A Work Project presented as part of the requirements for the Award of a Master's degree in Management from the Nova School of Business and Economics.

HOW CAN VICHY OVERCOME THE RECENT SUCCESS OF COMPETING PREMIUM BRANDS IN THE PHARMACEUTICAL CHANNEL IN PORTUGAL?

AN ANALYSIS ON YOUNG PORTUGUESE DERMOCOSMETIC CONSUMERS

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04-01-2021

Abstract

The rising success of the premium dermocosmetic brands has threatened Vichy's leadership in the Portuguese market. This work project aims to study how Vichy can surpass these premium brands, by means of qualitative and quantitative research.

The main findings from the project are that, as a result of the two segments that emerged from the research, Vichy should firstly focus on improving its communication and digital presence, as a mean to attract the young segment, and secondly, the brand must strengthen its relationship with key partners, as a mean of targeting the mature segment.

Keywords: Vichy; Dermocosmetics; Premium brands; Anti-aging; Women Consumption

This work used infrastructure and resources funded by Fundação para a Ciência e a Tecnologia (UID/ECO/00124/2013, UID/ECO/00124/2019 and Social Sciences DataLab, Project 22209), POR Lisboa (LISBOA-01-0145-FEDER-007722 and Social Sciences DataLab, Project 22209) and POR Norte (Social Sciences DataLab, Project 22209).

INDEX

ABREVIATIONS LIST

INTRODUCTION

Throughout the years, Vichy, a pioneer in skincare dermocosmetics worldwide, has established a strong presence in the pharmaceutical channel in Portugal. Such success has granted Vichy a leading position in the anti-aging category in the pharmaceutical channel. However, premium dermocosmetic brands are quickly growing and gaining relevance in the circuit, threatening Vichy’s dominance of the market (L'Oréal A 2020).

In order to address the research question “*How can Vichy overcome the recent success of competing premium brands in the pharmaceutical channel in Portugal?*”, both primary and secondary data were analysed. For the primary data, three research methods were conducted: pharmacy visits, in-depth interviews, and an online quantitative questionnaire; as for the secondary data, the focus was set on studying the skincare market, namely the effects of Covid-19, the pharmaceutical channel, and the growth of premium brands, with a close analysis of Filorga’s success case. The decision for the analysis of Filorga lays on two reasons. First, Filorga has been, in the recent year, Vichy’s main competitor in the anti-aging category, taking Vichy’s leadership in this segment in 2020, and secondly, Vichy’s team provided us detailed studies comprising data on Filorga’s performance, strategy, and consumer/beauty advisors’ insights on the brand (L'Oréal B 2020). The insights collected allowed for the identification of opportunities and challenges from which Vichy could leverage, which resulted in the built of recommendations to bring Vichy back to its leading position in the anti-aging category.

CONTEXTUAL BACKGROUND

1. The Skincare Market in Portugal

The worldwide cosmetics market has seen a strong growth powered by prominent consumption and a tireless desire among women to preserve a radiant and youthful appearance. In 2019, the industry was valued, grounded on the manufacturer's net prices, at 220 billion dollars, with a growth rate of approximately +5.0/+5.5% (L'Oréal Finance 2019).

The market can be breakdown into five different business segments, namely: skincare, haircare, color (makeup), fragrances, and toiletries. The work project focuses on skincare, which is also the leading and most profitable category, representing 40% of the global cosmetic market in 2019. With an 8% growth rate, the skincare segment is also the main driver of the beauty industry growth worldwide (L'Oréal Finance 2019). Inside the skincare market, four sub-categories can be found: facial skincare, facial cleansers, body care, and sun protection.

Such positive growths have likewise been felt in Portugal, with the skincare category sales going up by 3% in 2019. Behind this improvement lies the growing awareness of the damage caused by external factors, and the search for a healthy appearance. Prompted by social media, Portuguese consumers have deepened into a more careful analysis of the products' composition and ingredients, boosting the search for natural options, as well as technology-based skincare. With a broad portfolio ranging from mass-market to premium brands, L'Oréal Portugal was, up until 2019, the leading player in the skincare market (Euromonitor International A 2020).

The effects of the pandemic due to COVID-19 cannot be overlooked. A slowdown in growth for facial care from 4% in 2019 to 3% in 2020 is predicted, given the reduced importance of wearing makeup and protecting the skin from urban pollution. Even so, it is believed that pre-COVID-19 expectations can still be met, and the skincare market can expect to remain resilient and attractive in the long run, triggered by the increasing demand for premium products, as well as by the market prices stability (Euromonitor International B 2020).

2. Distribution Channels and Prescribers

Skincare distribution is done through several channels, with the main ones being mass-market (supermarkets and drug stores), pharmacies and parapharmacies, perfumeries, department stores, e-commerce, direct to consumer, and catalog.

The mass-market has the highest share in skincare, with affordable prices being a major driver (L'Oréal C 2018). Nevertheless, Portuguese consumers are increasingly searching for specialized products with a focus on prevention, rising their demand beyond the mass-market (Pinto 2018). Pharmacies, which have seen their profitability going down with the fall in medicines' margins, place dermocosmetics as a central opportunity to gain a greater profit margin (Abreu 2017). The preference for pharmacies lays on the offer of personalized services and trusted advice, coming from the expertise background of pharmacists (L'Oréal C 2018).

Nonetheless, there has been a recent growth in the number of parapharmacies within the industry. The parapharmacy channel is similar to the pharmacy one, however, limited to the sale of non-prescription drugs and non-therapeutic products, such as dermocosmetics. It benefits from delivering lower prices to the final consumer, due to its capacity to buy big quantities from their suppliers, investing in aggressive promotions and marketing (Infopédia n.d). According to the most recent database available regarding the anti-age category in Portugal between 2018-19, the parapharmacy channel increased by 8,1%, in sell-out values, whilst the pharmacy channel exhibited a growth of 6,9% for the same period (L'Oréal A 2020).

For instance, the online channel has grown, as perfumeries and other direct to consumer beauty stores were closed during the quarantine season, and as this channel was able to counteract with competitive prices (L'Oréal D 2020). According to McKinsey, the online channel can expect a positive continuous rise in a post-pandemic panorama in the skincare field (Gerstell, et al. 2020). However, the supermarket remained the skincare distribution leader in Portugal, both throughout the quarantine, as well as in the post-quarantine period (L'Oréal D 2020).

3. Skincare in Pharmacies and Parapharmacies in Portugal

Dermocosmetics is a branch of the skincare industry, usually distributed in the pharmaceutical channel, that stands out for its technicality and quality in the treatment of specific skin or hair problems, combining cosmetology with dermatology (Impag 2018). This market is booming and expected to grow at a steady CAGR of approximately 4,67% between 2018-2025 (Ameco Research 2019). Mainly enhanced by younger audiences seeking to prevent aging signs, the anti-aging category has gained renewed importance in this skincare field (L'Oréal E 2020). In that sense, this section focuses on this category. We profile below the key market players in Portugal in order to gain an understanding of the strategies adopted.

According to the 2019 database provided on the anti-aging segment in Portugal, Vichy takes the leading position (16,6%), along with Filorga (15,7%) and Lierac (10,6%). From the three market leaders, Filorga stands out with a 15,7% growth from 2018 to 2019, leading with approximately 7 million euros in sell-out values in 2019, pushing its second place closer to Vichy, which by contrast only grew by 3,1% in the same period. Despite the mentioned leading players, other brands have also depicted a solid presence in the anti-aging market in the pharmaceutical channel: Caudalie (9,6%), La Roche Posay (5,1%), Eucerin (4,9%), Avène (4,5%), and SkinCeuticals (3,6%) (L'Oréal A 2020).

Concerning the price positioning of each brand, **Table 1** shows the average price of each brand for the three main types of different anti-aging products. Prices were calculated using the sell-out values of each product and its respective sold units in 2019.

Price Positioning of the main Competitors in the Market

	VICHY	FILORGA	LIERAC	CAUDALIE	LA ROCHE-POSAY	Eucerin	Avène	SkinCeuticals
Anti-aging Cream (50 ml)	30€	83€	109€	97€	28€	34€	38€	155€
Serum (30ml)	32€	83€	108€	95€	32€	41€	41€	92€
Eye Cream (15 ml)	22€	71€	59€	53€	24€	27€	34€	84€

Table 1- Price positioning of the main competitors; Source: L'Oréal A, 2020.

- **The Success of Premium Brands in the Pharmaceutical Channel in Portugal**

In recent years there has been an increased search for premium dermocosmetics sold in pharmacies/parapharmacies, driven mainly by consumers' demand for sophistication and innovation, the more accessible prices practiced, and the improved communication on the added benefits of these premium products (Euromonitor International B 2020).

What generally differentiates premium skincare products from others, in the lens of the technological premium approach, is the higher concentration of active ingredients in its composition, which are ingredients that work directly on treating a specific concern, and which have enough research behind to prove their efficiency in delivering what the product promises (Jacoby 2019). These products are expected to have cutting-edge performance and visible results in a short time, which allows these technological brands to justify their premium price positioning. Filorga stands out in this premium category for its advanced formulas rooted in aesthetic medicine and innovative anti-aging solutions (L'Oréal E 2020). The growing success of the brand lays mostly on its **business model**, grounded on three pillars: the brand positioning, the beauty advisors' strategy & the strong relationship with pharmacies, and digital presence.

Brand Positioning. Filorga bases its positioning on aesthetic medicine, which differentiates the brand from others in the anti-aging category. The brand makes use of various visual elements that consistently support the brand's storytelling. Moreover, the idea of a luxurious treatment experience at a reasonable price is also expressed on the brand's positioning, making use of sensorial textures, along with sophisticated packaging. The unique formula inspired by aesthetic medicine reinforces the cutting edge of encapsulation techniques, which is behind the brand's perceived effectiveness.

Beauty Advisors & Pharmacy Relationship. Filorga has greatly invested in the beauty advisors' service. A beauty advisor, also known as dermoadvisor in the pharmaceutical channel, is a skin specialist who analyses consumers' skin, in order to provide personalized recommendations targeting the consumer needs (Burns 2019). This has proved to be an efficient strategy for Filorga. The brand counts with around ten beauty advisors, which carry out at least 295 visits to pharmacies/parapharmacies yearly, with a minimum average of 24 points of sale visited weekly. These visits take place mostly at the top five districts nationwide, Lisbon, Porto, Faro, Setubal, Braga. Regarding the main pharmacies/parapharmacies, these are visited up to four times a month and each visit lasts for the entire day. The promotional offers held on the dermoadvisor's day varies from each point of sale, with discounts ranging from 10% to 20%, as a common strategy on these days. It is also relevant to mention that pharmacies that have been visited by Filorga are frequently connected to a decline in the sell-in values of Vichy in the anti-aging category. From the ten pharmacies in which Vichy suffered a higher sell-in decrease, half have been visited by Filorga. The dermoadvisor's service is one of the components that has allowed Filorga to build a strong relationship with pharmacies, together with the offer of products and a significant stock of samples, as well as sell-out incentives.

Digital Presence. Filorga has been highly investing in digital platforms. The brand has established a visual identity highly cohesive to its brand identity, highlighting its aesthetic medicine roots and premium positioning, through different visual elements. Filorga is still cultivating its position in Portugal, however, they have already reached 46% of Vichy's followers on Instagram. In terms of social media (Instagram & Facebook) in 2020, Filorga increased the number of posts by 41%, actively communicating and posting content especially in the months after the lockdown. The use of influencers has been a key strategy pursued by the brand, and in 2020 there was a greater investment in advocacy, with the brand collaborating with 14 influencers, 29% of which have more than 100.000 followers (L'Oréal B 2020).

The brands Lierac, SkinCeuticals, ISDIN, and Galénic also take part in the group of pharmacy brands that hold a premium position derived from a technological background.

However, premiumization of the dermocosmetic sector can also be attained by brands that hold a natural and sustainable position. These brands tend to have a lower price point when compared to technology-driven premium brands, mostly since natural ingredients tend to be thought of as less efficient. Nevertheless, consumers tend to value other distinguishable benefits offered by these greener brands, such as the natural formulation and sustainability drive. Caudalie is the main representative of the natural premium brands in the pharmaceutical channel, followed by Nuxe and Apivita (L'Oréal E 2020).

4. Vichy Vs Filorga

4.1. About the brand Vichy

Brand History and Storytelling. Vichy is a dermocosmetics brand, originated in France in 1931 by the dermatologist Dr. Haller, who discovered the skin healing properties of Vichy Volcanic Water. By mixing this powerful water filled with 15 rare minerals, with active ingredients, Dr. Haller soon created the first Vichy line, combining the use of the earth’s natural resources with leading-edge research. The brand has, since then, evolved into five categories: skincare, haircare, sun care, hygiene, and makeup. Acquired by the L’Oréal Group in 1980, Vichy is part of the Active Cosmetics Division, along with five more brands (L'Oréal n.d.)

