L'ORÉAL **BRANDSTORM** 2021

BAG

What is the Problem?



Our idea





Execution





Main Idea

To create a freemium model app which includes these mentioned features.

Most of resources used are already being used by L'Oréal. So only few additions to be made to make it adaptive.

Target group

- Middle, Upper middle class and Niche category people
- Men, Women Age 20-45 years
- Ones who like to dress and groom themselves well and search for new ways to look good

Al ethics

The AI will be modified to suit the vast skin-type diversity of India.

After this the app will be launched alongwith Al and with time additions will be made as per future analysis.

Basics of the idea

- The idea/innovation is applicable across all brands of L'Oréal (country adaptive). Every aspect of loreal distribution will play a role here.
- The idea/innovation is scalable at world level as the problems being solved are present at world level although in different intensities.

Data

- Data to be collected from customers (with consent) will gather their look preference, skin type, product demand in specific market, etc. Also access to their Camera, Data, Storage & Location will be asked.
- It will benefit L'Oréal with new product launches in skincare and makeup segment and also with acquisitions (like Biotique) as exact consumer demand will be known.

Get influenced People have watched some kind of influencer photo or video based on makeup look, but for buying the products they need to







were impacted by a beauty influencer

2. In India, girls aged 18-21 often visit makeup eretailer sites to get tips & advice and learn about trending beauty products in the makeup section.

1. 1/3rd of new product

purchases in our study

- 1. Half of Indian consumers said they're interested in using VR (67%) and AR (64%) to engage with beauty products.
- 2. 81% of consumers engage with at least one beauty influencer on YouTube

Bots are also increasingly used in all types of interactions between brands and potential customers. According to Gartner, by 2020 85% of such interactions will occur without human participation.

- TEAM BAG

73

78

- - People have never interacted with other customers on the site (except for reviews). This also reduces their participation in the app growth. Also it seems like a 1 way bot interaction.

Many salons and retail-stores have faced the brunt of pandemic.

To give them business and also use exiting distribution system,

this step is taken.

People are price conscious and they do not trust advices given

by Al for spending such large amount on makeup/skincare

products at first glance.

go to some other site, which causes inconvenience.

2-way interaction model (Customer as micro influencer)

2-day delivery

products)

(for non-exclusive

Try it out

L'ORÉAL What is the Problem? BRANDSTORM 2021 Freemium **Subscription** Face Scan Scan your face with the help of Al Modiface (used by L'Oréal) scanner. This will generate every possible data about your skin. Select your location, weather at your location and desired goal.



Personalized L'Oréal





Execution



2-day delivery

Using the model adopted by L'Oréal during lockdown, we will ensure that the products (which are not in exclusive range) are delivered to the customer in time period of 2 days.

2. This will also provide business to salons and retail stores.

Live Fashion

Loreal fashion live and recorded video can be

App Tagline - Worthy, Everywhere

watched from the app. 2. Alongside real time purchase can be done

directly from the app, by selecting the model and the look which you liked.

USP: Make your own look-Gamification



L'Oréal Paris Expert curated Chatbot - Dress Me Up

A personalized skincare routine best suited for your skin will be

suggested to you based this data and the products can be

Products suggested will be related to L'Oréal and its sub-brands,

(5 free attempts offered/account) Upload a picture wearing your occasion outfit on the chatbot.

3-4 looks will be suggested based on your skin type and dress. Products can be bought from the app itself.

For application of that Makeup and Hair-Do look-

Masterclass video available for that makeup.

bought directly from the app itself.

based on country specific brand.

L'Oréal affiliated salon can be booked from the app. Also experts can be booked for at-home salon service.

Icing on the cake Few selected jewellery seller will be listed on the app (with the prices that

target the niche category). Range Rs.5000-Rs.10,00,000. Max.15 sellers.

USP: Know your products

Products owned by you will be considered while giving you suggestions,

Scan your owned L'Oréal (or sub-brand) product with the QR code

so as to reduce chances of buying the same product again.

scanner on the app.

2. Customers will be able to try this jewellery on through the gamification model. Also influencers will upload their pictures, wearing this, so as to show real life view of the jewellery sets.

1.

7-day

free trial

generate a picture of their face with similar skin type. 2. Here the user can try on various

1. User can scan their face which will

makeup/hairdo products (Products on the app as well as owned & listed on app by them) on their face on the app. And as the face generated has the same skin type, the products will look the same when applied in real life unlike app filters. Products can be bought from the app itself

They can also try on the jewellery to

match up with their look.

L'Oréal doctor

FAQs related to skincare will be mentioned on the app in the way of doctor videos. Also other skincare related blogs/videos will be available.

