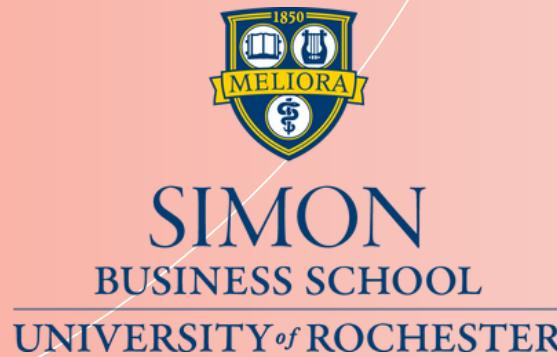


# Avène US Marketing Strategy



EAU THERMALE  
Avène





# Team Blooming



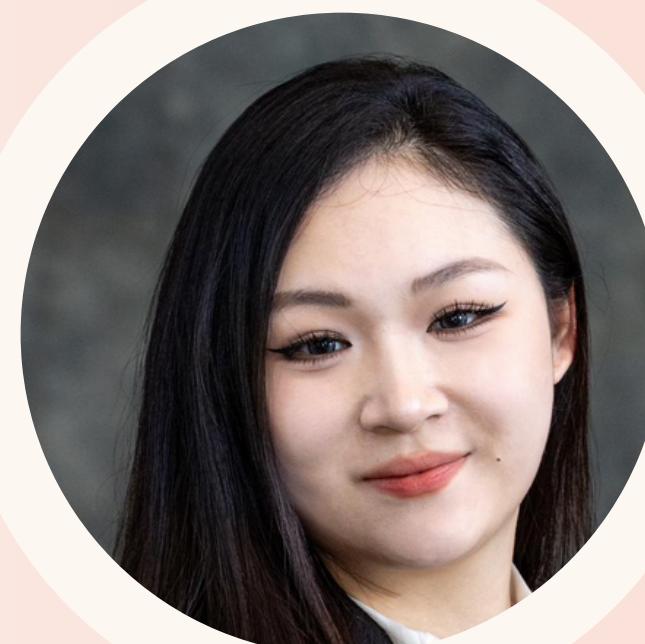
**Tan Phan**

MS Technical  
Entrepreneurship  
and Management



**Phung Doan**

MS  
Marketing  
Analytics



**Ziyun Jiang**

MS  
Marketing  
Analytics



**Airy Tung**

MS  
Marketing  
Analytics

# Executive Summary

## Situation

- Avène aims to increase brand awareness and market share in the US market
- Besides the current marketing strategy, Avène is introducing a new business model called "Medical Detailing"

## Complication

- The market is highly competitive, dominated by major brands such as CeraVe and La Roche-Posay
- The price of Avène products is higher compared to its direct competitors, such as La Roche-Posay and Cetaphil
- It is challenging for Avène to distinguish itself from the competitors

## Big Question

- How to effectively differentiate Avène and justify its premium pricing?

## Recommendations

- Leverage existing key strengths: Sensitive skin focus, dermatologist-recommended, and thermal spring water
- Adopt new driving forces: Well-being-focused lifestyle and Gen Z adults