Brand Portfolio and Key Products. In what concerns the face care category in Portugal, Vichy has the following product lines which are able to meet each skin life stage: Minéral 89, Normaderm, Aqualia, Slow Âge, Idéalia, Liftactive Specialist and Liftactive Supreme, Neovadiol, Nutrilogie, Pureté Thermale and Vichy Volcanic Water (Vichy n.d.). In 2019, the top three best-sellers of the brand were Liftactive Collagen Specialist, Minéral 89 face serum, and Liftactive Supreme anti-wrinkle day cream (L'Oréal F 2020).

4.2. About the brand Filorga

Brand History and Storytelling. Filorga, founded in 1978, is the first French laboratory of aesthetic medicine. Originally, the brand's focus was on designing, developing, and producing injectable products to be used by medical specialists. In 2007, Filorga decided to launch a new cosmetic range called Medi-cosmetics which was available to the general public and whose focus was oriented towards innovative anti-aging products formulated with NCEF, leveraging the brand's expertise in aesthetic medicine (Filorga n.d.). Nowadays, the premium-price brand has a distinctive position in the anti-aging market, benefiting from a multichannel distribution strategy crossing pharmacies, e-commerce, and travel retail (Faucher e Spiller 2019).

Brand Portfolio and Key Products. Filorga has a higher focus on the anti-aging market compared to Vichy, operating in four different categories: skincare, body care, sun protection, and makeup. Regarding the facial skincare, Filorga counts with eight different lines with the following respective weights: NCEF-Reverse (22%), Time-Filler (22%), Global Repair (13%), Lift-Structure (5%), Optim-Eyes (5%), Hydra-Filler (4%), Oxygen-Glow (3%) and Pigment-White (1%). The top three lines from the brand have been growing at a quick rate and each competes directly with a line from Vichy. NCEF-Reverse competes against Liftactive Specialist, which has also exhibited a growth; Time-Filler is a rival of Liftactive Supreme, which suffered a decrease by MAT September 2020; and lastly, Global Repair, a recent launch of the brand, battles more directly with Neovadiol, a line that has also declined (L'Oréal B 2020).

4.3.Portuguese market penetration Vichy Vs Filorga

- ***Vichy-Filorga Gap Evolution in Anti-Aging and Skincare Market***

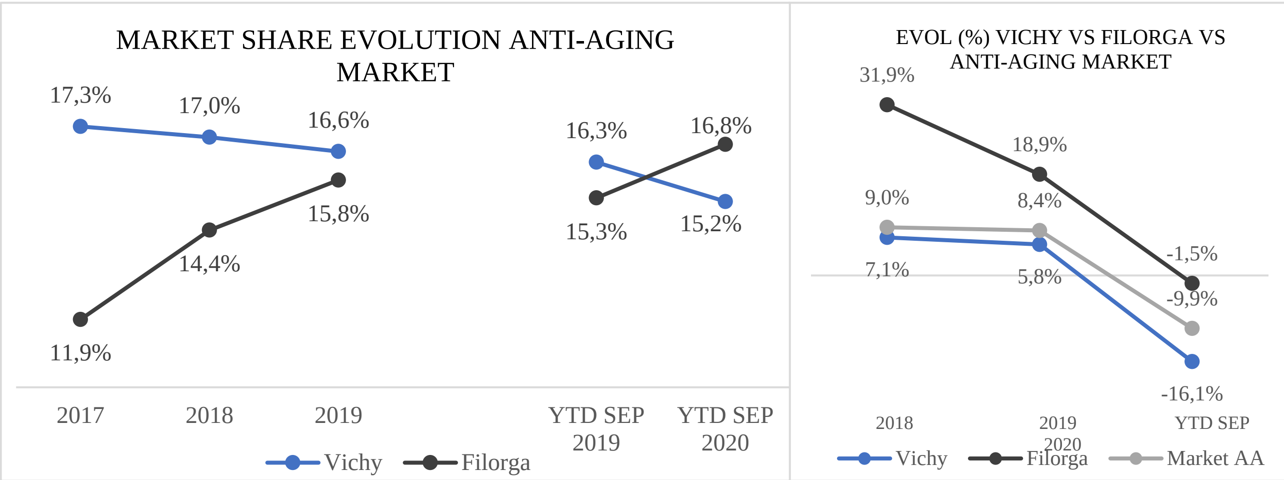

Figure 1- Vichy-Filorga Gap Evolution in Anti-age Market (Sell Out Val); Source: HMR, FY 2017, 2018, 2019, YTD Sep 19 – Sep 20.

Looking at the two brands' penetration in the market, while Filorga was growing at a quick rate between 2017 and 2019, Vichy was slowly losing its market share to premium brands, and in 2020, Filorga proved its success, by overtaking Vichy's leading position.

From 2018 to YTD September 2020, the anti-aging category has felt a slowdown in the growth rates, which was more intensely felt between 2019 and September 2020, as a result of Covid-19. Despite the scenery, Filorga decreased less than the overall anti-aging market, opposed to Vichy, which exhibits a larger fall compared to the total category (L'Oréal B 2020).

- ***Vichy-Filorga Gap Evolution per Channel***

Vichy-Filorga Gap Evolution per Distribution Channel

Anti-aging Pharmacy				
	2019	**YTD19**	**YTD20**	**Ev (%)**
MS Vichy	13,4%	13,2%	11,8%	-1,4%
MS Filorga	17,3%	16,9%	18,5%	1,6%
Gap Vichy - Filorga MS	-3,90	-3,70	-6,70	-3,00
Anti-aging Parapharmacy				
	2019	**YTD19**	**YTD20**	**Ev (%)**
MS Vichy	26,6%	26,4%	26,1%	-0,3%
MS Filorga	10,5%	10,2%	11,0%	0,8%
Gap Vichy - Filorga MS	16,10	16,20	15,10	-1,10

Table 2- Vichy-Filorga Gap Evolution per Distribution Channel (Sell Out Val); Source: HMR, FY 2019, YTD Sep 19-Sep 20.

The widening gap between the two brands in the anti-aging category mostly results from the pharmacy channel in which Filorga has been leading since 2019. Indeed, in pharmacies, YTD, *Liftactive Specialist*, and *Neovadiol Rose Platinium* are the only anti-age ranges that have grown in absolute value (+74k €). Although still led by Vichy, the gap in the parapharmacy channel has also narrowed, confirming the success of Filorga in this circuit (L'Oréal B 2020).

- ***Regional Presence Vichy Vs. Filorga***

The regional presence of both brands is shown in appendix 1. Vichy leads the anti-aging category in twelve districts, while Filorga leads only in eight districts. However, the five districts with higher weight in the anti-aging category nationally (Lisbon (30,4% MS), Porto (18,5% MS), Braga (9,9% MS), Setúbal (6,0% MS), Faro (5,0% MS)) are led by Filorga, which builds up to a 74% market share in anti-aging nationwide, while Vichy only holds 26%.

Within the top four districts, which represent 65% of the anti-aging market nationally, the gap between Vichy and Filorga has become wider in the pharmacy channel, as Vichy decreases in all the four regions, whilst Filorga increases (Appendix 2) (L'Oréal B 2020).

ADDRESSING THE WORK PROJECT TOPIC

1. Brand Challenge

With the recent success of premium brands in the pharmaceutical channel, such as Filorga, and the consequent decline of Vichy, one question arises "*How can Vichy overcome the recent success of competing premium brands in the pharmaceutical channel in Portugal?*". This research aims to understand how Vichy can face the current market challenges, prompted by the existing competitive environment while leveraging emergent opportunities in the sense of deploying strategies that will secure its leading position. Hence, the project addresses the role Vichy should play concerning its retail partners and the image it should build next to consumers.

2. Methodology

After gathering relevant information on the subject and getting a deeper knowledge on the research problem, supported by secondary data provided by L'Oréal, as well as other relevant studies, primary data was collected through three different research methods: 27 in-store visits within the pharmaceutical channel; 30 in-depth semi-structured interviews; and one online quantitative questionnaire.

***Pharmacy Visits*.** The first phase of the research entailed in-store visits, which aimed to identify the commercial dynamics (organic pharmacists' brand recommendations, sample offering behavior, and information concerning the beauty advisors' service), as well as the layout display in stores (Appendix 3). It is relevant to mention that visits were stopped at the 27th pharmacy due to data saturation, meaning that we reached similar patterns and findings at this stage (Faulkner e Trotter 2017).

Pharmacy Visits Data Collection Metrics

District	Pharmaceutical channel	Number of Visits		Method	Store selection Criteria
Lisbon	Pharmacy	10	13	<u>Mystery Client</u> Two middle-aged women were hired to conduct the visits along with us. Every interaction with the pharmacist began with the question: "*Which brand/product do you recommend, having in consideration my signs of aging?*"	Every store visited had to sell and have displayed both Vichy and Filorga such that the non-recommendation of one of the brands would not be related to the lack of its stock/presence in-store.
	Parapharmacy	3			
Porto	Pharmacy	9	14		
	Parapharmacy	5			

Table 3- Pharmacy visits data collection metrics; Source: Primary Research, 2020.

Qualitative Interviews. The exploratory analysis conducted through the in-depth interviews allowed to discover ideas and underlying assumptions of the consumers' decision journey, as well as their purchase behavior and brand perceptions. To support this analysis, projective techniques and perceptual maps were used as indirect methods to identify key variables (Appendix 4).

In-depth Interviews Demographics

Interviewees Age Range	**Number of Women**		**Sampling Criteria**
< 25 years old	8	Total	**1.** Portuguese or living in Portugal for at least the past 3 years. **2.** Have purchased a skincare product for themselves in the pharmaceutical channel, in the past 12 months in Portugal. **3.** Know at least the name of Vichy and Filorga. **4.** Have purchased the brand Vichy and an additional premium dermocosmetic brand[1].
25-45 ears old	10	30	
> 45 years old	12		

Table 4- In-depth Interviews Demographics; Source: Primary Research, 2020.

During the interviews, certain topics have been further explored, namely consumers' perceptions towards the brand Vichy and its main competitor, Filorga. Regarding the projective technique used, this method aimed to explore consumers' deeper motivations, feelings, and biases that lay below rational awareness. Consumers were asked the following question: "*If the brand Vichy/Filorga was a person, how would you describe her/him?*". Regarding the perceptual map tool, consumers were asked to plot the brands Vichy and Filorga according to two key attributes: perceived brands' performance and price positioning.

Quantitative Research. Finally, an online survey was carried out in order to test the hypothesis and insights found in qualitative research (Appendix 5).

[1] To be deemed as a premium brand, it must follow a set of criteria, namely a higher price-positioning, as well as conveying a premium aspirational, lifestyle and be located next to other prestigious brands in-store (ex.: Filorga, Lierac, SkinCeuticals, Isdin, Galénic, Apivita and Caudalie).

Online Questionnaire Demographics

Age Group	Number of Women Respondents		Sampling Criteria
< 25 years old	82	Total	**1.** Portuguese or living in Portugal for at least the past 3 years. **2.** Have purchased a skincare product for themselves in the pharmaceutical channel, in the past 12 months in Portugal. **3.** Know at least the name of Vichy and Filorga.
26 - 35 years old	44	231	
36 - 45 years old	37		
> 45 years old	68		

Table 5- Online Questionnaire Demographics; Source: Primary Research, 2020.

3. Research Insights

3.1. Pharmacy Visits Insights

From our 27 in-store visits, the most widely recommended brands by pharmacists were Caudalie (13/27) and Filorga (10/27), followed by Lierac (8/27). There were a great tendency and preference on the part of the pharmacists to advise premium brands: Filorga was most often recommended for its advanced anti-aging formula in terms of innovation and technology; while Caudalie was mostly valued for its natural composition and great efficacy, suiting women who did not yet show many signs of aging. Vichy was only mentioned by 3/27 pharmacists. The impression that the mystery clients got when asking about Vichy is that the brand is not as efficient for mature skins as other brands.

Moreover, taking into consideration the store layout and product display, Vichy was positioned in most pharmacies next to the dermatological and more affordable brands, such as La Roche Posay, Uriage, Bioderma, Avène, and SVR. Only in four pharmacies Vichy is displayed in the most premium brands section, while in nine pharmacies Vichy is positioned in between the affordable and premium brands, as a transition brand. The latter seems to be a good strategic position for Vichy, as it seems easier to attract consumers from the premium brands.

Most pharmacists provided samples, with Caudalie (7/27) and Filorga (6/27) being the most received brands in this tester format, while Vichy was only given by one pharmacist. It is also important to mention that the remaining stores which did not offer samples to the mystery clients were mainly parapharmacies, which according to them, have not received stock on samples due to COVID-19. Additionally, out of the 27 pharmacies visited, only nine organically mentioned the beauty advisors' day. Of the nine invitations to attend this day, three were referent to Filorga, whereas Vichy was never mentioned as to host this type of service in the pharmacies visited.

