

# L'oreal biotherm - case study



**ASSIGN  
BUSTER**

**Vision and Branding Strategy:**

The overall business strategy of L'Oreal stands G-local. On its facets, it has acted in a customized manner across different countries of the globe, considering the needs of each while assessing the cultural perceptions and values. But when it comes to Biotherm, which is a premium segment offering, the vision and strategy are truly global. Biotherm strikes the same basic chords worldwide - of hydration advantage, freshness, naturalism, purity and softness. Though if we look at the generalized concept of beauty, what Biotherm offers is in congruence to these basic chords. It reflects Biotherm's desire to create a standard image of beauty, health and natural radiance across the globe. The studies in 3 countries showed that the ads of Biotherm lack life, dynamism, dream and sensuality. This is another evidence of the fact that L'Oreal had standard global advertisement concepts for Biotherm.

If we look at the naming strategy of some products, Biotherm Homme's "Coach" is a perfect example of its attempt to be a standard global product. The concepts of the product, its extent of personalization and description attempts were accepted and appreciated across the globe, and at the same time, the concept of "Coach" apparently failed to merge into satisfying the need for autonomy for men. Even when Germany showed problems with Biotherm's attempt to enter its markets with a non-German name, Biotherm did not alter, and kept true to its basic mission of creating a standard globalized product strategy.

L'Oreal also designed global advertisements for Biotherm, on same prototype patterns, with only difference in language; as a part of maintaining

its global appeal. Moreover, Biotherm's prime active ingredient, "Thermal Plankton Extract" used for Biotherm production all over the globe, comes from thermal springs in the French mountains, which, for Biotherm, indicated standard procurement as well. (L'Oreal)

### **Needs addressed by L'Oreal, Biotherm and Biotherm Homme**

Every individual has a particular set of needs, which at some stage, show similar characteristics. A particular level need for one individual may be a different level need for another. Further, the need of one person may be a mere want of another. Moreover, though the concept for beauty is a Universal, it satisfies individuals at different levels. Some people want to be beautiful, just because they want to, others want beauty so that they match their social status, and as suggested by Maslow through his Hierarchy of Needs, each individual moves to satisfy a higher level of need once a he is satisfied at a current level.

Cosmetic products address the self-esteem. It fulfils the psychological need of individuals to look beautiful, confident and satisfied at a social level. The driving values of L'Oreal indicate the fulfilment of self-esteem needs of both, men and women. Being beautiful promotes a sense of self-satisfaction, and the use of cosmetics is a tool to promote such self-opinions.

Coming to Biotherm and Biotherm Homme, which cater to the luxury segments, it is obvious that they satisfy a level which is higher to that of self-esteem. The satisfaction derived out of luxury products are related to the social needs of people. On the other hand, for some people, it is a safety need - A need to be genuinely safe from harmful effects of cheap or mass

products, which contain chemicals that may degenerate skin, thereby, hampering their exquisiteness.

Biotherm has a wide range of products further, all of which address different facets and satisfy at different levels. For example, Age Fitness, Densit Lift and Acnoper and products that address the aesthetic appeal of the customers, which basically refers to the motivation to realize one's own maximum potential and possibilities. Further, products like Hydra-Detox, D-Stress and Aqua Sport are included in the " Lifestyle" category and address the 4th level of Maslow's hierarchy of needs.

Biotherm Homme is another product that tried to satisfy the aesthetic needs of people, by differentiating it from its other offerings and personalizing it, by adding an emotional edge to develop a feeling of self satisfaction.

I believe that L'Oreal has done wonders at capturing different spaces of mind for every set of its market, positioning itself in a way that tends to satisfy a need in each of those markets - needs that are distinct to each individual and yet universal in nature. (maslow's hierarchy of needs)

### **Clinique – The closest competitor to Biotherm**

Clinique is one of the largest suppliers of prestige make up, that claims to be allergy-tested, fragrance free and confers to originality. Biotherm is similar to it in reference to the nature of target market it caters. Both the brands claim to identify and address individual needs, and advertise accordingly. Clinique and Biotherm, both target the upper segment of consumers, making their offerings prestigious, and have something for metro-sexual men too.

