

Qualitative Research Presentation

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Team 5

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Recent Skincare Trends: Industry

13% annual growth

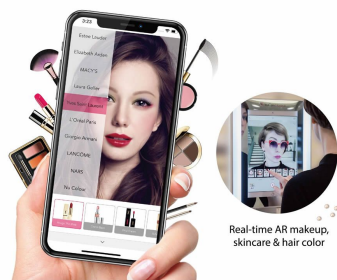
24% online beauty retailers growth

1/4 overall skincare sales comes from natural skincare

10% market share accounted for by challenger brands, but

have **4x** growth rate compared to established companies

Growth Driving Factors:



Real-time AR makeup, skincare & hair color

Skin Care Routine

Step 1:
cleanser



Step 2:
exfoliate



Step 3:
mask
(2 times a week)



Step 4:
tone



Step 5:
moisturise



Step 6:
acne
treatments



Recent Skincare Trends: Consumers

Consumers are **more confused** about product claims than ever before

50% of American women look for natural or organic products

93% consumers read reviews before purchasing

2 most searched ingredients for anti-aging skincare: 'Vitamin C' and 'hyaluronic acid'



Recent Skincare Trends: Social Media

40% more engagement

44% increase in follow growth

38% increase in site traffic since 2017

12x weekly posting frequency

0.2% average engagement rate

Results Driven



Visual Educational Content



Influencer Marketing



Social Media Presence



- **299K Followers** with 1431 posts.
- 1 post on average post per day.
- < 500 likes per post



- **8 million people** like and follow the page.
- <100 likes per post.
- <50 comments per post.

- + Display Olay's broad product range, high customer satisfaction and product reviews.
- + Highlights premium quality for an affordable price.
- + Promote product ingredients and women empowerment.
- Fail to leverage the brand ambassador
- Lack customer interactiveness
- Inconsistent themes across platforms.

4.2

A clear glass jar of L'Oréal Paris Dermo Expertise Eye Defense cream. The jar has a white lid and a label with the text "L'OREAL PARIS", "DERMO EXPERTISE", and "EYE DEFENSE". The cream inside is a light, translucent color.

4.3



Image 2: Word Cloud for L'Oreal eye defense

Google Trends & Patterns for Skincare from 2004 - 2020

Image 1: Google Trends Graph for "Skincare" from 2004-2020

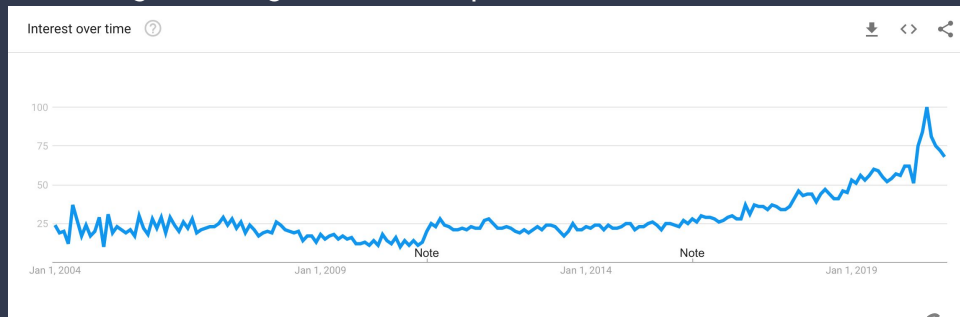


Image 2: Interest by subregion for "Skincare"



Skincare

Interest spiked in the after september of 2016.

Subregions with the most interest: New York, California, Hawaii, Massachusetts, and Washington.

Related Topics: Masks, Ulta Beauty, American laser skincare, Exfoliation

Related Queries: Skincare routine, Image, Ordinary skincare

Google Trends & Patterns for 'Olay' from 2004 -2020

Olay

Interest spikes annually during January.

Subregions with the most interest: New York, New Jersey, Ohio, Hawaii, Nevada.

Related Topics: Ageing, Olay Regenerist, Olay Total Effects anti-aging 7 in 1, Retinol, Brush.

Related Queries: Pro x Olay, Olay retinol, Olay night cream, Olay regenerist reviews, Olay brush.

Image 1: Google Trends Graph for "Olay" from 2004-2020

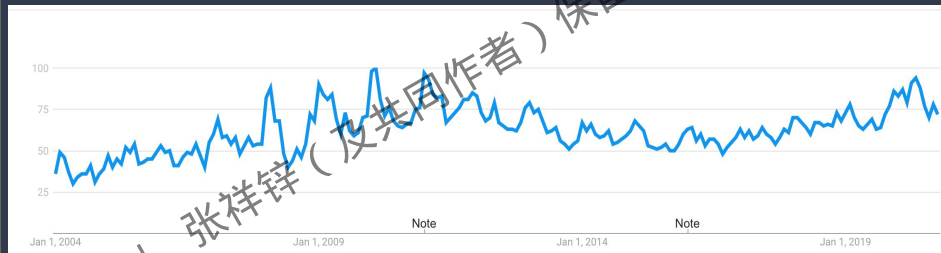


Image 2: Interest by subregion for "Olay"