3.2. Consumer Insights From In-Depth Interviews and Survey

3.2.1. Consumer Segmentation

The extensive analysis of the data collected from the in-depth interviews allowed us to discover a major insight that will guide all the research going forward. Indeed, two segments emerged based on consumer behavior when purchasing skincare products in the pharmaceutical channel. On the one hand, there is a group of consumers whose behavior is based on research prior to purchase, getting much of the information available through digital platforms, and performing their own diagnosis (16/30). On the other hand, a second group of consumers prefers not to endeavor in much research prior to purchase, often forming their opinion based on experts (e.g., pharmacists) and/or friends' recommendations (14/30). Although this segmentation is centered on consumer attitudes, such behaviors are highly connected to age.

Similar to the interviews, the survey also enabled us to identify two segments with different behaviors that were also correlated with the age group of consumers. Consumers below 36 years old behave according to the young segment, while consumers aged above 45 years old exhibited behaviors related to the mature segment. Finally, despite sharing similar skin necessities to the mature segment, we understood through the interviews that consumers included in the age group between 36 and 45 years old, do not always identify themselves with the consumption behavior shared by the mature segment. To correctly understand which segment best fit the behavior displayed by each respondent in this age group, each consumer questionnaire was analysed individually. Therefore, the young segment counts with 144 consumers and the mature segment counts with 87 consumers.

In our survey, consumers were asked to choose the option that most reflected their behavior when purchasing a skincare product in pharmacy/parapharmacy **(Figure 2)**.

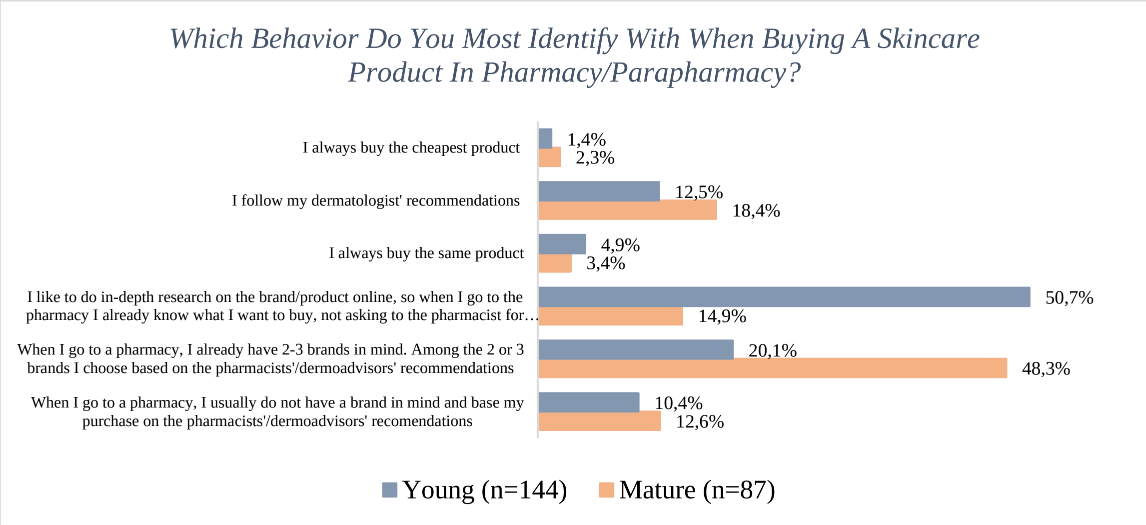

Figure 2- "What behavior do you most identify with when buying a skincare product in pharmacy/parapharmacy?" (n=231); Source: Quantitative Research, 2020.

In this sense, from a set of possible behavioral options, the young segment identifies more with the option "*I like to do in-depth research on the brand/product online, so when I go to the pharmacy, I already know what I want to buy, not asking the pharmacist for recommendations*" (50,7%); while the mature segment identifies more with the option "*When I go to a pharmacy, I already have 2-3 brands in mind. Among the 2 or 3 brands I choose based on the pharmacists'/dermoadvisors' recommendations*" (48,3%). The behavior evidenced by each consumer segment confirms the previous insight from our interviews.

3.2.2. Consumers' Multichannel Behavior

Both segments have exhibited a multichannel behavior in the interviews conducted. This means that there is no loyalty towards specific channels, but rather to products' features and performance, with consumers willing to change if they recognize a better product opportunity. For instance, 23/30 interviewees admit having a multichannel behavior.

> *"I have no preference for pharmacy brands. Before I was using a Biotherm cream and washing my face with Garnier Bio gel"* **(In-depth Interviews, 28 years old)**

Additionally, earlier in the research it was found that consumers are increasingly more open to endeavor in online skincare shopping. However, this scenario has not been felt amongst the interviewees, which overall remain away from e-commerce in what regards skincare. This trend was not felt as significantly in Portugal as in other countries, since many retailers were not prepared for such change in terms of distribution channels, failing to present competent e-commerce platforms, and, thus, limiting the increase in the use of the online channel (Pereira 2020). Furthermore, despite recognizing the lower prices charged and benefits of these online retailers, people in the interviews who started buying online during the quarantine admitted that this is not a habit that they see themselves pursuing in the future, as the commodity of buying in physical stores remains more relevant to them.

- ***How Have Consumers Been Switching Across Distribution Channels?***

Due to the nature of the study, all interviewees are bonded to the pharmaceutical channel, however, when switching, both segments tend to opt for perfumeries. For the young segment, this preference happens as this is a more appealing and trendier channel, carrying brands mostly shared on social media. On the other hand, the mature segment likes this channel as it carries very well-known and prestigious brands that give the feeling that they are buying a premium product, more suited to their mature skin needs. However, it was evident the gradual transition from this distribution channel to the pharmaceutical one, a decision mainly grounded on the medical and pharmaceutical advice, as well as on the consumers' trusted friends' advice. Moreover, price is also a criterion that weighs on this decision, since pharmacy brands tend to be cheaper than perfumery brands, with the ability to convey effectiveness and expertise on the subject. Concerning the mass-market, the mature segment still holds some prejudice towards this channel concerning skincare, largely due to the perception of inferior quality and the idea that less rigorous skin tests are carried out. Nonetheless, although this is a specificity of our sample, the supermarket chain Mercadona was mentioned for its outstanding value for money in what regards their skincare private brands. The reasons behind the success of this retailer next to the sample are associated with arousing word-of-mouth, as well as consumers' willingness to switch from expensive to affordable brands.

3.2.3. Consumer Decision Journey

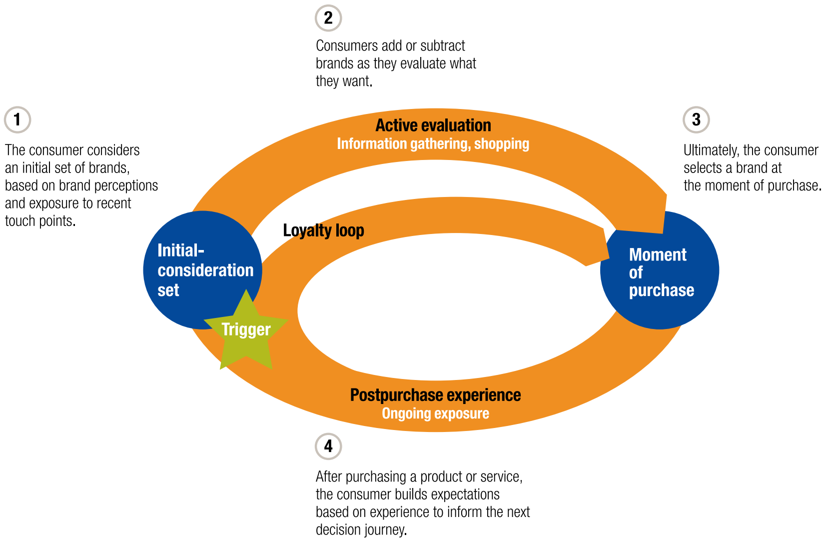

Figure 3- Consumer Decision Journey; Source: McKinsey, 2009.

By understanding the consumer decision journey of both segments, it is possible to identify key touchpoints and engagement opportunities where consumers are open to influence, tailoring the brand message and marketing strategy according to consumers' needs and wants. The in-depth interviews, as well as the survey conducted, cover the different phases of the consumer decision journey, being thus easier to understand how both segments behave and to focus on the main aspects that influence their shopping experience.

- **Segments Common Insights**

Consideration Stage. When the process of buying a skincare product is triggered, consumers rely on their initial set of considerations to start their journey. Brand awareness remains a key factor in this phase, as consumers are exposed to multiple touchpoints, which will ultimately shape their opinion and first brand impressions. From the survey, consumer awareness was analysed by asking respondents to select all the brands they recognize at least by the name – assisted brand awareness. Note that the consumer sample presented in **Figure 4** is not the final sample as this question was part of the research filters.

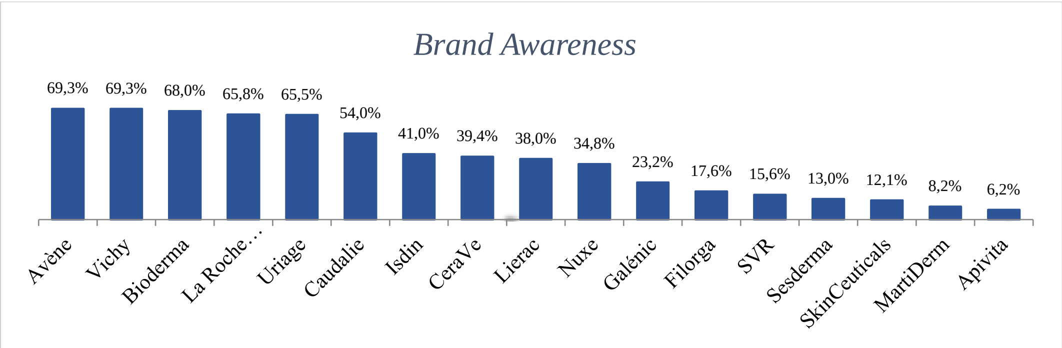

Figure 4- "Please select all the following pharmacy brands that you know at least the name" (n=1657); Source: Quantitative Research, 2020.

Premium brands are not the most present in consumers' minds due, in large part, to the fact that they represent a niche audience, with a very specific focus on the anti-aging market. Moreover, some of the premium brands, namely Filorga, SkinCeuticals, and Apivita are still recent on the market, which also explains the low recognition. It should be noted that, among the premium brands, Caudalie is the one that stands out, reinforcing the strong communication that the brand bets on. The most established brands in the market, including Vichy, have greater brand awareness, although this does not guarantee the success of these brands in the market. In fact, despite Filorga's low brand awareness, the brand has already surpassed Vichy in sell-out values in the anti-aging category. Either way, as Vichy is well-positioned and established in the minds of consumers, this allows the brand to more easily inspire trust in the market.

Evaluation Stage. At this phase, consumers begin to research the different alternatives on their consideration set. This assessment can be done with the resort of a variety of different sources and ultimately allows consumers to form opinions. To assess how respondents from our survey evaluate pharmacy skincare products, a set of dynamics was analysed. For this research, a factor is considered relevant when the percentage sum of ranks of 4 and 5 is superior to the percentage sum of ranks of 1 and 2 and, inversely, a factor is irrelevant when the sum of ranks of 1 and 2 is higher than the sum of ranks of 4 and 5. A rank of 3 is considered a neutral response.

Consumers Evaluation Criteria

	Brand		Price		Promotions		Samples		Pharmacists/ Dermoadvisors' Recommendations		Dermatologists' Recommendations		Digital Influencers' Recommendations	
	Y	M	Y	M	Y	M	Y	M	Y	M	Y	M	Y	M
Values a lot (Rates 4+5)	59,0%	60,9%	62,5%	59,7%	63,9%	64,4%	34,0%	55,2%	61,1%	71,3%	93%	93,2%	30,5%	12,6%
Neutral (Rate 3)	25,0%	32,2%	28,5%	32,2%	24,3%	25,3%	26,4%	21,8%	22,9%	23,0%	4,9%	3,4%	32,6%	25,3%
Do not value (Rates 1+2)	16,0%	6,9%	9,1%	8,0%	11,8%	10,3%	39,6%	23,0%	16,0%	5,7%	2,1%	3,4%	36,8%	62,0%

	Other Consumers' Reviews		Product's Fragrance		Product's Texture		High Concentration of Active Ingredients		Formula Based on Natural Ingredients		Sustainable Packaging		Scientific Innovation	
	Y	M	Y	M	Y	M	Y	M	Y	M	Y	M	Y	M
Values a lot (Rates 4+5)	75,7%	52,9%	29,2%	44,8%	54,2%	67,8%	57,7%	60,9%	50%	59,7%	52,8%	51,7%	63,9%	72,4%
Neutral (Rate 3)	15,3%	33,4%	30,6%	28,7%	28,5%	23,0%	24,3%	32,3%	27,8%	25,3%	22,9%	28,7%	24,3%	19,5%
Do not value (Rates 1+2)	9,1%	13,7%	40,3%	26,4%	17,3%	9,1%	18,0%	6,9%	22,2%	14,9%	24,3%	19,5%	11,9%	8,0%

Table 6 - "How important are each of the following factors in your evaluation of a skincare product, on a scale of 1 to 5?" (1= Not at all important; 5= Very important)" (n=231); Y=Young/ M=Mature; Source: Quantitative Research, 2020.