# Agenda

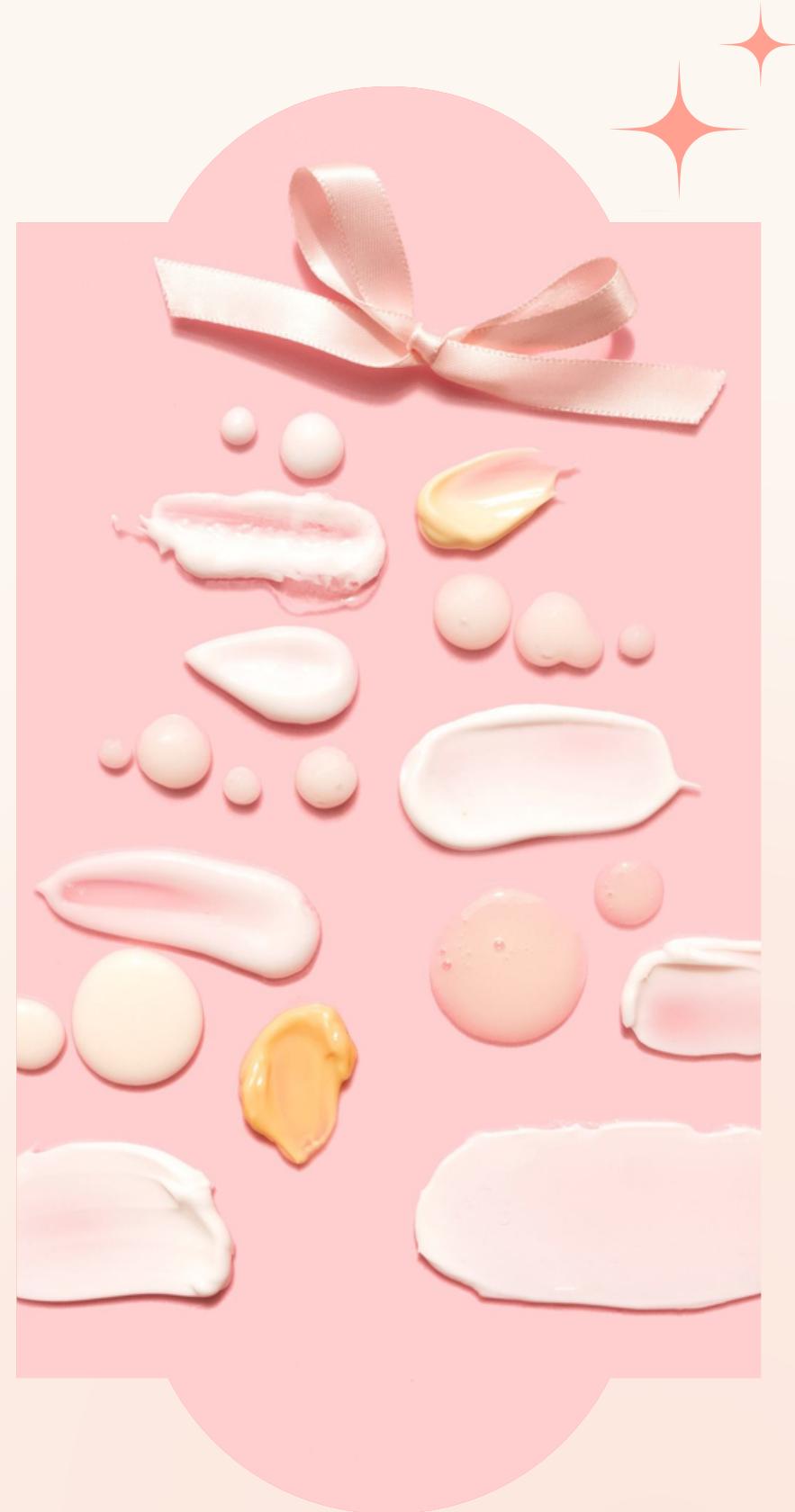
**Market Research**

**Target Audience**

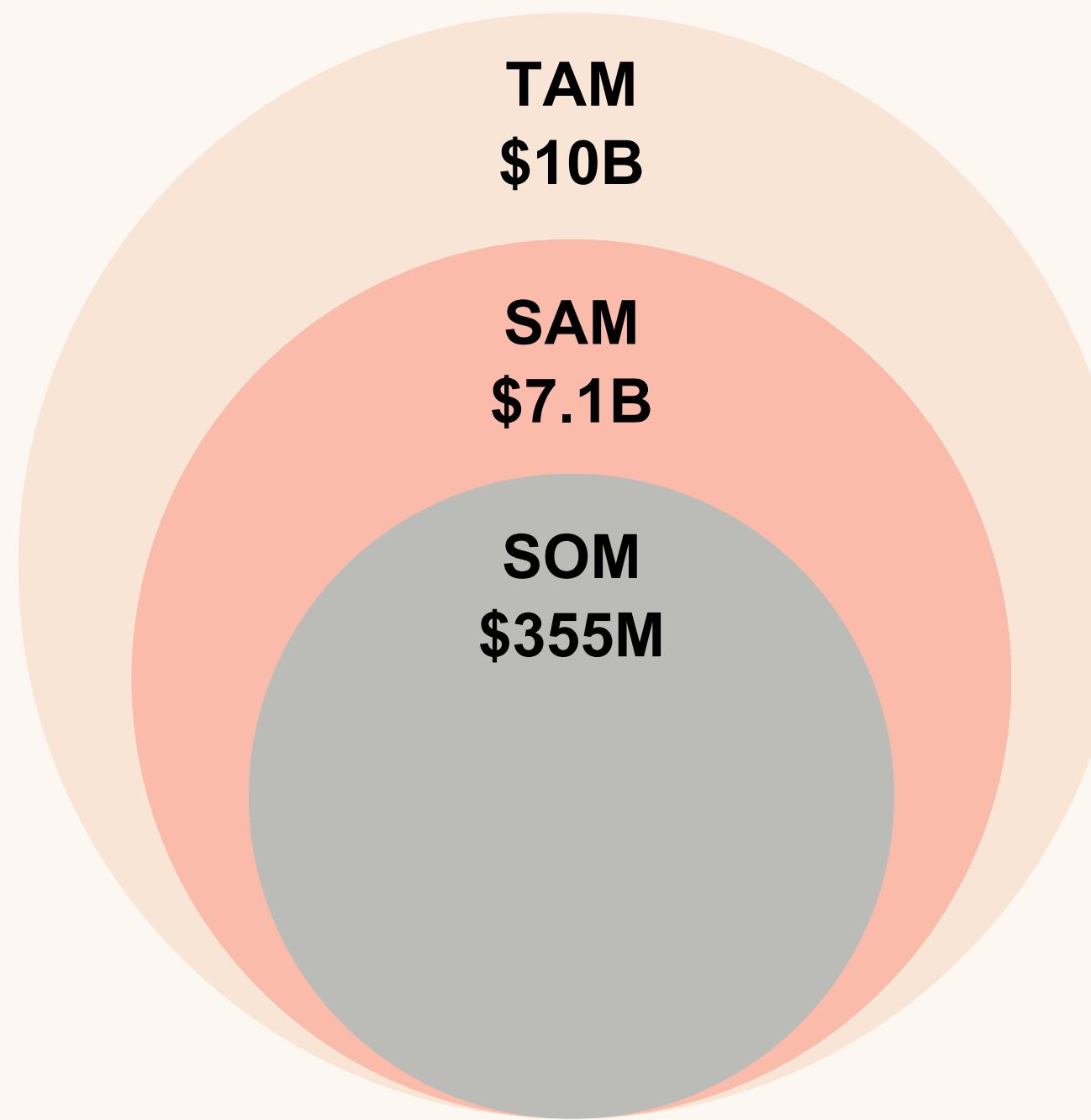
**Marketing Strategy**

**Implementation Guide**

