skincare** products, are **brand-loyal**, and aren't heavily influenced by social media

Qualitative Findings: Social Media Trends



0.2%

average
engagement rate



38%

increase in site
traffic since
2017



40%

more
engagement



44%

Increase in
follow growth



12x

weekly
posting
frequency

Survey Improvements

Feedback from class & client

How we incorporated the feedback

- ✘ Remove slider questions
- ✘ Clear and sensitive phrasing
- ✘ More selective with force answer feature
- ✘ Too many “check all that apply”
- ✘ Client: direct feedback on interactions with website, social media, and advertisements

- ✔ Conducted interviews
- ✔ Included mass stores and extended options for purchasing decisions
- ✔ More selective about questions to help drive deeper insight
- ✔ Determined how each question could be analyzed
- ✔ Included more Olay specific questions

“Perfect Sample”

Ideal Sample

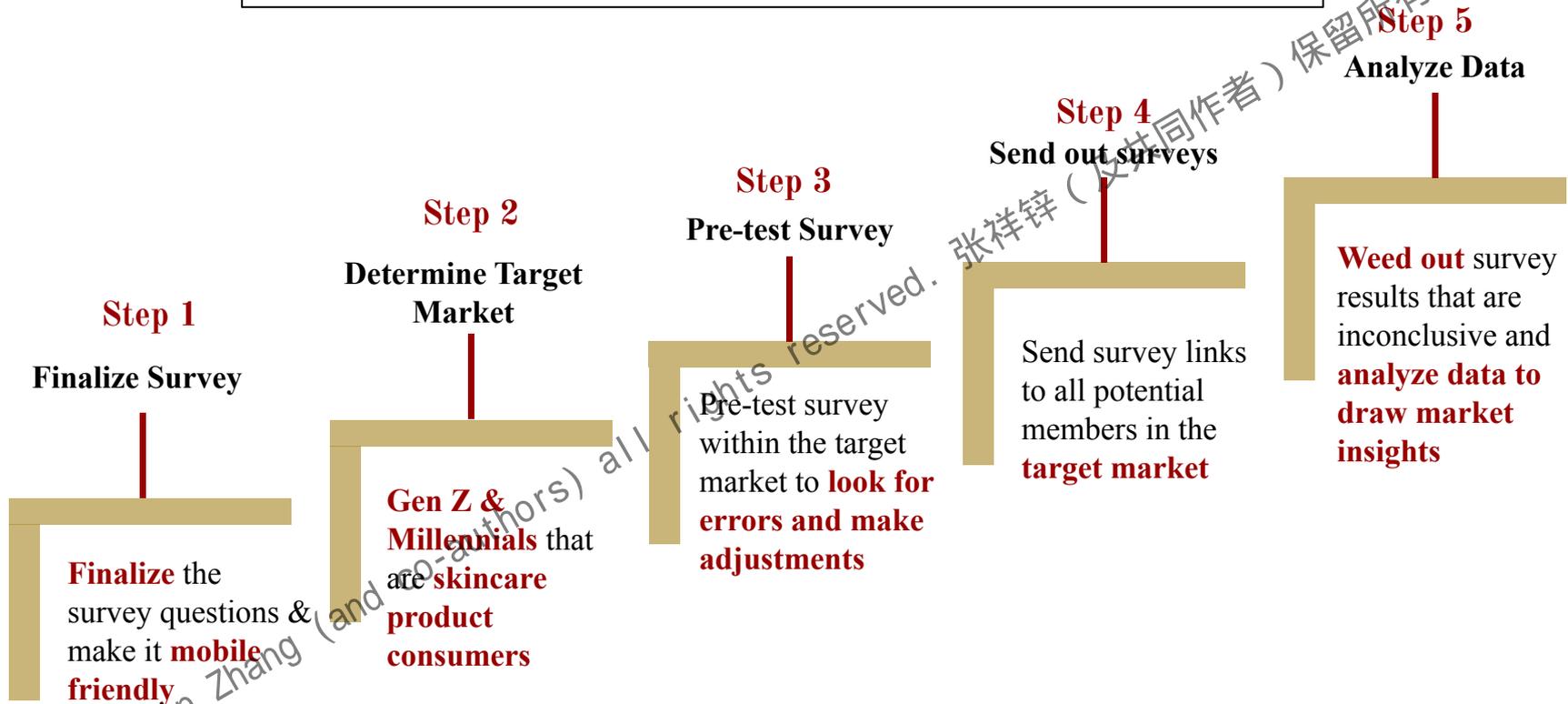
- All **female**
- Solely Gen Z and Millennials
- **Evenly distributed** sample in terms of skincare product usage
- **Bigger** and more **randomized sample**
- **No COVID-19 Bias**
- More **accurate and consistent** answer patterns
- More **detailed feedback** on consumer perception of Olay rendering stronger market penetration strategy
- Clearer and more specific responses to **unforced questions** and along with “other _____” responses.