The positive evaluation of natural ingredients composition and sustainable packaging confirms the trend identified earlier on secondary data regarding the move of consumers towards greener options, as well as the relevance given to active ingredients formulations, which is highly associated with premium brands. In both segments, dermatologist recommendations are highly valued, which was expected, as when consumers seek this service, the end goal is to indeed find the best products to meet their needs.

Moment of Purchase Stage. Through the quantitative research, we aimed at identifying the main brands acquired by consumers, and, as such, it was considered as a purchase those brands that consumers have acquired less than one year ago. In our survey, consumers were asked to select all the brands they have purchase in the past 12 months in Portugal in the pharmaceutical channel, as is presented in **Figure 5**.

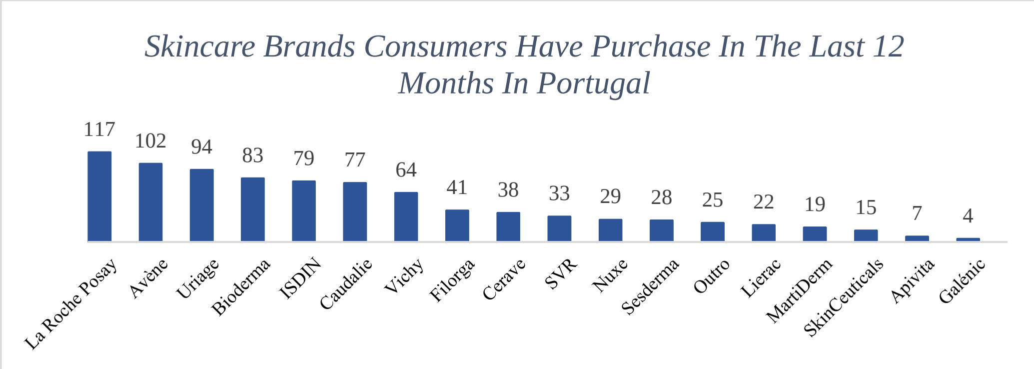

Figure 5- "Which of the following skincare pharmacy brands have you purchased in the last 12 months in Portugal?" (n=231); Source: Quantitative Research, 2020.

Regarding the top purchased brands, it becomes clear that the most affordable and dermatological options end up being the most sought after. Yet, there is evidence that premium brands are increasingly gaining ground, with Vichy in the middle of these. For instance, Caudalie and ISDIN have a larger portion of clients than Vichy, with Filorga coming close behind. Indeed, it is possible to notice in the graph a progressive loss of leadership by Vichy for those premium brands. Furthermore, the gap between the brand awareness values displayed by Vichy and the actual number of consumers who shop the brand proves that, at some point in the consumer decision journey, consumers are misperceiving Vichy's value. Moreover, followed by the top purchased brands, it was also interesting to study the brands bought by consumers in the past, but which now are no longer purchased. From the results presented below in **Figure 6**, Vichy is the brand that most consumers have stopped purchasing, while Filorga only shows a loss of 15 clients. The main reasons pointed out by consumers who stopped buying Vichy relates to the low quality/efficacy and the preference for other brands in the market that show a superior quality. As for Filorga, the reasons that lead consumers to cease the purchase are mostly connected to the high prices practiced by the brand and the preference for other brands, and not as a result of perceived low quality.

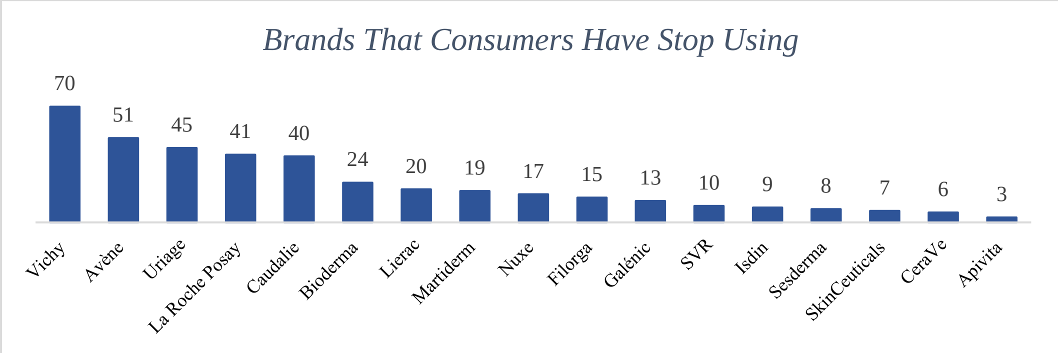

Figure 6- "Which of the following skincare pharmacy brands have you used but stopped buying?" (n=231); Source: Quantitative Research, 2020.

Loyalty Loop Stage. After consumers have engaged with the product and the brand, the goal is that this post-purchase experience inspires loyalty, which will dictate if consumers are willing to repeat the purchase or not. If consumers enter the loyalty loop, there will be a minor consumer sensitivity to other market offerings, which will give the brand in question an advantage compared to its competitors. However, in skincare, brand loyalty appears to be difficult to achieve, as consumers are constantly evaluating different options and looking to test new product launches that better deliver the results they expect.

Through the in-depth interviews, a common insight emerged: neither of the segments shows loyalty to specific brands, but rather to products that are able to deliver the expected results, turning consumers very result-oriented. On the one hand, the easy access to information online makes younger consumers highly informed about the product composition, but also highly expectant towards how the product performs. Consequently, although they might enjoy the experience with the product, they do not completely advocate with it, being in a constant hunt for different products. On the other hand, for the mature consumers, the evolution of brands towards breakthrough innovations in anti-aging formulas has created in these consumers the desire to test different products that will bring a renewed life to their skin. Thus, the products' performance is what makes the bond for these consumers.

"I usually use different brands for each thing. Depending on the needs, I change what I have to use: I can perfectly use a Neostrata cream and a Caudalie mask" **(In-depth Interviews, 56 years old)**

4. Implications and Individual Reports

The insights collected through the primary data do support those of the secondary data, as we were able to confirm Vichy's decline in the market as a result of the success of premium brands. These recent market dynamics call into question the efficiency of Vichy's business model, which focuses on targeting a wide range of consumers and investing little in the relationship with business partners, namely pharmacies/parapharmacies. Conversely, premium brands are able to develop a more in-depth work at the points of sale, eventually winning the trust of key business partners, as these brands are also spread by a lower number of distribution points. Additionally, consumers seek more personalized services, both offline and online, which Vichy has not been able to deliver appropriately.

To explore the research question further, the individual projects will focus on analysing the young and the mature segments, respectively, such that personalized and appropriate recommendations can be designed for each group.

5. Project Limitations

As the project was conducted under the Covid-19 scenario, there was no significant data available on the effects of the pandemic on the skincare market, more specifically on the dermocosmetics market. Therefore, data from previous years might not correspond to the current situation. Moreover, detailed data on premium brands' success was limited to the brand Filorga, as this was the only one that Vichy provided us with extensive studies.

Pharmacy Visits. The research suffered from a limited geographical reach and limited time spectrum, as these visits were only conducted in Porto and Lisbon and only took place at certain weeks, limited to specific ongoing promotions. Moreover, as notes could not be taken during the pharmacy visits, researchers and mystery clients (who, on some occasions, had to undertake the research alone, since due to Covid-19 restrictions, entrance in stores was limited to one client) had to rely on memory. Additionally, as for brand recommendations, these were limited to the mystery client's skin type and may, thus, differ between consumers.

In-Depth Interviews. The convenience of the sample was one of the limitations, as most interviewees belong to the team's network. There was also a geographical limitation, as younger consumers were mainly from Lisbon and mature consumers from Porto. Due to COVID-19 current restrictions, interviews were conducted via video call, which might have impacted the flow of the conversation. On the other hand, the projective technique used was subject to the author's subjectivity in the analysis. On the interviewees' side, some of the consumers were skincare experts and, therefore, their knowledge was much more extensive compared to a standard consumer. Finally, interviews could have also been subjected to unwillingness error and respondent error, not being possible to verify the truthfulness of some responses.

Online Questionnaire. This quantitative research may be prone to respondent error and unwillingness error, as in the interviews. Concerning the scale used in some questions, people tend to avoid the extremity options, which might lead to some bias in the analysis. On a final note, the length of the online survey may have also affected the participants' willingness to stay fully engaged.

INDIVIDUAL PROJECT

1. Project's Purpose and General Overview

The anti-aging category has been expanding, highly driven by the entrance of younger consumers in the category. Women are starting to be concerned with the signs of aging earlier than past generations did, however, the use of anti-aging products starts with the aim of preventing rather than as a cure of already existing aging effects. Highly boosted by digital influencers who spread awareness on the need for early prevention, consumers have also become more knowledgeable and seeking more efficient products, usually found within the premium brands. Prevention has been indeed a major driver for the anti-aging category, which is intrinsically and consequently related to the premiumization of the market, as these generally hold a higher focus on the anti-aging category (L'Oréal E, 2020).

The main purpose of the individual project is to address the research question of how Vichy can overcome the recent success of premium brands in the pharmaceutical channel in Portugal, through the lens of the young Portuguese dermocosmetic consumers. Although Vichy faces less risk of losing market share amongst this segment, it was still crucial to analyse how the young consumers are shifting to premium brands. In order to elaborate a set of recommendations that will help Vichy prevent this shift, research on this group was conducted through means of qualitative and quantitative research, addressing both the consumer decision journey of the segment within the pharmaceutical channel, and the perceptions held towards the brands Vichy and Filorga.

2. Research Insights on the Segment

2.1. Consumer Decision Journey

Consideration Stage. For the young segment, social media is the main starting point to discover new skincare brands and products. Instagram was the social platform most mentioned by our interview respondents, mainly for its relevance in getting to know new products, especially through influencers who help to increase brand awareness at this stage. A few respondents have also mentioned YouTube skincare experts as a means to discover new skincare content. Moreover, even when young consumers are not looking for any specific product to satisfy their needs, they still absorb a lot of information through passive exposure to social media content and advertisements, and there is a tendency for young consumers, based on our sample, to look for what is being recommended and spoken within the beauty community.

"Influencers are a lot of the times the starting point for me to search more about brands and products. In summer I discovered SVR through an influencer" **(In-depth Interviews, 22 years old)**

According to the survey analysis, 90,3% of the young segment, which corresponds to 130 consumers, admit getting informed about skincare matters online. From this sample, 61,5% follow skincare brands on social media and 90% follow digital influencers. These results are in line with the insights gathered from the interviews, which state that the online channel is a strong key touchpoint where consumers go to engage with skincare content and start to form a consideration set of brands.

Caudalie is the most followed brand by respondents of the survey, followed by half of the sample (out of those who do follow skincare brands on social media (n=80)), reinforcing the idea that young consumers have a growing interest in premium brands. Vichy appears as the second most followed brand, tied with La Roche Posay, both with 29 followers (Appendix 6). Furthermore, when questioned about the type of digital influencer followed when searching for skincare content, 31,6% of the young group (out of those who reveal to follow influencers online (n=130)) have shown a preference for skin experts which hold vast knowledge on the beauty field, followed by *macro-influencers* (influencers with over 100.000 followers on Instagram).

Evaluation Stage. The young segment is characterized by endeavoring in online research prior to purchase of skincare, oppositely to mature consumers, which tend to engage in impulsive buys. Social media, mainly influencers recommendations, proved to be a major evaluating component for the young consumers interviewed, as these digital content creators' opinion leads the segment to either add or take brands out of their consideration set.

"I follow a lot of brands on social media to see the novelties in the market and to get informed on the products they have." **(In-Depth Interviews, 38 years old)**

The insights collected through the survey conflict with those of the interviews when exploring the role of influencers. Questioned about different elements that influence the evaluation of a skincare product, 36,8% of the total sample of young respondents (n=144), rank digital influencers' recommendations as irrelevant, valuating this factor with a 1 or 2 (on a scale of 1 to 5, in which 1 stand for not at all important and 5 for very important). Such contradictory findings might suggest young consumers from the survey do not assume their strong dependence on social media, leading to a gap between how they assess their behavior (insights from the survey) and how they describe their behavior (insights from the interviews).