**Appendix**



# Avène US can reach \$355M with 5% market share in the next 3 years



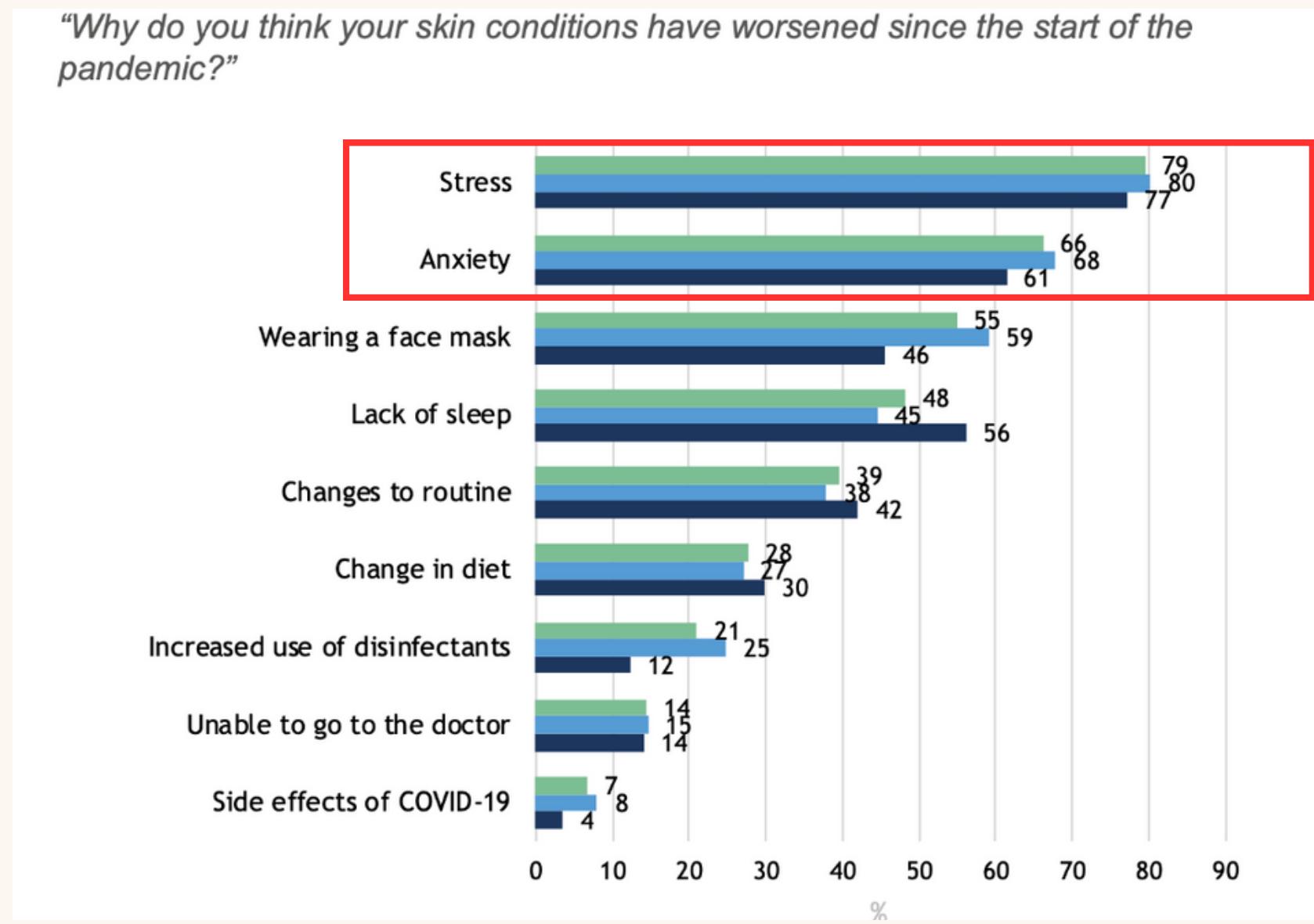
**Total Available Market:**  
US skincare market