FUTURE PROPOSITIONS

9-11 months **Employable in minimum**

Get influenced

Influencer profile will be there on the app which

will have their videos and photos based on makeup and skincare. Products used in it can be directly bought from the app.

2. Videos will be categorized on basis of type of makeup like Everyday look, party look, etc.

3. Also skin details of influencers will be mentioned under the video, so that customer can find the best suited influencer video for her skin type.

10-12 months

2-way interaction model 1. Here customer can share their beauty hacks on the L'oreal platform and the hack which will have highest number of views at the end of month will get a coupon.

2. Thus customers can become mini influencer which in turn will increase loyalty/retention percentage among our users.

12-13 month

Try it out 1. Small tester size packs of every product to be produced and sold, so as to bring in trust of Indian consumer.

2. Indian customers are not ready to buy expensive product just based on an AI prediction. So smaller packs of the same can be sold to capture larger market segment and to increase sales. **FUTURE PROPOSI** TION

12-15 months

3.

1. A model can be introduced where the user is also able to decide upon her clothes along with her facial look so as to give them a wholesome experience of dressing themselves up virtually.

2. This phase can also be made better by

adaptive fashion site) so that once the

look is ready, user can buy the same

from Myntra.

partnering up with Myntra (country

months)

Roles Involved in App

What is the Problem?

TOTAL

Our idea



Execution

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Fraditiona

Digita

Financials and KPI

development	
Frontend (2-3)	14 lakhs
Backend (2-3)	27 lakhs each
3D Modelers (Designers)	8 lakhs
UI/UX (Designers)	7 lakhs
Animator	7 lakhs
AR specialist	6 lakhs
Analyst	9 lakhs
Operations	5 lakhs
Total (considering 6	41.5 lakhs (83

Return On Investment

- Min. ROI per annum is 73.84%.
 - Here only aspects like
 Marketing Expense, App
 Development Expense and
 Subscription Income have been
 considered.
 - Other aspects like Maintenance Expense (20% of app development expense), Income from sale of products, jewellery, listing of sellers, etc. can also be included.



- Customer Acquisition Cost (lower cost because of uniqueness of the app)
- Monthly active users (higher during festivals)

lakhs/2)

 Average Revenue Per User (higher as other items except makeup are also been sold like jewellery, makeup accessories, etc.)



Awarenes.

Promotions through traditional (Billboard, Magazine, etc.) and digital (Instagram, YouTube) modes.



Engagement

App experience, Influencer videos, Live fashion show, Chatbot



Marketing and Advertising

Conversion

Consumers purchasing products recommended by experts. Purchase of subscription model.



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2-way interaction model where a customer can review the product online and promote the app through WOM.

Billboards to put up which will depict the main idea of the app - Bringing L'Oréal Expert to your home.

QR code to be included to reduce the time between viewing the ad and downloading the app.

QR code to be printed behind each product packaging so as to promote the app to every single customer.

This will reduce the effort to search out for app, leading to more downloads.

TVs/tablets to be installed at L'Oréal salons/shops to give the experience of the app to the customer.

For those who are not aware of app in first place, can experience the same and then download it.

published on a double spread page with QR codes in it to cut down the time of searching for the app.

Magazine ads to be

Main Magazines -Cosmopolitan, Femina, Vogue

Subscription rates			Particulars	Numbers	
	Monthly Semi- annua	Semi-	Annually	Target Audience	100 million
		annually		Min. L'Oréal Market share	8.5% = 85,00,000
Only Chatbot	Rs.100	Rs.550	Rs.1000	5.10.0	00,00,000
				Min. percentage of people using the app	40% = 34,00,000
Only Gamificati on	Rs.100 Rs.550	Rs.550	Rs.1000	Min. Conversion rate	8% = 2,72,000
			Min. 2 months subscription/year	200	
Both	Rs.180	Rs.1000	Rs.1800	Min. revenue in first year	Rs. 5,44,00,000

Marketing activities Cost as per 15 states Billboard with QR code 37.5 Crores 15 lakhs Standing posters with QR code in malls Celebrity Endorsements 1.5 crores AR TV/ Screen in L'Oréal salons 36 lakhs Magazine ads (Double spread page) Cosmopolitan - 3 lakhs | Femina - 4.7 lakhs | Vogue - 6.9 lakhs Social Media Promotion (includes 10 lakhs influencers)

397.56 million

Major platforms – Instagram, YouTube
 Online ads by celebrities and influencer will be targeted to audience who usually search and view makeup/skincare related videos.

Social Media Strategy

Social Media Total R.
Tagline Total E

Total Reach – 30,85,714

Total Engagement – 96,751

CPR - 32%