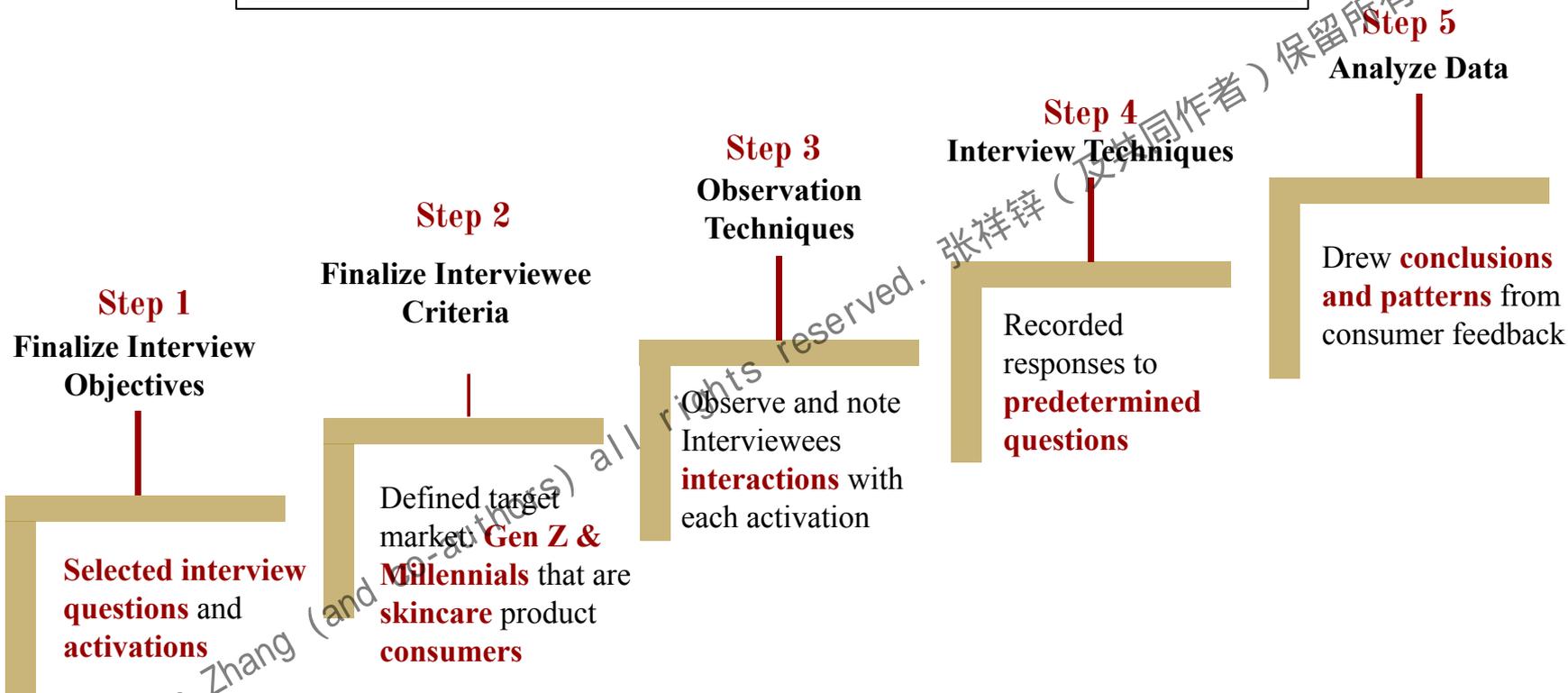
Results



Data Collection Process - Surveys



Olay Activations Feedback Interview and Observations



Survey Data Edits

9%

Responses that didn't pass our **screeener questions**

21%

Responses collected before the questionnaire was **finalized**

3%

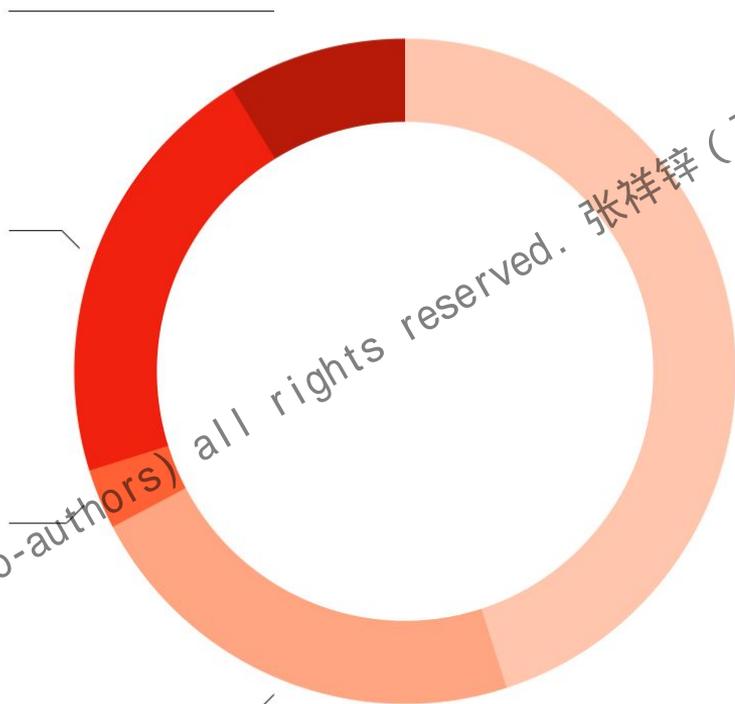
Spam Responses & Survey **Previews**

22%

Incomplete responses (below 100% completion)

45%

Filtered 171 responses to 77 useable responses



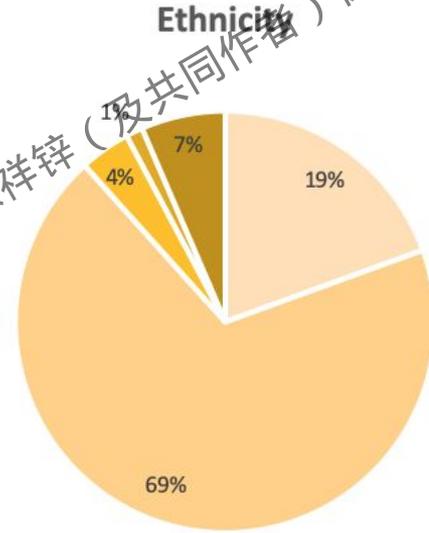
Demographic Breakdown



18%



82%



White Asian Black/African-American Hispanic/Latino Other

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Annotated Surveys vs. Actual Data

Anticipated

- High **brand awareness**
- Product discovery via **word of mouth** and **social media**
- Biggest skincare concern: **acne**
- Consumers value **online personalization** quiz