**Serviceable Available Market:**  
US sensitive skincare market  
(71% Americans have sensitive skin)

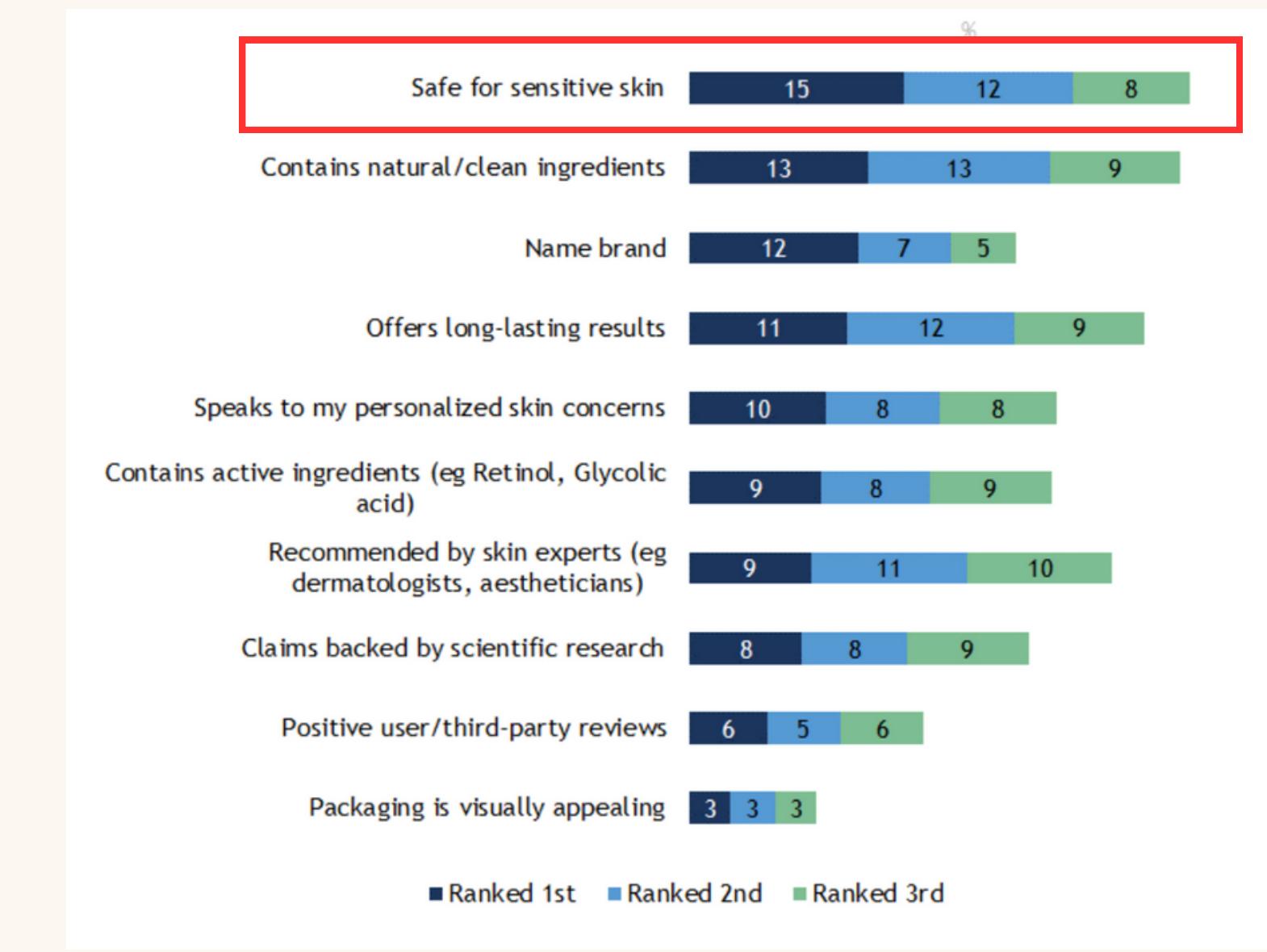
**Serviceable Obtainable Market:**  
Avène target sales  
(5% targeted market share)