From the young respondents who admit seeking skincare information online (n=130), 59,2% resort to the brand's website when building its online evaluation on skincare products, and 54,6% conduct their research through multi-brand websites. On the other hand, the brand's social media, Facebook forums, and digital influencers are not relevant evaluation tools for these 130 consumers when getting information online, with Instagram influencers ranked negatively by 40,8% of them, YouTube influencers by 49,3%, and TikTok videos by 82,3% (Appendix 7). Once again, despite recognizing influencers as a source of information on new products, respondents do not reiterate the influence these content creators' recommendations hold at the evaluation stage.

Below, an analysis of the evaluation factors is conducted based on **Table 7**.

Young Segment Evaluation Criteria

	Dermatologist' Recommendations	Other Consumers' Reviewa	Scientific Innovation	Promotions	Price	Pharmacists/ Dermoadvisors' Recommendations	Brand
Value a lot (Rates 4 +5)	93,0%	75,7%	63,9%	63,9%	62,5%	61,1%	59,0%
Neutral (Rate 3)	4,9%	15,3%	24,3%	24,3%	28,5%	22,9%	25,0%
Do not value (Rates 1 +2)	2,1%	9,1%	11,9%	11,8%	9,1%	16,0%	16,0%

	High Concentration of Active Ingredients	Product's Texture	Sustainable Packaging	Formula Based on Natural Ingredients	Samples	Digital Influencers' Recommendations	Product's Fragrance
Value a lot (Rates 4 +5)	57,7%	54,2%	52,8%	50%	34,0%	30,5%	29,2%
Neutral (Rate 3)	24,3%	28,5%	22,9%	27,8%	26,4%	32,6%	30,6%
Do not value (Rates 1 +2)	18,0%	17,3%	24,3%	22,2%	39,6%	36,8%	40,3%

Table 7 - "How important are each of the following factors in your evaluation of a skincare product, on a scale of 1 to 5? (1= Not at all important; 5= Very important)" (n=144); Y=Young/ M=Mature; Source: Quantitative Research, 2020.

Following the survey analysis on the evaluation criteria of the young segment, third party recommendations, except for dermatologists, do not appear to be the most relevant evaluation criteria for these consumers when deciding on a skincare product, which indicates that young respondents prefer to perform their own research prior to purchase. The fact that pharmacists/dermoadvisor's recommendations are positively ranked, derives from the urge of respondents to answer what is socially accepted. They do, however, value other consumers' reviews, since these are usually perceived as unbiased, as there are no selling intentions underneath. More than half of the consumers value scientific innovation on skincare products, as well as products containing a high concentration of active ingredients. The latter elements are usually found in premium brands, suggesting that young consumers are increasingly moving towards premium dermocosmetic, reinforcing a premiumization of the market. On the other hand, although not as highly ranked, young respondents positively assess sustainable packaging and formulas based on natural ingredients, an insight also found in the interviews, both strengthening the thesis of a greener trend as identified previously in the secondary data. As explained previously, brands positioned as sustainable take part in the premium sector, and, thus, this insight supports the possible shift of younger consumers towards premium brands.

Moment of Purchase Stage. The research conducted, both through interviews and survey aims to identify the main dermocosmetic brands acquired by consumers. Therefore, for this phase of the consumer decision journey, we considered as a purchase, skincare brands that consumers have acquired in pharmacy, in the last 12 months in Portugal.

One of the filters of the interview pre-recruiting questionnaire demanded that all consumers have had bought at least one product from the brand Vichy, independently of the line, at some point in time. However, some respondents have either stopped purchasing the brand over one year ago or have only acquired Vichy for specificities other than facial skincare, such as sun-protection or body care. Therefore, these consumers will not be counted on the moment of purchase stage.

After careful evaluation of the interviews, the young segment has distinctively pushed La Roche Posay to the top position, with 11 consumers recently purchasing the brand products; followed by Vichy, purchased by nine interviewees; and lastly, Caudalie and Bioderma both recently acquired by seven consumers. Despite ranking second on the list of top brands purchased in the last year, it is of greater importance to understand what led seven consumers to stop buying Vichy. The main reason was identified in the conviction that Vichy products are mainly suitable for mature skins; an idea derived from bad experiences of a few of these young consumers, who attempted to try anti-aging creams that did not suit them and were too heavy for the necessities of their young skin. Two interviewees have also confessed to have only bought Vichy in an out-of-necessity situation, as they were far from home and saw Vichy as an acceptable solution for their needs at the moment. However, both have said that they do not intend to re-purchase from the brand, as they perceive it for mature skins. Moreover, from these seven consumers, some have also purchased Vichy in other lines, but they ended up not seeing the brand as a choice when it comes to facial skincare.

"I have used Vichy, but honestly I didn't like it, because Vichy is also more focused on the anti-aging segment, for more mature skin, and so I felt that it was not suitable for my skin type." **(In-depth Interviews, 24 years old)**

By contrast, to proceed with the survey, the respondents were not required to have purchased any specific brand in the pharmaceutical circuit in the past year in Portugal. Nonetheless, this question was inquired further on the survey as a means to analyse and quantify the most purchased dermocosmetic brands by the young division in the recent year. Similar to the interviews, La Roche Posay comes off as the favorite brand of the young segment, bought by 79 consumers (54,9%). Right after comes Avène, acquired by 69 (47,9%), followed by Bioderma 61 (42,4%). Vichy comes in fifth place, after Uriage and before Caudalie, counting with purchases of 48 consumers (33,3%) (Appendix 8).

Moreover, it was crucial understanding if this segment's reliance on digital platforms extended to online shopping, which was indeed confirmed through the survey, as 101 consumers (out of 130 who engage in online research) affirm to have purchased skincare online. LookFantastic, Primor, and Notino come off as the favorite multi-brand e-retailers for this segment, with respectively 48, 42, and 38 consumers placing their online orders on these websites. None of these three retailers are official distributors of Vichy in Portugal (Appendix 9).

Loyalty Loop. In this research, for a consumer to be considered loyal to a brand, she has had to have re-purchased the brand continuously at least for the past year, using it at the moment, and with no intention to search for other offers for the same purpose or planning to stop using it soon.

Only four interviewees from this segment have admitted being loyal to a certain brand, which was in all cases La Roche Posay. Despite these few consumers, the rest of the young segment does not appear to be loyal to any brand, although they might be loyal to specific products, even when this happens, it is not likely that the consumer will stop looking for better alternatives.

2.2 Consumer Perceptions

Brand perceptions. In general, the young segment holds a positive view of **Vichy**, perceiving it as a strong brand that offers quality products at a reasonable price, however, there is the shared idea that the brand is targeted to mature skins. The consumers taking part in this segment that have stopped purchasing Vichy, confess a certain negative perception on Vichy's branding and communication, as these believe the brand does not have a clear message, with a few describing it as the supermarket brand sold in the pharmacy. Some of the consumers that do buy Vichy have admitted associating the brand with older generations in their families.

On the other hand, **Filorga** is perceived by this segment as a high-quality brand that is able to combine optimal efficiency with premium aesthetics and packaging. Indeed, most consumers, even the ones that do not purchase the brand, hold this premium belief about Filorga, not only because of its price point but also due to its advertising and communication. This group of consumers has the vivid notion that Filorga has a very clear anti-aging focus, and the endorsement by young influencers, around 30 years old, allows the brand to hold a very updated and modern image. For the young segment, Filorga is an aspirational brand, as these consumers aspire to the lifestyle evoked by the brand through its branding and communication.

Regarding the survey, the following conclusions are accessed based on the graph in **Figure 7**.

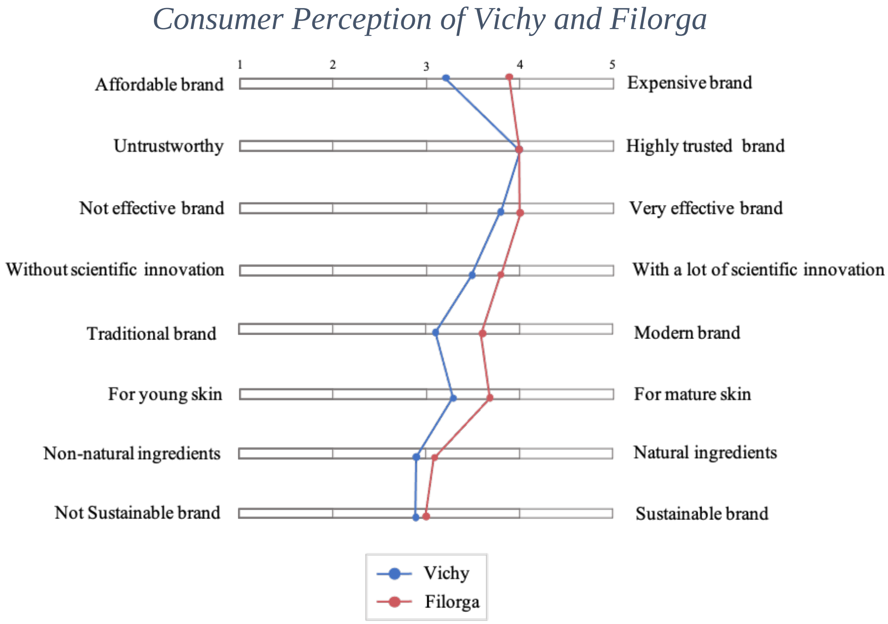

Figure 7 – Consumers' Brand Perceptions (n= 144); Source: Quantitative Research, 2020.

Overall, at a first glance, young respondents have been found to hold stronger and more assertive perceptions on Filorga than on Vichy, as the second one tends to be more neutrally ranked (average around 3) in most of the parameters. Both brands are perceived by the segment as trustworthy and effective and neither is perceived as sustainable nor as having natural ingredients on its composition, as most respondents rank these two factors neutrally, indicating a lack of knowledge on the factors. On one hand, Filorga's positioning in the market seems to be well understood by the segment, which associates it with a premium and modern brand, with a clear focus on mature skins, which is indeed what the brand aims to convey. On the other hand, the positioning of Vichy is not as evident. Despite being perceived as a brand offering quality products for a reasonable price, Vichy is not seen as a very modern brand and is not so clear for respondents which is its target audience. Furthermore, Filorga is seen as holding more scientific innovation than Vichy, which is an element usually associated with premium brands, confirming that respondents do not identify Vichy as belonging to the premium market.

Projective Technique. To understand consumers' deeply rooted opinions and perceptions on both Vichy and Filorga, a projective technique was conducted during interviews, starting with the question: *"How would you describe Vichy/Filorga if the brand was a person?"*.

The young segment describes **Vichy** as a middle-aged woman, very practical and relaxed in the way she behaves and dresses. Vichy is seen as a very simple and approachable woman that takes care of herself, using just the essential products to reach healthy skin. Meanwhile, **Filorga** can be characterized as an upper-middle-class woman, aged around 40 years old, who is very modern and elegant, both in the way she acts, as well as in her fashion choices. This woman is seen as highly devoted to her skincare and highly aware of new trends in the industry.

Perceptual Map. The perceptual map in **Figure 8** depicts how the young segment taking part in the interviews, identifies the two brands in what regards price positioning and brand performance. Indeed, for the young segment, **Vichy** and **Filorga** are perceived as being at the same level in terms of product performance, although in terms of price, Vichy is clearly on the more affordable side, unlike Filorga which has a higher concentration of points towards the premium price positioning.

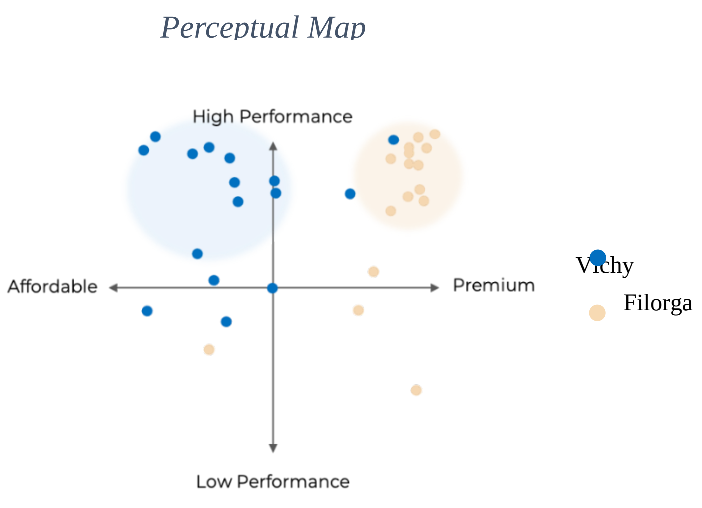

Figure 8 - Perceptual Map - Brand Performance and Price Positioning (n=16); Source: Qualitative Research, 2020.

3. Diagnostic Implications and Recommendations

In light of the analysis conducted, it is essential to address the risks faced by Vichy as a consequence of the market premiumization, under the lens of young Portuguese dermocosmetic consumers. Indeed, the findings show that the young segment still privileges Vichy over premium brands, however, some signs indicate an increased relevance of premium brands next to this group, gaining market share that was, until the moment, detained by Vichy.