- **Instagram** is the best social media platform to advertise the brand
- Most important: **Ingredients** and **price**

Surprising

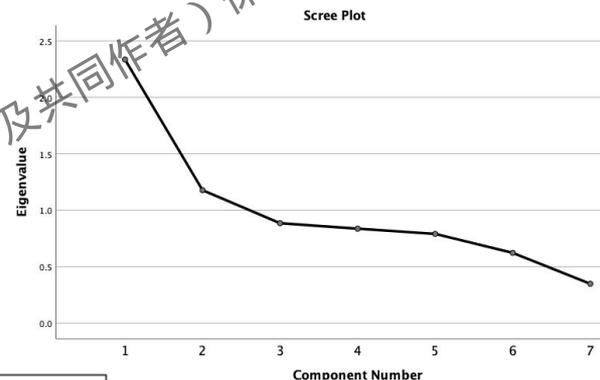
- **57%** of consumers use **both** scientific and organic products
- **Email** second most preferred communication
- Don't prefer to purchase on **social media**
- **Minimalist** aesthetic packaging and ads
- Attract potential customers with **Free samples**

SPSS Factor Analysis A

Sensory customers

	Component	
	1	2
Packaging	0.693	0.159
Ingredients	-0.103	0.738
Price	0.241	0.671
Seasonal Discounts	0.487	0.225
Brand Ambassador	0.536	-0.325
Scent	0.791	0.068
Texture	0.791	-0.089

Figure 1: Scree Plot for Cluster Analysis



Premium-quality

SPSS Cluster Analysis A

Sensory customers

	Cluster		
	1	2	3
Regression Factors Score 1	0.22173	-0.92731	0.78098
Regression Factors Score 2	-1.18427	0.39620	0.55408