# The market is driven by 4 key factors:

## (1) Consumers' increasing consciousness for well-being

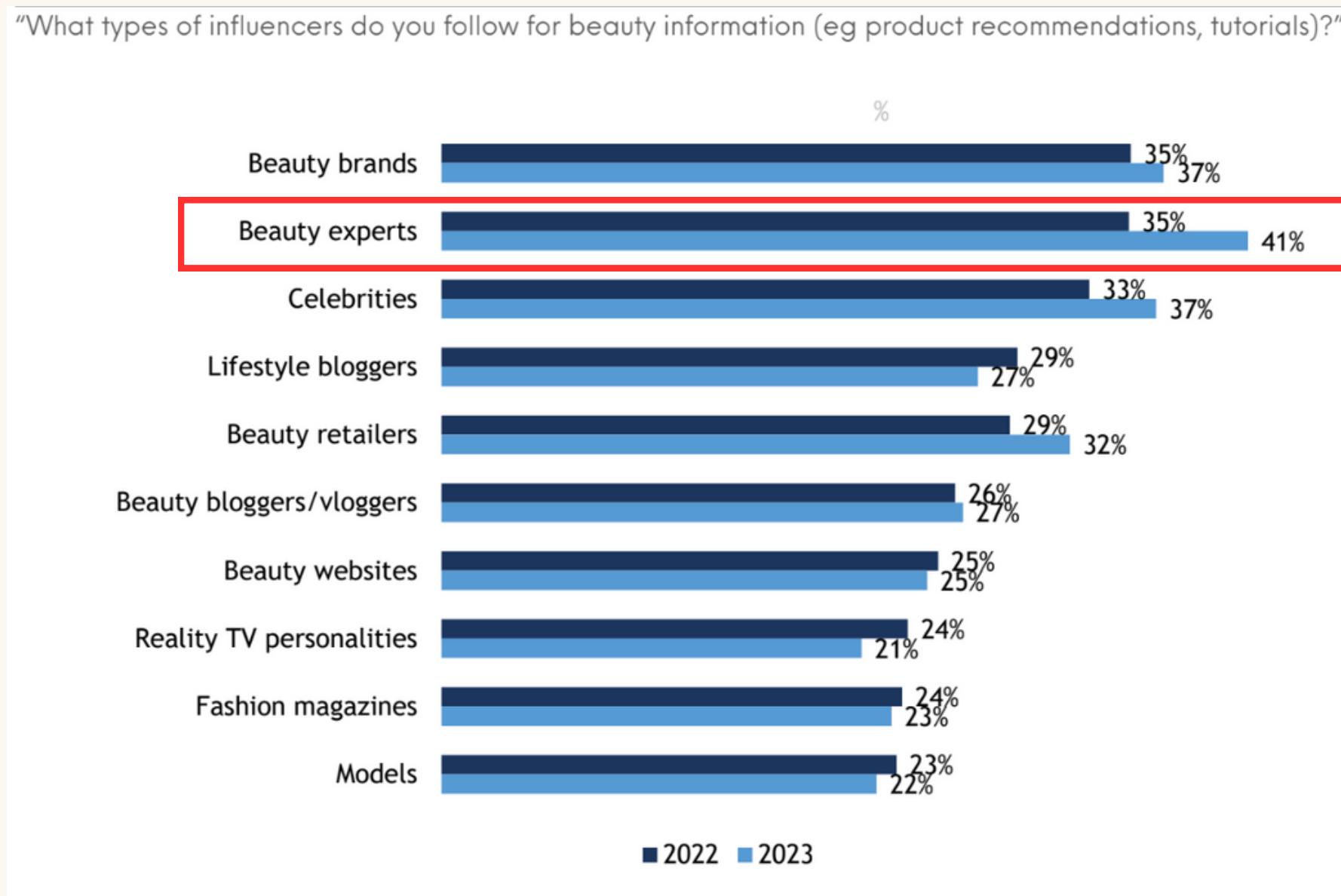


## (2) "Safe for sensitive skin" is the top indicator defining quality of skincare products



# The market is driven by 4 key factors: (cont.)

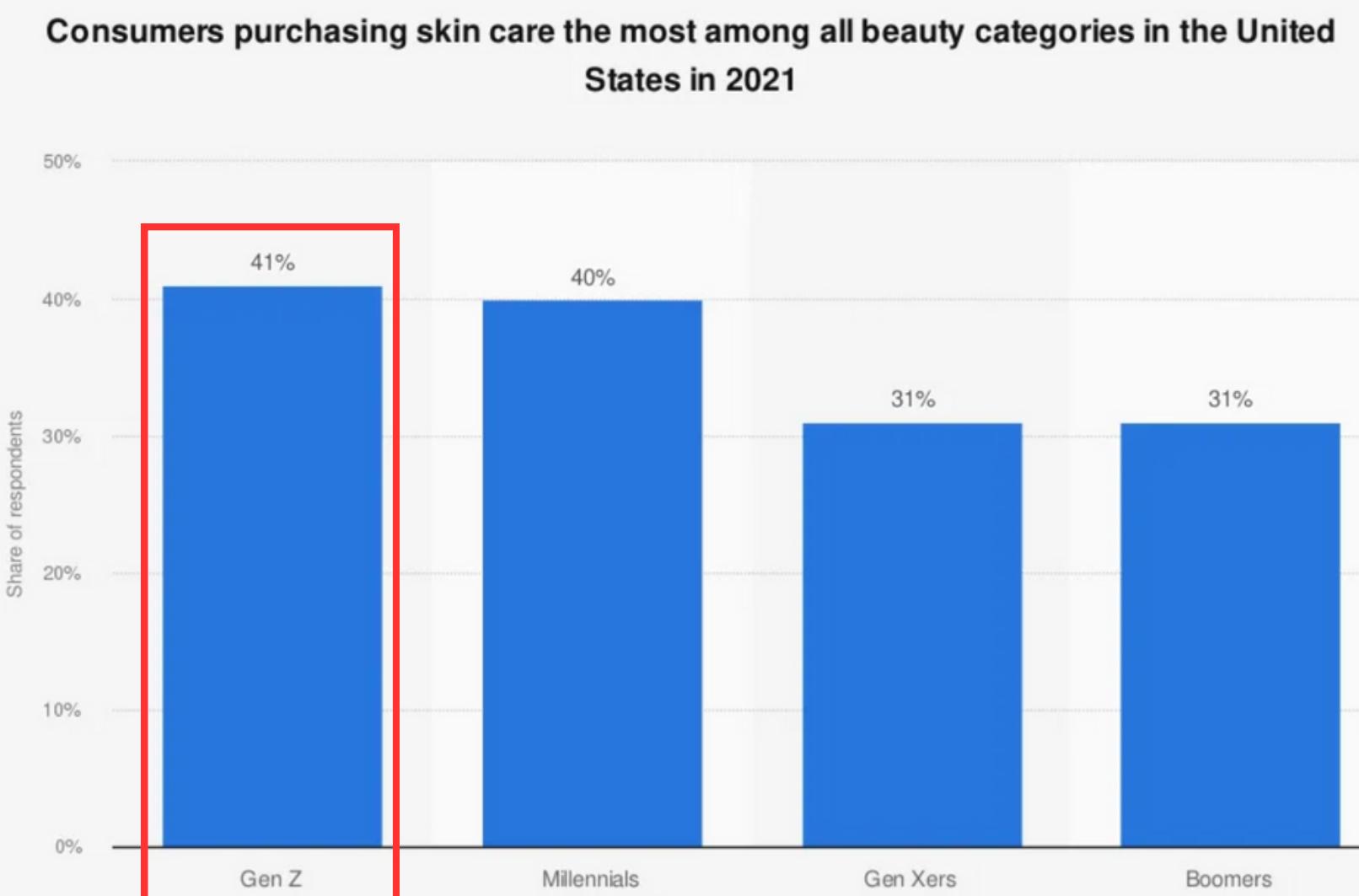
## (3) Dermatologists: the new and most trusted “skinfluencer”