There is still a tendency for younger consumers to opt for dermatological and more affordable brands within the pharmaceutical channel, as there is still not an urgent need from these consumers' side to invest in anti-aging products, which are mostly distributed by premium brands. Vichy's main advantage next to this segment lays in the perceived good quality/price ratio practiced by the brand. Nevertheless, as confirmed through the research, consumers are not loyal to brands, such that holding enticing prices is not a strategy strong enough to retain clients, as these are continuously looking for better skincare products. Through the research, it was possible to conclude that, among premium brands, Caudalie represents the biggest threat to Vichy, as this is, not only the most purchased brand by the survey sample, right after Vichy, as it is also the most followed brand on social media by young respondents, proving its effective communication strategy next to this segment, who relies on digital platforms to build a consideration set and analyse different skincare brands. Although having a strong focus on anti-aging, which is not yet the main area of concern for the young segment, Caudalie has been able to attract and target these consumers by developing a branding around its natural ingredient compositions and sustainability drive, a trend very dear to the younger generations.

Moreover, scientific innovation and a high concentration of active ingredients are also strongly valuable to the young segment, which are elements usually found in premium brands and which respondents indeed associated with Filorga, as analysed on the brand perceptions point. Like Caudalie, Filorga has invested in its digital presence, namely on Instagram, where in the last year the brand has established partnerships with 14 influencers, ranging from beauty experts to TV celebrities, a strategy that has enabled Filorga to reach a younger audience, who might not yet purchase the brand, as these perceive it to be suitable for more mature skins, but already holds an aspirational idea of it.

The work project has shown that online platforms are the main source of information for young consumers concerning skincare matters, and further, that competing premium brands are successfully attracting young consumers through this means. Building on this, stronger investment in its digital presence can be identified as crucial for Vichy, in order to not lose its market share to premium brands within the young segment. Therefore, the following suggestions are aimed at improving Vichy's brand image next to young consumers, who do not perceive it as a modern brand and who tend to associate it with mature women.

Instagram Content: Vichy must implement a new Instagram strategy plan, with the main goal of generating leads and sales and improve customer retention. The first step Vichy must take towards its goal is an optimization of the brand profile. This can firstly be attained by posting more regularly and with more visually attractive content, as at the moment, Vichy does not upload a publication on the feed for over two months and does not have a signature aesthetic. Moreover, Vichy can add a call-to-action shopping button and thus introduce shoppable posts, such that consumers can easily be redirected to the official distributor of Vichy, *Beleza e Saúde*, and place their shopping immediately. As an incentive for consumers to engage with the brand, Vichy can host meaningful giveaways and/or contests in which consumers are willing to participate and advocate.

Lastly, regarding influencer advocacy, Vichy must provide content creators with promotional discount codes to be used on specific official distributors of Vichy, and additionally, it should incentivize pharmacies, which have a strong presence on social media, to advocate and recommend the brand.

SkinConsult AI: With its recent digital innovation, the *SkinConsult AI*, Vichy can tap into two crucial elements highly valued by young consumers: digital platforms and dermatologists' recommendations. Summing up, SkinConsult is an algorithm developed by Vichy, which, through artificial intelligence, analyses and classifies the consumer skin in seven aging signs, identifying it strengthens and points to improve, and then creates a personalized skincare routine with Vichy's products. All this experience is available online, free from costs and all consumers need to do, is take a selfie (or upload an existing photo) and provide their age and skin type (Vichy, n.d.).

Vichy Portugal has not yet expanded this virtual advisor to its full potential. Therefore, Vichy should invest in promoting the service next to key influencers, namely skin experts and *macro-influencers*, as these were selected as the favorite ones by the consumers. Vichy should also nominate a few key content creators as the faces of the campaign and develop an elaborated marketing plan with these, consisting of three phases: first, the influencer would take a "before picture" and upload a video of herself using the SkinConsult AI; secondly, throughout a week, the influencer would give feedback on the received products; lastly, at the end of that week, the content creator would upload an "after photo" in which she shows the results of a week using Vichy products, followed by a feedback video on the experience.

To conclude, using the above suggestions for disruptive innovation in the market, Vichy will be able to improve the way it is perceived by young consumers and therefore differentiate itself from its competitors in the dermocosmetic market.

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APPENDIX

Appendix 1 – Regional Presence Vichy Vs Filorga

Distrito	Marca	MS 2020	Gap MS
	Portugal		
Açores	#1 Filorga	19,7%	-0,09
	#2 Vichy	11,1%	
	Portugal		
Aveiro	#2 Filorga	8,6%	0,09
	#1 Vichy	17,2%	
	Portugal		
Beja	#2 Filorga	12,8%	0,09
	#1 Vichy	21,8%	
	Portugal		
Braga	#1 Filorga	22,2%	-0,10
	#2 Vichy	11,9%	
	Portugal		
Bragança	#2 Filorga	11,2%	0,11
	#1 Vichy	22,2%	
	Portugal		
Castelo Branco	#2 Filorga	12,7%	0,08
	#1 Vichy	20,5%	
	Portugal		
Coimbra	#2 Filorga	10,3%	0,04
	#1 Vichy	13,9%	
	Portugal		
Évora	#1 Filorga	23,5%	-0,05
	#2 Vichy	18,6%	
	Portugal		
Faro	#1 Filorga	22,9%	-0,12
	#2 Vichy	10,9%	
	Portugal		
Guarda	#2 Filorga	6,9%	0,11
	#1 Vichy	18,2%	

Distrito	Marca	MS 2020	Gap MS
	Portugal		
Leiria	#2 Filorga	11,8%	0,07
	#1 Vichy	19,1%	
	Portugal		
Lisbon	#1 Filorga	22,7%	-0,13
	#2 Vichy	9,3%	
	Portugal		
Madeira	#1 Filorga	32,3%	-0,19
	#2 Vichy	12,9%	
	Portugal		
Portalegre	#2 Filorga	2,1%	0,28
	#1 Vichy	30,0%	
	Portugal		
Porto	#1 Filorga	20,3%	-0,09
	#2 Vichy	11,0%	
	Portugal		
Santarém	#2 Filorga	10,4%	0,03
	#1 Vichy	13,4%	
	Portugal		
Setúbal	#1 Filorga	17,7%	-0,05
	#2 Vichy	12,8%	
	Portugal		
Viana do Castelo	#2 Filorga	7,4%	0,20
	#1 Vichy	27,3%	
	Portugal		
Vila Real	#2 Filorga	4,2%	0,04
	#1 Vichy	8,7%	
	Portugal		
Viseu	#2 Filorga	5,4%	0,20
	#1 Vichy	25,6%	

Table 9 - Regional Presence Vichy Vs Filorga; Source: HMR, Pharmacy, Anti-age, Sell Out Val, MAT Sep 2020 vs 2019.

Appendix 2 – Regional Presence Vichy Vs Filorga in the top four districts

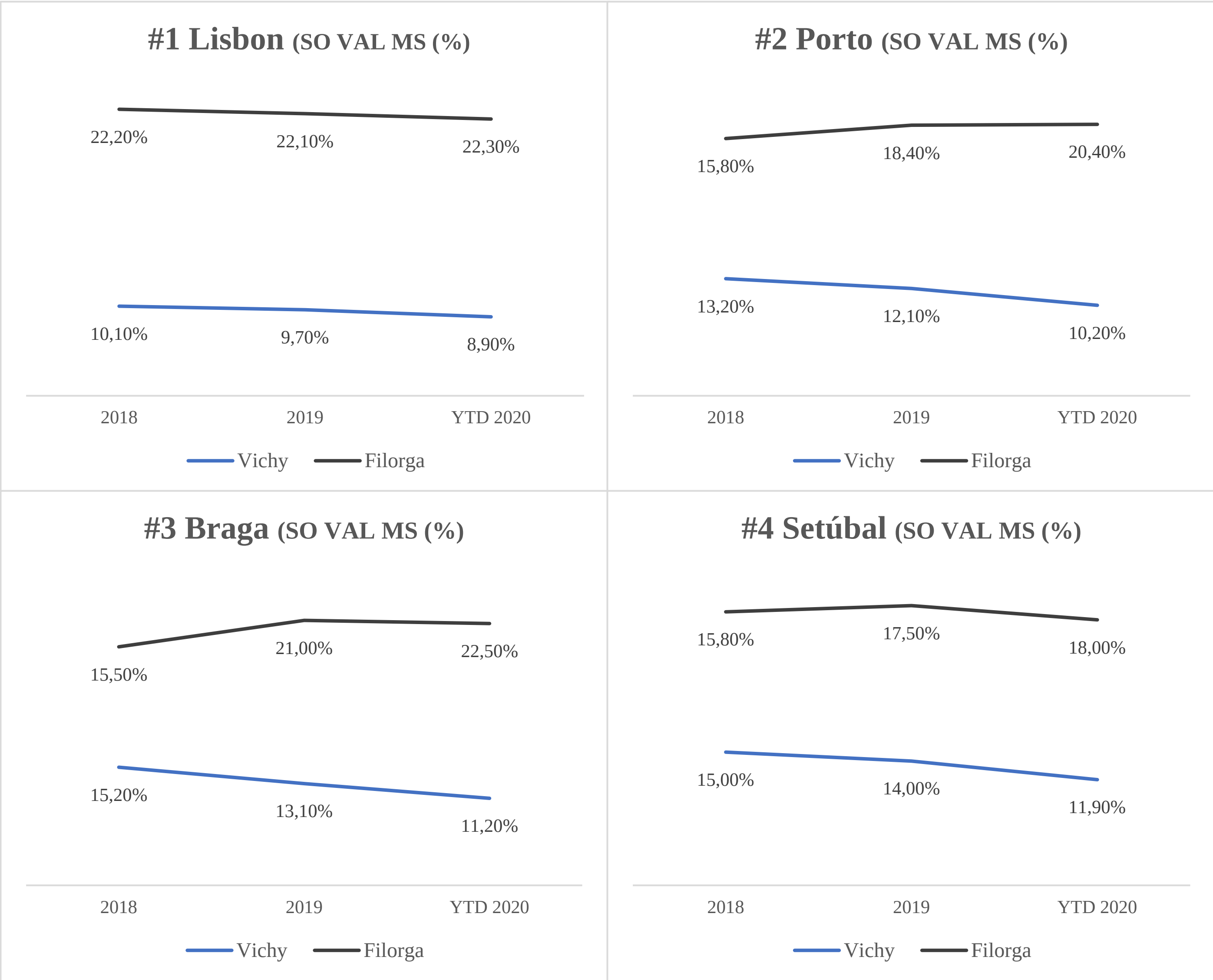


Figure 10 - Regional Presence Vichy Vs Filorga; Source: HMR, Pharmacy, Anti-Age, Sell Out Val, FY 2018, 2019, YTD Set 19 / Set 20.

Appendix 3: Pharmacy Visits Grid

GRID: COMMERCIAL DYNAMIC IN PHARMACIES		
Date:	**Pharmacy:**	
Location:		
PHARMACY OBSERVATION		
Is Vichy easy to identify? Which brands are next to Vichy? (observe the price points among brands)		
Where are the Premium Brands? Do they have their own shelf? Which brands are next to Filorga?		
Observe if products are organized by brand or product category (e.g., anti-aging)		
Are there any price promotion going on?		
Are there any branding promotion going on?		
PHARMACIST INTERVIEW		
	Prevent	Anti-Aging
First recommendation		
Reasons to recommend this brand in the anti-aging category? Which are the benefits?		
Alternative brands recommended? Why?		
Does the pharmacy hold any dermoadvisors day? From any specific brand or all brands in general?		
Is it possible to get some samples?		

Appendix 4: Interview Guide

1. Warm-up

Good morning and thank you for your availability for this interview. I am currently doing my master thesis at Nova SBE, and for this project, we are conducting a market research regarding the skincare industry in pharmacy/parapharmacy.

I set up this semi-structured interview with you to gather some more in-depth insights on the topic, which means I will ask you a few questions, to which there are no right or wrong answers, and you are free to speak what comes to your mind.

This interview could last from 45 min to 1 hour. In order to analyse the insights from this interview, later on, I will ask you if it is ok that I record this interview but assuring you that it will remain anonymous and you won't be contacted again after this interview.

2. Opening Question

The last time you purchased a skincare product for your face in the pharmacy/supermarket/perfumery, could you please tell me which brand/product you bought and why?

3. Topics to Cover

<u>In case the last product was bought in another channel, bring the interview to the pharmacy channel:</u> You told me that you have purchased skincare in the pharmacy. Could you please describe your experience, and which brand you bought and why?