Premium-quality

Cluster	1	22
	2	28
	3	27
Valid		77

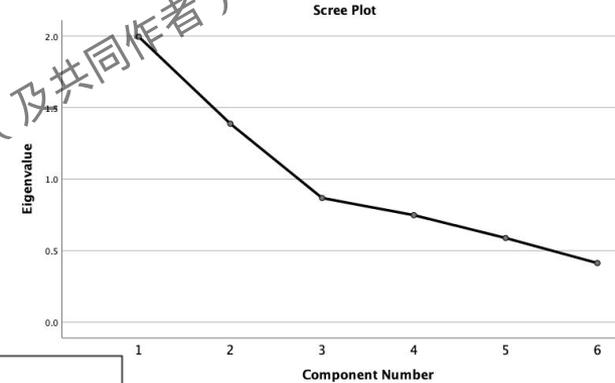
Cluster 1: **Price Sensitive**
 Cluster 2: **Premium Preference**
 Cluster 3: **Sensory Preference**

SPSS Factor Analysis B

Information Driven
Consumers

	Component	
	1	2
I buy skincare products based on social trends	0.060	0.839
I follow a step-by-step skincare routine	0.739	0.295
I buy socially responsible skincare products	0.606	-0.126
I buy skincare products that my favorite influencers promote	0.021	0.858
After finding my product on social media, I go to the company's website to review it	0.647	0.074
I like it when a skincare brand educates me on how to use their products	0.707	0.051

Figure 2: Scree Plot for Cluster Analysis



Social Media Gurus

SPSS Cluster Analysis B

Information Driven Consumers

	Cluster		
	1	2	3
Regression Factors Score 1	-1.63523	0.67333	-0.00209
Regression Factors Score 2	-0.89794	-1.04047	0.67330

Social Media Gurus

Cluster	1	9
	2	22
	3	46
Valid		77

Cluster 1: **Indifferent to information and social media influence**

Cluster 2: **Information Driven Customers**

Cluster 3: **Social Media Gurus**

Consumer Perceptions of Olay

High Brand Awareness but Low Customer Penetration

97% respondents heard of the brand out of which only 39% have used it

Marketing Failures

- **Inconsistent brand image**/aesthetic
- Don't recognize women (including brand ambassadors) in commercials.



Unreliable Slogan & Products Fail to Address Skin Concerns

- Biggest Skin Concerns: 41% acne
- 44% associate Olay with slogan "Ageless Beauty" but only 22% relate to it

Price and Quality Association

Respondents mentioned **"Too cheap"** as a reason why they don't use Olay

Branding Recommendations



Effectively communicate **product quality** over channels used by the new target market



Rename products to address **skin concerns** of the new target market



Change slogan to make it more relatable to Millennials and Gen Z



Find a **new brand ambassador** with greater recognition and relatability

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Distribution Recommendations

Q

Where do you purchase skincare products?

A

- 25% Online
- 22% Speciality Stores
- 17% Pharmacies
- 16% Department Stores
- 9% Mass Merchant Websites
- 8% Mass Stores
- 2% Social Media



Recommendation

- Focus on using **social media for branding, promotion, and educating consumers** on product usage occasions.
- Invest in making **online shopping** easy-to-use and attractive to new customers
- Negotiate with pharmacies for more shelf space
- Penetrate specialty stores** (Ulta and Sephora)

Website Recommendations (Interview Findings)



Minimalistic website design to **ease** consumer shopping experience



Emphasize **skin advice** feature on homepage and across all marketing initiatives



Direct pop-ups for email sign ups as email communications are the second most preferred communications method



Younger Models to relate better to target consumers



Market complimentary products together. 63% respondents follow a skincare routine.

Home Page Recommendation

Gift Wrapping Available At Checkout

OLAY

SHOP

WHY OLAY

SKIN ADVICE

CLUB OLAY

OFFERS



SEARCH

REWARDS

LOGIN

BAG

DISCOVER YOUR JAR



Answer 4 questions or less and find out the right jar for you.