Top skincare influencers

Data source: Mintel, Statista

## (4) Gen Z spends on skin care the most among all beauty categories



# Mass brands position themselves as dermatologist-recommended with premium natural ingredients, making it challenging for prestige brands to differentiate

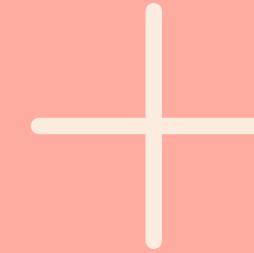
Brand	Price Category	Target Skin Type	Dermatologist recommended?	USPs
EAU THERMALE <b>Avène</b>	Moderate high to high	Sensitive skin	Yes	<ul style="list-style-type: none"> <li>Thermal Spring Water</li> <li>Dedicated to sensitive skin</li> </ul>
LA ROCHE-POSAY LABORATOIRE DERMATOLOGIQUE	Moderate to moderate high	All skin types	Yes	<ul style="list-style-type: none"> <li>Thermal Spring Water</li> <li>Niacinamide</li> </ul>
<b>CeraVe</b> DEVELOPED WITH DERMATOLOGISTS	Moderate	All skin types	Yes	<ul style="list-style-type: none"> <li>3 essential ceramides</li> <li>MVE technology</li> </ul>
<b>Cetaphil</b>	Moderate	Sensitive skin	Yes	<ul style="list-style-type: none"> <li>Committed to sensitive skincare solutions</li> </ul>

# BIG QUESTION

How to effectively differentiate Avène  
and justify its premium pricing?

## Leverage existing key strengths

- Sensitive skin focus
- Dermatologist-recommended
- Thermal spring water



## Adopt new driving forces

- Well-being-focused lifestyle
- Target Gen Z adults

# Target Audience: Millennials and Gen Z Adults

**Primary target:  
Millennials**



**Secondary target:  
Gen Z adults**



## Demographics

- Aged 28-43
- Upper middle and high income level (from \$90k)

## Behaviors

- Prefer high quality products (76%)
- Heavily focus on well-being including both mental and physical health (45%)
- Have different roles of responsibility for parents and children (77%)
- Limited time for well-being activities
- Use YouTube and Instagram to learn about brands

## Demographics

- 22-27
- Lower and upper middle income level (from \$50K)

## Behaviors

- Mental health and self-care are biggest concerns (40%)
- Pay more for higher quality products (77%)
- Tech-savvy and active on the internet (89%)
- Use YouTube, Instagram, and TikTok to learn about brands

# Customer insight: Under layers of app filters

“ Despite appearing beautiful with **makeup** and **app filters**, under those layers are my **worriedness, concerns, and insecurities**. My life is stressful, my health is bad and my skin is not that good. I’m afraid that one day, the makeup and app filters cannot hide my insecurity. **I need a friend who can understand me, support me to embrace my insecurity, and help me to feel the beauty from within.** ”