Purchase Behavior	- Purchase drivers - Frequency of purchase - Influencers of purchase (e.g., friends, family, pharmacists, dermatologists, beauty advisors…) - Brands recommended in the moment of purchase - Beauty Advisors' service experience
Consumer Behavior	- Place of purchase - Benefits sought - Brand loyalty status - Sources of information regarding skincare - Evaluation criteria of products - Skincare routine - Brand Preferences - How consumers feel about various alternatives (brands, products) - Consumers' behavior while researching and shopping - Consumer Decision Journey
Covid-19	- Consumption habits

	- Purchase habits

4. About Vichy and Premium brands

a. Brand Perceptions

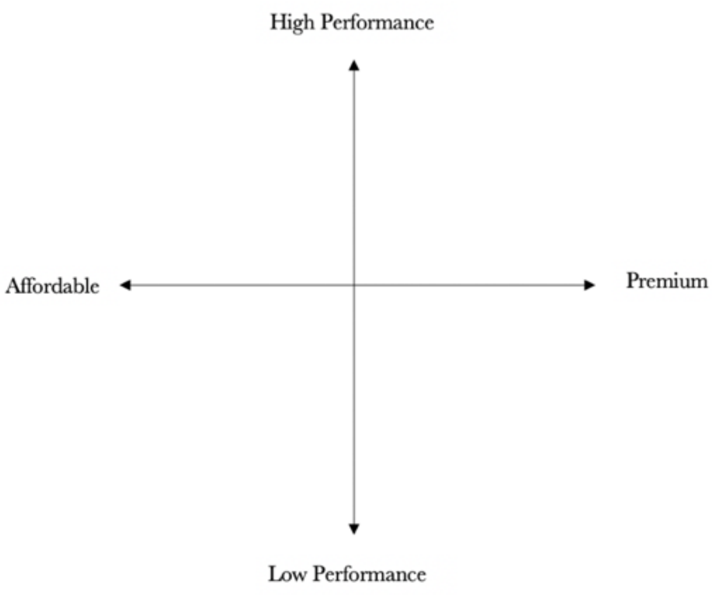
b. Reasons to purchase/not purchase

5. Projective Technique

If Vichy was a person, how would it be? What about Filorga? And the first brand that you referred to?

6. Perceptual Map

Please plot the brands Vichy and Filorga + other brands mentioned in the interview, based on perceived brand performance and price positioning.



7. Respondent Profile

- Name
- Age
- Gender

Appendix 5: Questionnaire – Online Survey

Pesquisa de Mercado Dermocosmética

Introdução

Olá!

Somos alunas de Mestrado em Gestão na Nova School of Business and Economics e estamos neste momento a finalizar a nossa tese de mestrado. Como tal, este questionário tem como objetivo estudar o **mercado de dermocosmética** e os seus consumidores.

O preenchimento deste questionário demorará **não mais que 10 minutos.**

Todas as respostas permanecerão **anónimas** e não serão usadas para outro propósito para além da presente pesquisa de mercado.

Fim do bloco: Introdução

Pre-recruiting

Q1 É Português ou vive em Portugal há pelo menos 3 anos?

O Sim

O Não

Pular para: Q3 Se É Português ou vive em Portugal há pelo menos 3 anos? = Sim

Pular para: Fim da pesquisa Se É Português ou vive em Portugal há pelo menos 3 anos? = Não

Q2 Já comprou um produto de cuidados de pele (ex.: creme de rosto, sérum, água micelar, creme de corpo...) para si, numa farmácia ou parafarmácia, nos últimos 6 meses em Portugal?

O Sim

O Não

Pular para: Q4 Se Já comprou um produto de cuidados de pele (ex.: creme de rosto, sérum, água micelar, creme de cor... = Sim

Pular para: Fim da pesquisa Se Já comprou um produto de cuidados de pele (ex.: creme de rosto, sérum, água micelar, creme de cor... = Não

Q3 Por favor selecione todas as marcas de farmácia que **CONHECE pelo menos o nome** (foram apresentados os logos das marcas)

- [ ] Vichy
- [ ] Caudalie
- [ ] Apivita
- [ ] Galénic
- [ ] Filorga
- [ ] Lierac
- [ ] Isdin
- [ ] Nuxe
- [ ] SVR
- [ ] Uriage
- [ ] Sesderma
- [ ] CeraVe
- [ ] Avène
- [ ] La Roche Posay
- [ ] Bioderma
- [ ] SkinCeuticals
- [ ] MartiDerm

Pular para: Fim da pesquisa Se Por favor selecione todas as marcas de farmácia que CONHECE pelo menos o nome. != Vichy

Pular para: Fim da pesquisa Se Por favor selecione todas as marcas de farmácia que CONHECE pelo menos o nome. != Caudalie

Pular para: Fim da pesquisa Se Por favor selecione todas as marcas de farmácia que CONHECE pelo menos o nome. != Filorga

Fim do bloco: Pre-recruting

Purchase Behavior

Exibir esta pergunta:

If Por favor selecione todas as marcas de farmácia que CONHECE pelo menos o nome. = Vichy

And Por favor selecione todas as marcas de farmácia que CONHECE pelo menos o nome. = Filorga

Q4 Qual o comportamento com que mais se identifica quando compra um produto de cuidados de pele em farmácia/parafarmácia?

- O Quando vou a uma farmácia, normalmente não tenho uma marca em mente e baseio a minha compra na recomendação da farmacêutica/dermoconselheira.
- O Quando vou a uma farmácia, já tenho 2-3 marcas em mente. Entre as 2 ou 3 marcas escolho em função da recomendação da farmacêutica/dermoconselheira.
- O Gosto de fazer uma pesquisa aprofundada sobre a marca e o produto online, por isso quando chego à farmácia já sei o que quero comprar e não peço recomendações à farmacêutica.
- O Compro sempre o mesmo produto.
- O Sigo as recomendações do meu dermatologista.
- O Compro sempre o produto mais barato.

Fim do bloco: Purchase Behavior

Consumer Decision Journey

Q5 Qual é a importância de cada um dos seguintes fatores na sua avaliação de um produto de cuidados de pele? (1 = Nada Importante; 5 = Muito Importante)

	1	2	3	4	5
A marca	O	O	O	O	O
Preço	O	O	O	O	O
Promoções	O	O	O	O	O
Amostras de produtos	O	O	O	O	O
Reviews/Opiniões de outros consumidores	O	O	O	O	O
Recomendação do farmacêutico/ dermoconselheira	O	O	O	O	O
Recomendação do dermatologista	O	O	O	O	O
Recomendação influencers digitais	O	O	O	O	O
Fragrância	O	O	O	O	O
Textura	O	O	O	O	O
Concentração elevada de ingredientes ativos	O	O	O	O	O
Fórmula à base de ingredientes naturais	O	O	O	O	O
Embalagens sustentáveis	O	O	O	O	O
Inovação Científica	O	O	O	O	O

Fim do bloco: Consumer Journey

Amostras

Q6 Já alguma vez recebeu amostras de produtos de cuidado de pele em farmácia/parafarmácia?

O Sim

O Não

Pular para: Q8 Se Já alguma vez recebeu amostras de produtos de cuidado de pele em farmácia/parafarmácia? = Sim

Pular para: Fim do bloco Se Já alguma vez recebeu amostras de produtos de cuidado de pele em farmácia/parafarmácia? = Não

Q7 Numa escala de 1 a 5, qual a sua opinião relativamente à sua experiência com amostras? (1 = Não concordo nada; 5 = Concordo totalmente)

	1	2	3	4	5
Já comprei um produto de cuidado de pele em farmácia devido a uma amostra recebida.	O	O	O	O	O
Gostava de escolher as amostras que me são dadas.	O	O	O	O	O
Amostras são úteis para perceber a eficácia do produto.	O	O	O	O	O
Nunca recebo amostras em quantidade suficiente que me permitam formular uma opinião.	O	O	O	O	O
Nem sempre há stock dos produtos que eu desejo experimentar.	O	O	O	O	O

Fim do bloco: Amostras

Online Behavior

Q8 Numa escala de 1 a 5, avalie o quanto procura informar-se sobre cuidados de pele online (ex.: conhecer novidades, pesquisar no site/ redes sociais da marca ...) (1= Não me informo sobre cuidados de pele online; 5 = Informo-me muito sobre cuidados de pele online)

O 1

O 2

O 3

O 4

O 5

Pular para: Fim do bloco Se Numa escala de 1 a 5, avalie o quanto procura informar-se sobre cuidados de pele online (ex.: con... = 1

Pular para: Fim do bloco Se Numa escala de 1 a 5, avalie o quanto procura informar-se sobre cuidados de pele online (ex.: con... = 2

Exibir esta pergunta:

If Numa escala de 1 a 5, avalie o quanto procura informar-se sobre cuidados de pele online (ex.: con... = 3

Or Numa escala de 1 a 5, avalie o quanto procura informar-se sobre cuidados de pele online (ex.: con... = 4

Or Numa escala de 1 a 5, avalie o quanto procura informar-se sobre cuidados de pele online (ex.: con... = 5

Q9 Quais dos seguintes meios online usa para decidir quais produtos de cuidados de pele comprar?
(1 = Não uso nada; 5 = Uso muito)

	1	2	3	4	5
Influencers no Instagram	O	O	O	O	O
Influencers no YouTube	O	O	O	O	O
Vídeos no Tiktok	O	O	O	O	O
Redes sociais da marca (ex.: Instagram, Facebook, YouTube...)	O	O	O	O	O
Sites próprios da marca	O	O	O	O	O
Lojas online Multimarca (ex.: Notino, Primor, LookFantastic, Loja do Shampoo...)	O	O	O	O	O
Grupos/ Fóruns no Facebook	O	O	O	O	O

Q10 Segue alguma marca nas redes sociais? (Ex.: Instagram, Facebook, YouTube, Tiktok...)

O Sim

O Não

Pular para: Q12 Se Segue alguma marca nas redes sociais? (Ex.: Instagram, Facebook, YouTube, Tiktok...) = Sim

Pular para: Q13 Se Segue alguma marca nas redes sociais? (Ex.: Instagram, Facebook, YouTube, Tiktok...) = Não

Q11 Quais das seguintes marcas de farmácia segue nas redes sociais?

- ☐ Vichy
- ☐ Caudalie
- ☐ Apivita
- ☐ Galénic
- ☐ Filorga
- ☐ Lierac
- ☐ Isdin
- ☐ Nuxe
- ☐ SVR
- ☐ Uriage
- ☐ Sesderma
- ☐ CeraVe
- ☐ Avène
- ☐ La Roche Posay
- ☐ Bioderma
- ☐ SkinCeuticals
- ☐ MartiDerm
- ☐ Outra marca ____
- ☐ Não sigo nenhuma marca nas redes sociais.

Q12 Segue influencers digitais?

- ○ Sim
- ○ Não

Pular para: Q14 Se Segue influencers digitais? = Sim

Pular para: Q15 Se Segue influencers digitais? = Não

Q13 Que tipo de influencers costuma seguir para recomendações de produtos de cuidados de pele?

- O Influencers com estudos académicos na área
- O Influencers skin experts por terem um vasto conhecimento na área, mas sem formação específica
- O Macro Influencers digitais (> 100 mil seguidores no Instagram) Ex.: Pipoca mais doce, Mafalda Sampaio, Alice Trewinnard, Fernanda Velez, Inês Franco...
- O Micro Influencers digitais (10-100 mil seguidores no Instragram) Ex.: Carol Curry, Style it up, Francisca Flores, Driziinha, Sandra Silva...
- O Nano influencers digitais (< 10 mil seguidores no Instagram) Ex.: Joana Campos Silva, The chick habit...
- O Não sigo influencers que recomendem produtos de cuidados de pele

Q14 Já fez alguma compra online de produtos de cuidados de rosto?

- O Sim
- O Não

Pular para: Q16 Se Já fez alguma compra online de produtos de cuidados de rosto? = Sim

Pular para: Fim do bloco Se Já fez alguma compra online de produtos de cuidados de rosto? = Não

Exibir esta pergunta:

If Já fez alguma compra online de produtos de cuidados de rosto? = Sim

Q15 Onde já comprou produtos de cuidados de rosto online?

▢ Well's Online

▢ Notino

▢ Primor

▢ LookFantastic

▢ Loja do Shampoo

▢ Perfume's club

▢ Sweet Care

▢ Care to Beauty

▢ Skin.pt

▢ Beleza e Saúde (Farmácias Portuguesas Online)

▢ Outro ____

Q16 Tenciona voltar a comprar online?