Though the orientation of Clinique seems pharmaceutical, Biotherm positions itself as more of a natural beauty offering. This difference is also visible at the websites of each of these brands. The website of Clinique showcases an exquisite range of products, highlighting their fragrance free and allergy tested features, uses subtle colours on the site, but does not showcase beauty models or any such image that are universal to display of beauty or nature. On the other hand, Biotherm uses similar colour schemes, showcases a similar spectrum of high quality products, but focuses also on how it would make customers feel, but using images of models, paying attention to naturalistic beauty.

Going by customer perceptions, Clinique is viewed more as product having a pharma-appeal.

This can be arrived at from the customer feedback:

“ I have been using Clinique’s ‘ Moisturizer Surge Extra Thirsty Skin Relief’ for a week. It does have similar effect as Biotherm’s ‘ Aqua-source Non Stop’, but I still like the Biotherm better because it has better smell. Although Clinique is known as “ Allergy Tested, 100% Fragrance Free,” the smell of the moisturizer is weird though not so stinky. So personally I like Biotherm better!” (<http://pchiumeow.wordpress.com/2008/01/21/biotherm-vs-clinique/>)

The pricing strategy of Clinique differs from that of Biotherm. In India, Clinique products are priced lower to those of Biotherm. On the other hand, the 2 competitors are similar once again, when it comes to their packaging

and distribution strategies. (Clinique Say Hello to Great Skin - 3 - Step Skin Care)

### **Similarities and Differences in Results and Focus Group Discussions in 3 Countries**

To check the brand image of Biotherm products a study was conducted on a focus group comprising of 80 women. The study revealed some interesting results about the perception of the people in France, Spain and Germany, with respect to the brand image of Biotherm.

There are deeply ingrained relationships that exist between the focus groups with respect to the characteristics, attitudes and perceptions.

#### **Positioned differently in different countries – Biotherm Homme.**

Even if a brand offers similar product across the globe, it has to position itself in a way that it appeals to individuals across the spectrum of cultures that exist. It has to be ensured that the product is positioned in a way that satisfies an aspiration at every step. Biotherm Homme has ensured this, and has positioned itself in a different way in each of its target countries.

Beginning with Japan, where energy and hard work are the key drivers, Biotherm claims to promote healthy skin and high energy, through its tagline “ Skin Fitness High Recharge”. Moving to the west, Biotherm offers innovation and ultra improvised comfort levels in countries that are more open and supportive to change in technology, originality and novelty. In countries where hygiene and purity are a prime concern, it offers to wipe out dullness and promise hydra-detoxification.

When there is one standard product at offer, it is tricky to impress a global market having a wide set of perceptions, priorities, values and beliefs. So the most feasible strategy to adopt is to market a global product with G-local approaches, after assessing the needs, awareness and discernment of each market individually. (Biotherm Homme)

### **Conclusions and Communication Implications – German Biotherm Homme Study**

In a country like Germany, where people advocate a formal lifestyle, the communication strategy of Biotherm Homme promoted otherwise. The study concluded with the findings that German people are more comfortable with and prefer their own culture compared to others, and that initially, Biotherm Homme had failed to understand the German frame of mind. The use of the word “ Coach” proved to be un-appealing to the Germans. The concept of “ Coach” indicates authority and dominance, which the Germans do not appreciate. So when Biotherm Homme called it a “ Men’s Skincare Coach”, it seemed to Germans, an attempt to invade their privacy. German’s hold a “ LOW” on the cross-cultural Hofstede’s Power-Distance parameter, which shows that they do not believe in excising power and authority and are more integrated to the characteristics of freedom and individuality; which are contradicted by the concept of “ Coach”. Further, most people knew only the native German language and since the instructions on the product were not in German, the product was repelled, even though it was positioned as an attempt to address the growing needs of men of a beau appeal and self grooming personality.

I think that understanding the instincts, perceptions and cultural aspects of the country stand to an order before any strategy can be imposed. The first step after the study should be to de-position and then re-position Biotherm, shifting from a “ Coach” orientation to an “ Expert” orientation. Secondly, the packaging should be re-considered and re-designed in German, so that it appeals to all alike, whether they are acquainted to other languages or not. Also, Germans are more technology-oriented and innovative, and so, the product offered to them should be clear in their origin, their benefits and implications, and they consumers should know what the consumption of Biotherm products would lead to. These steps will help in revitalizing the Biotherm image in Germans and lead to another triumph of the world accomplished L’Oreal brands.