TAKE THE QUIZ

Introduction

Research Insights

Survey

Data Analysis

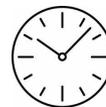
Recommendations



Social Media Recommendations



Tik Tok



Platform Preference:

42% Instagram

17% Tiktok

Product Discovery

25% of consumers discover new products on social media

Educate consumers

Post after 4pm:

77% of respondents are active on social after 4pm



Aggressive Promotions:

Influencer Marketing

Instagram stories

Share consumer experiences



Consistent Brand Image and Visual Educational Content

Less Text Posts

Consistent color palette

Social Media Advertisement Recommendations



Personalized Educational Content

★ 43% of respondents voted



Sleek & Instructive Ad

23% of respondents voted



Emotional Content



Brand Ambassador Representation

Salicylic Acid 2% Solution



Minimalistic Design & Emphasis on Ingredients

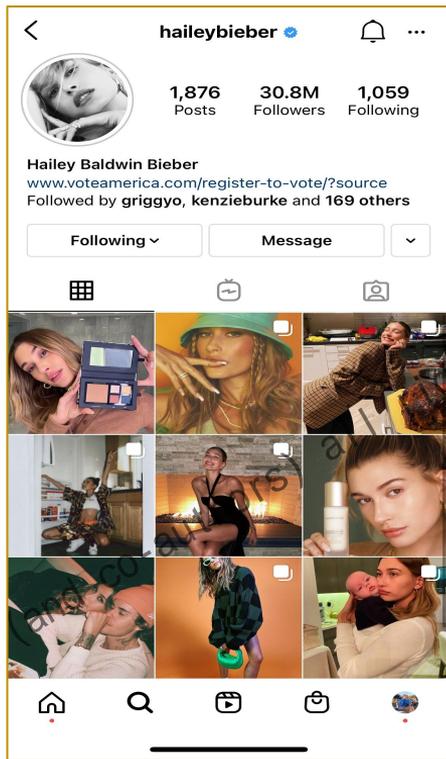
Brand Ambassador Recommendations

Profile A:

Profession: **Model**

Content: **Lifestyle**

Platform:

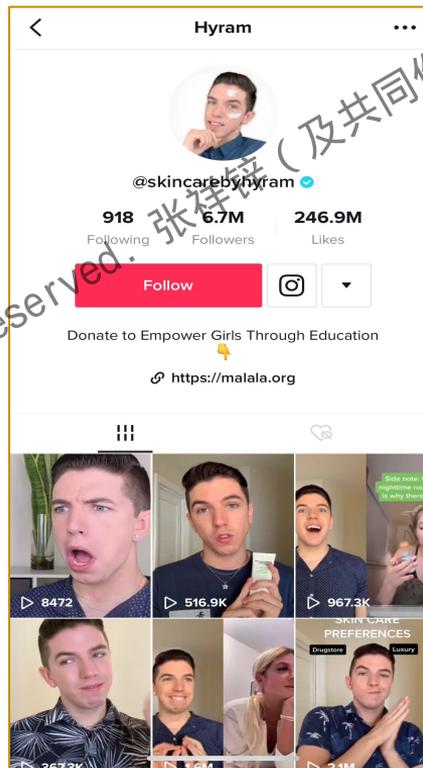


Profile B:

Profession: **Influencer**

Content: **Health/Self Care**

Platform:



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Packaging Recommendations

Recommendations to Improve Packaging of the Box

1. Emphasize **ingredients, benefits** and **skin type**
2. Cater packaging for a **step-by-step skincare routine**

Respondents indicated that they like the current packaging



Step-by-Step Routine

Key Ingredient

Skin Type Compatibility

Skincare Benefits

58% of survey respondents prefer **product samples**

Minimalist aesthetic is the most appealing feature

Limitations

SURVEYS



- Lacked pricing questions.
- Lacked preference breakdown between the two target markets (millennials and Gen Z).
- For Olay specific interaction questions, survey was not the best medium.

SAMPLE

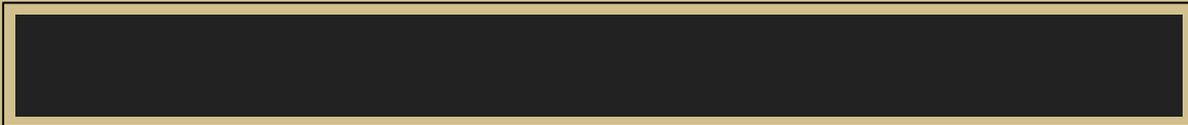


- Covid forced us to limit our sample size to just friends and family = potential bias.
- Heterogeneous sample
- Did not exclude male respondents.

ANALYSIS



- Can't confidently determine if consumers associate high price with high quality or are looking for a low cost, high quality product.
- Can't quantify interview and observation related data.
- Should have asked more social media specific questions to further break down that cluster



THANK YOU

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