Google AdWords Keyword Planner

Image 1: Locations for Keywords

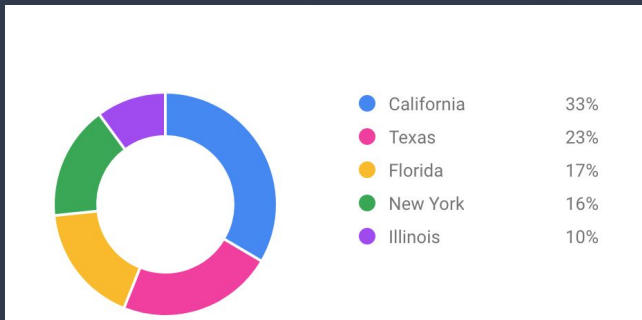
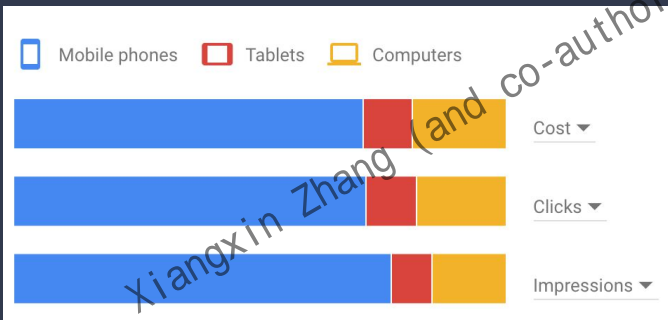


Image 2: Devices Used for Searching Keywords



Keywords used: moisturizer, skincare, serum, cleanser, retinol, micro sculpting cream, night cream, ultra rich, regenerist, anti aging products

Image 3: Most Searched Keywords

	Cost	Clicks	Impressions
skincare	\$135,126.15	10,112	1,254,716
retinol	\$21,981.57	10,346	278,092
serum	\$20,465.07	8,931	219,551
moisturizer	\$12,846.51	5,632	142,104
cleanser	\$5,531.01	2,468	54,212

Image 4: Olay-related Keywords

<input type="checkbox"/> Keyword	↓	Avg. monthly searches	Competition
<input type="checkbox"/> olay regenerist		10K – 100K	High
<input type="checkbox"/> body wash olay		10K – 100K	High
<input type="checkbox"/> oil olay		10K – 100K	High
<input type="checkbox"/> olay retinol 24		10K – 100K	High
<input type="checkbox"/> cream face		10K – 100K	High
<input type="checkbox"/> eye lifting		10K – 100K	High

Your plan can get **100K** clicks for **\$210K** and a **\$3** max. CPC ②

Clicks	Impressions	Cost	CTR	Avg. CPC	Avg. Position	
100K	2.2M	\$210K	4.7%	\$2.01	1.7	+ Add conversion metrics
Daily Budget: \$28K						

Insights: Gen Z

Interview

- Usage
 - Concerns: dry skin, break outs, allergic skin
 - Use skin care twice a day
- Purchase Preferences
 - Rely on online research and purchase in stores
 - Care about price, ingredients, effectiveness and convenience are essential
- Marketing
 - Associate prices with quality (tend to assume expensive R&D)
 - WOM and company website are key
 - Look for skin compatibility along with detailed usage instructions

Direct Observation

1. Research online (social media + amazon)
2. Get WOM opinions
3. Find products that fit expectations (features, price, size, brand)
4. Compare alternatives and pick one product
5. Go to stores to pick up samples
6. If satisfied with samples, buy it online

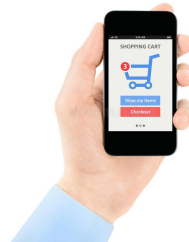
Insights: Millennials

Interview

- Usage
 - Twice daily morning & night
 - Routine
- Purchase Preferences
 - Brand website or social media:
 - Membership discounts
 - Little brand loyalty
 - Value ingredients
- Marketing
 - Prefer informational ads, story ads
 - Rely on WOM
 - Associate Olay with older women because older women appear in their ads

Direct Observation

1. Research product through online and social mediums
2. Find product:
 - a. Prefer to buy complimentary products/products that will fit into skincare routine
3. Read customer reviews
4. Rely on WOM from trusted peers
5. Evaluate price
6. Purchase online



Insights: Gen X & Baby Boomers (40+)

Interview

- Usage
 - Twice a day (day and night)
 - Pigmentation, wrinkles, anti-aging, retinol, pore minimizing (7 in 1 cream)
- Purchase Preferences
 - Buy once in 2 months, usually in stores
 - Very loyal rarely changes
 - Dermatologists, word of mouth
- Marketing
 - Doesn't evaluate purchase based on social media, more likely to Google reviews
 - Enjoy interactive social media content
 - Television Ads - story ads, influences/actresses

Direct Observation

1. Prefers to go in store rather than buying online
2. Find product:
 - a. Prefers to chat with representative at counter
 - b. Focuses on wrinkle creams or anti-aging product labels
3. WOM from friends/dermatologist
4. Read google or video reviews
5. Compare price and packaging to current product
6. Make a purchase



Q&A

Team 5

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