O Sim

O Não

Fim do bloco: Online Behavior

Dermoconselheiras

Q17 Já participou em algum dia das conselheiras na farmácia? (serviço onde uma representante de uma marca faz o diagnóstico à pele da cliente em farmácia)

O Sim. De que marca(s): ____

O Não

Pular para: Fim do bloco Se Já participou em algum dia das conselheiras na farmácia? (serviço onde uma representante de uma m... = Não

---

Exibir esta pergunta:

If Já participou em algum dia das conselheiras na farmácia? (serviço onde uma representante de uma m... = Sim. De que marca(s):

Q18 Numa escala de 1 a 5, qual é a sua opinião relativamente ao serviço da conselheira? (1 = Não concordo nada; 5 = Concordo muito)

	1	2	3	4	5
Gosto porque é uma oportunidade de conhecer novos produtos da marca	O	O	O	O	O
Gosto porque me recomendam os produtos mais adequados	O	O	O	O	O
Gosto porque me fazem um mini tratamento facial	O	O	O	O	O
Gosto de usufruir dos descontos e promoções exclusivas	O	O	O	O	O
Gosto porque recebo amostras	O	O	O	O	O
Não gosto porque as dermoconselheiras têm uma opinião tendenciosa	O	O	O	O	O
Confio na recomendação da dermoconselheira visto que tem formação na área e tem em consideração as necessidades da minha pele	O	O	O	O	O
Gosto de ouvir a opinião da dermoconselheira	O	O	O	O	O

e guio-me pela sua recomendação					
Apesar de não levar nenhum produto da marca, fico com uma boa impressão da mesma e passo a considerá-la para uma próxima compra	O	O	O	O	O

Fim do bloco: Dermoconselheiras

Q19 Numa escala de 1 a 5, por favor indique como avalia cada uma das seguintes marcas tendo em conta os seguintes parâmetros. Nota: Não necessita de ter usado a marca, basta a sua perceção da mesma.

VICHY

	1	2	3	4	5	
Marca pouco eficaz	O	O	O	O	O	Marca muito eficaz
Preço acessível	O	O	O	O	O	Preço muito elevado
Marca tradicional	O	O	O	O	O	Marca moderna
Para peles jovens	O	O	O	O	O	Para peles maduras
Marca de pouca confiança	O	O	O	O	O	Marca de muita confiança
Ingredientes não naturais	O	O	O	O	O	Ingredientes naturais
Marca não sustentável	O	O	O	O	O	Marca sustentável
Sem inovação científica	O	O	O	O	O	Com muita inovação científica

Q20 Numa escala de 1 a 5, por favor indique como avalia cada uma das seguintes marcas tendo em conta os seguintes parâmetros.
Nota: Não necessita de ter usado a marca, basta a sua perceção da mesma.

FILORGA

	1	2	3	4	5	
Marca pouco eficaz	O	O	O	O	O	Marca muito eficaz
Preço acessível	O	O	O	O	O	Preço muito elevado
Marca tradicional	O	O	O	O	O	Marca moderna
Para peles jovens	O	O	O	O	O	Para peles maduras
Marca de pouca confiança	O	O	O	O	O	Marca de muita confiança
Ingredientes não naturais	O	O	O	O	O	Ingredientes naturais
Marca não sustentável	O	O	O	O	O	Marca sustentável
Sem inovação científica	O	O	O	O	O	Com muita inovação científica

Fim do bloco: Brand Awareness and Perception

Brand Purchase

Q21 Quais das seguintes marcas de farmácia de cuidados de pele já **comprou** nos últimos 12 meses em Portugal?

- [ ] Vichy
- [ ] Caudalie
- [ ] Apivita
- [ ] Galénic
- [ ] Filorga
- [ ] Lierac
- [ ] Isdin
- [ ] Nuxe
- [ ] SVR
- [ ] Uriage
- [ ] Sesderma
- [ ] CeraVe
- [ ] Avène
- [ ] La Roche Posay
- [ ] Bioderma
- [ ] SkinCeuticals
- [ ] MartiDerm
- [ ] Outra marca de farmácia

Q22 De entre as seguintes marcas de farmácia apresentadas, quais **já usou, mas deixou de comprar?**

- [ ] Vichy
- [ ] Caudalie
- [ ] Apivita
- [ ] Galénic
- [ ] Filorga
- [ ] Lierac
- [ ] Isdin
- [ ] Nuxe
- [ ] SVR

- Uriage
- Sesderma
- CeraVe
- Avène
- La Roche Posay
- Bioderma
- SkinCeuticals
- MartiDerm
- Outra marca de farmácia

Q23 Qual a razão para ter deixado de usar a(s) marca(s) selecionadas?

____

____

____

Fim do bloco: Brand Purchase

Demographics

Q24 Género

- Feminino
- Masculino
- Prefiro não dizer

Q25 Idade

- < 25 anos
- 25 - 35 anos
- 36 - 45 anos
- > 45 anos

Appendix 6 – Brands Followed on Social Media by The Young Segment

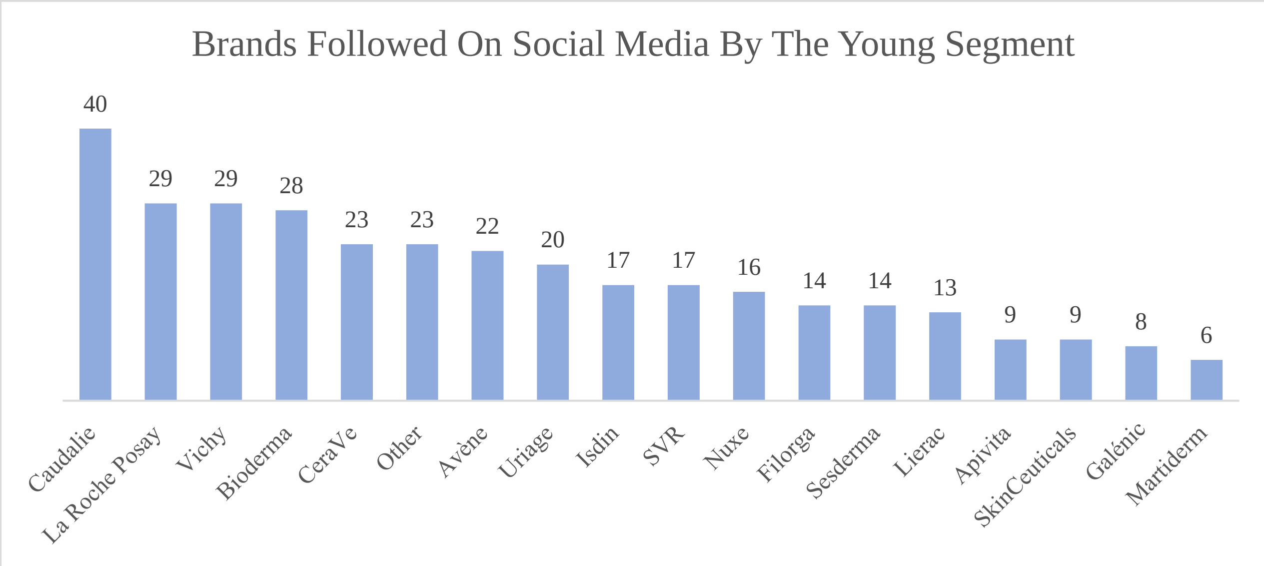


Figure 11 - "Which of the following brands do you follow on social media?" (n=80) Source: Quantitative Research, 2020.

Appendix 7 – Appraisal of Online Sources as Evaluation Tools

Appraisal of Online Sources as Evaluation Tools

	Instagram Influencers	Youtube Influencers	TikTok Videos	Brand's social media	Brand's website	Multi-brand retailers' website	Groups/Forums on Facebook
Use a lot (Rates 4+5)	26,9%	29,3%	7,0%	34,7%	59,2%	54,6%	19,3%
Neutral (Rate 3)	32,3%	21,5%	10,7%	26,2%	27,7%	18,5%	7,7%
Do not use at all (Rates 1+2)	40,8%	49,3%	82,3%	39,2%	13,1%	26,9%	73,0%

Table 12 - "Which of the following online tools do you use to decide which skincare product to buy?" (n=130); Source: Quantitative Research, 2020.

Appendix 8 – Skincare Brands Young Consumers Have Purchased in the Last 12 Months in Portugal

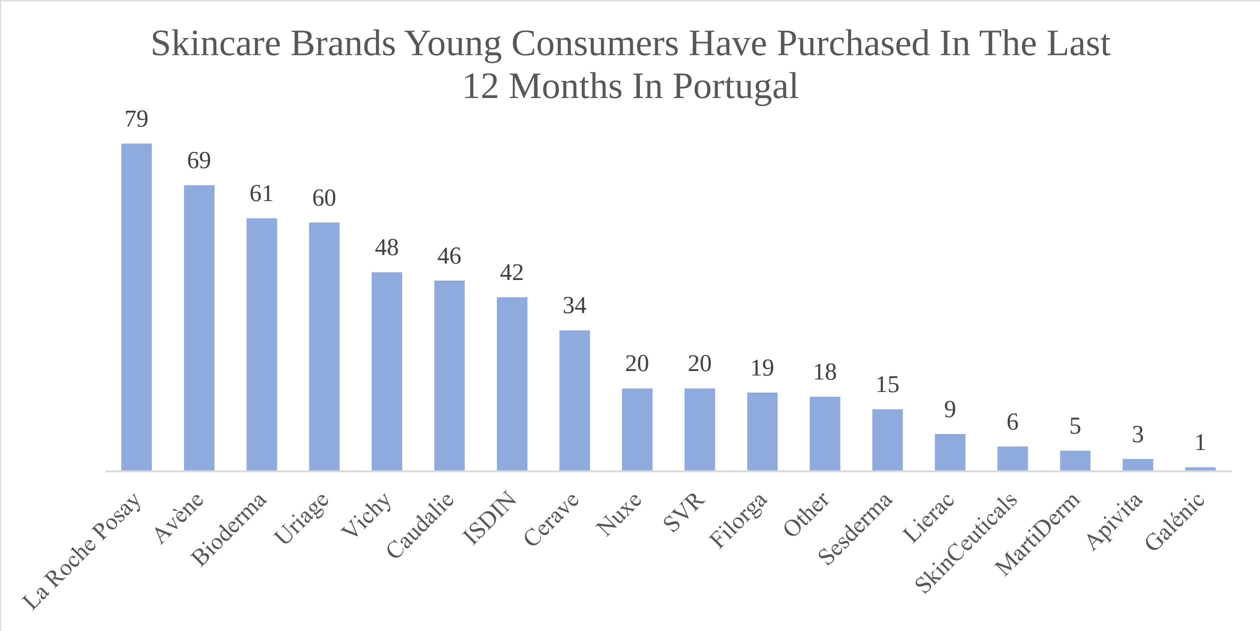


Figure 13 - "Which of the following skincare pharmacy brands have you purchased in the last 12 months in Portugal?" (n=144); Source: Quantitative Research, 2020.

Appendix 9 – Online Retailers

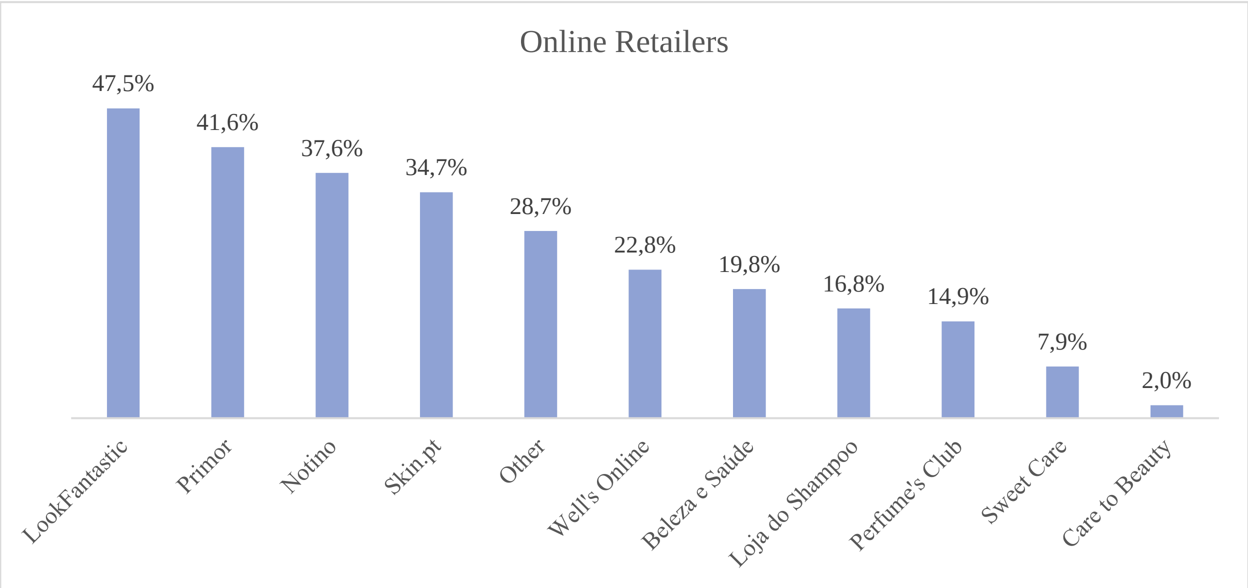


Figure 14 - "Have you ever purchased a skincare product online?" (n=130); Source: Quantitative Research, 2020