# Big idea Outside In

## Key message

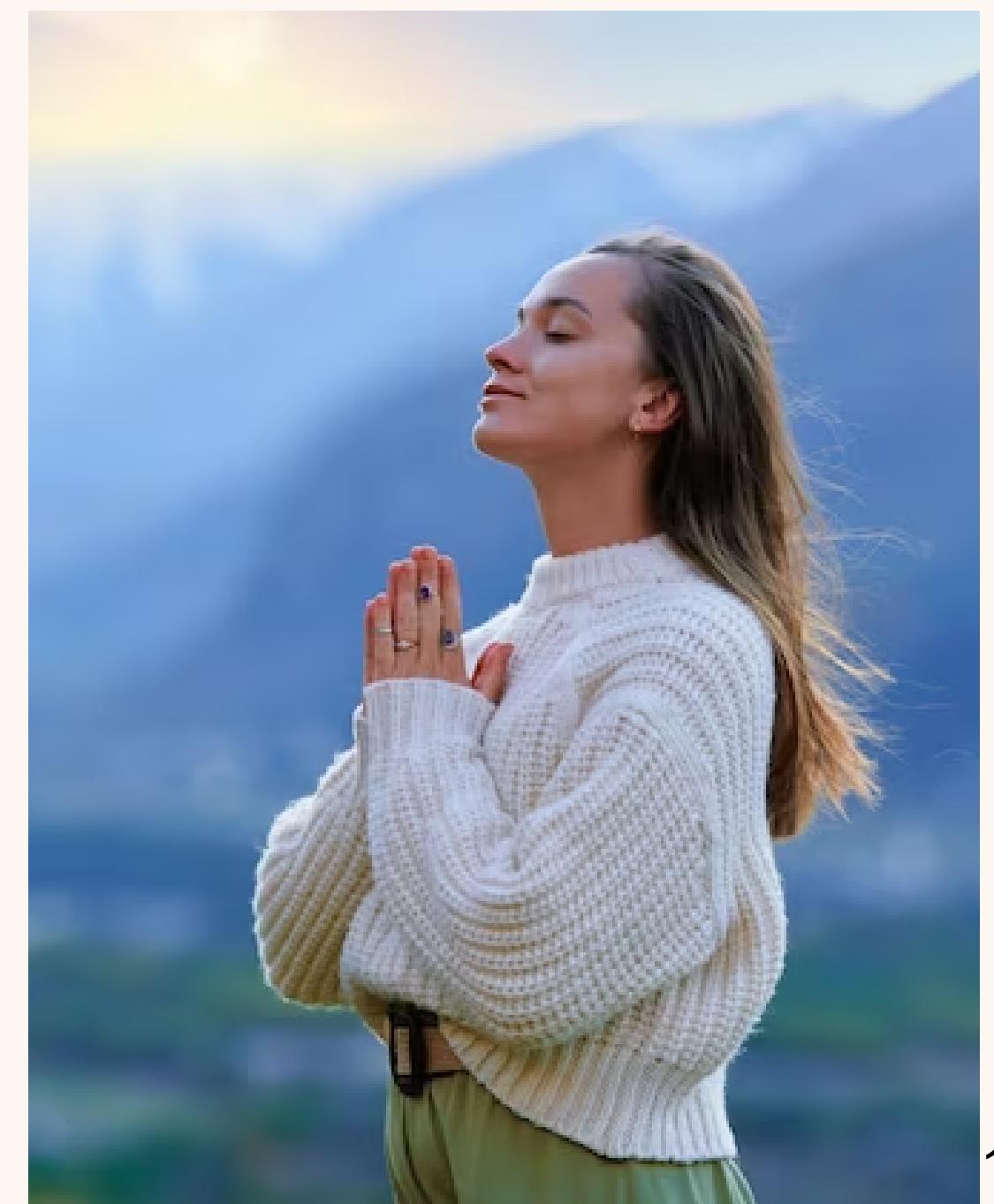
# Where outer glow meets inner peace

## Explanation

"Where outer glow meets inner peace" reflects Avène's dedication to not only **enhancing external beauty** through skincare products but also empowering individuals to **address their inner worries**, unlocking **the full potential of skincare** by nurturing both the mind and body

Brand role

Avène becomes more  
than just a skincare  
brand -  
It's a lifestyle movement  
promoting **harmony**  
**between mind and body**



# Marketing Strategy Summary

## Business objectives:

- Increase market share to 5% in 3 years
- Total sales reach \$355 millions

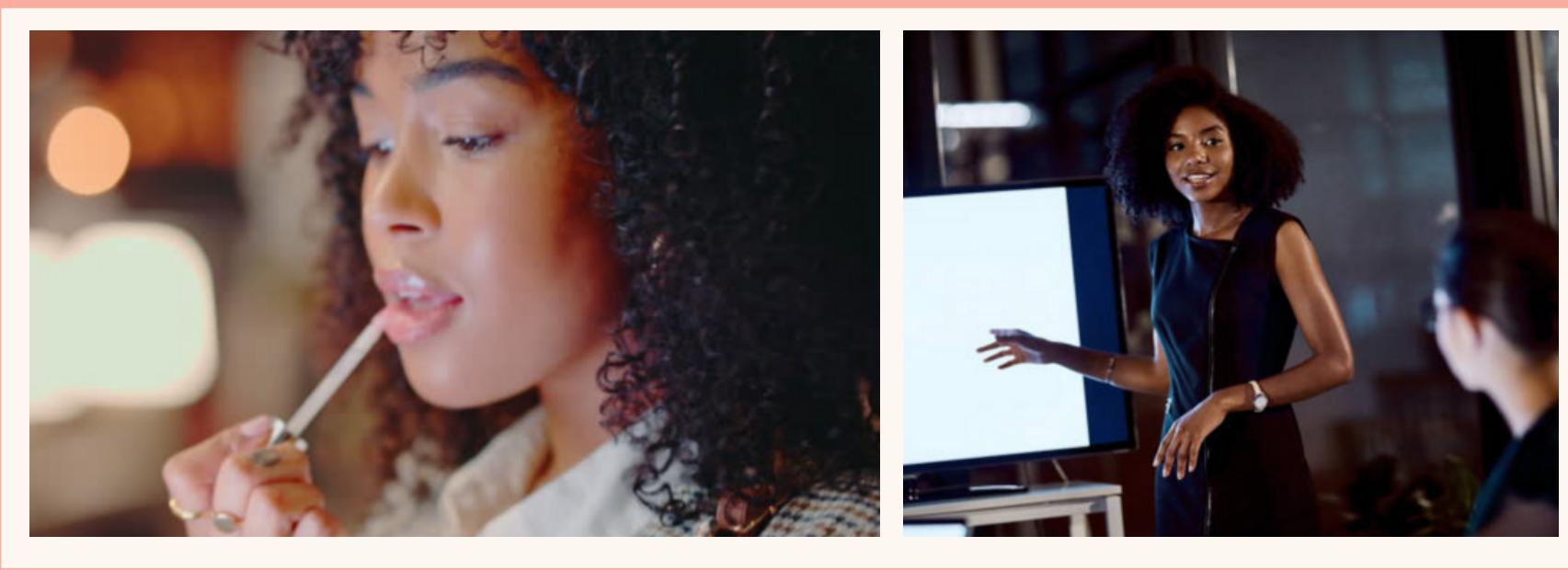
## Marketing objectives:

- Increase brand awareness and brand trust among target demographics
- Position Avène as a leading brand for sensitive skin and well-being
- Increase customer engagement and conversion rates

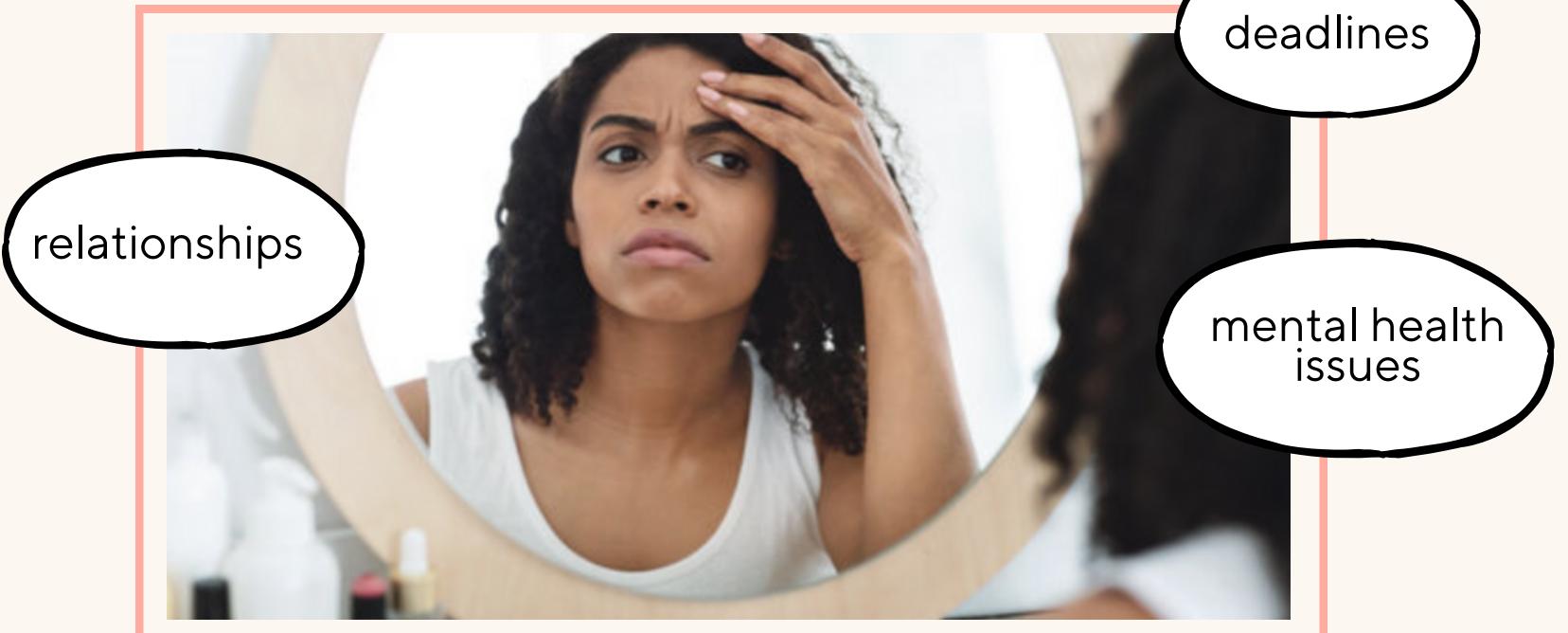
Channel	Objectives	KPIs	Key Activities
Media Strategy	<ul style="list-style-type: none"> <li>• Increase brand awareness and trust</li> <li>• Re-position Avène as a leading brand for sensitive skin and well-being</li> <li>• Increase sales</li> </ul>	<ul style="list-style-type: none"> <li>• # reach, engagement, views</li> <li>• Conversion rate to sales</li> </ul>	<ul style="list-style-type: none"> <li>• Viral clip</li> <li>• Outside-In challenge</li> <li>• Wellness Hub on Avène's website</li> </ul>
Medical Detailing	<ul style="list-style-type: none"> <li>• Expand network of doctors</li> <li>• Increase sales</li> <li>• Integrate well-being advisory</li> </ul>	<ul style="list-style-type: none"> <li>• # Doctors engaged</li> <li>• Revenue</li> </ul>	<ul style="list-style-type: none"> <li>• Collaborate with psychodermatologists</li> <li>• Create a national community of doctors</li> </ul>
National Accounts	<ul style="list-style-type: none"> <li>• Increase sales</li> <li>• Complement medical detailing</li> </ul>	<ul style="list-style-type: none"> <li>• # Stores</li> <li>• Revenue (in-store and online)</li> <li>• # Customers joining key activities</li> </ul>	<ul style="list-style-type: none"> <li>• Avène Outside-In Mirror activity</li> <li>• Coupons for online and in-store sales</li> </ul>
Sampling	<ul style="list-style-type: none"> <li>• Increase brand awareness</li> <li>• Increase # of paid customers</li> </ul>	<ul style="list-style-type: none"> <li>• Conversion rate to sales</li> </ul>	<ul style="list-style-type: none"> <li>• Sampling across channels</li> <li>• Sampling at well-being events</li> </ul>

# Media Strategy: Outside-In Viral Clip

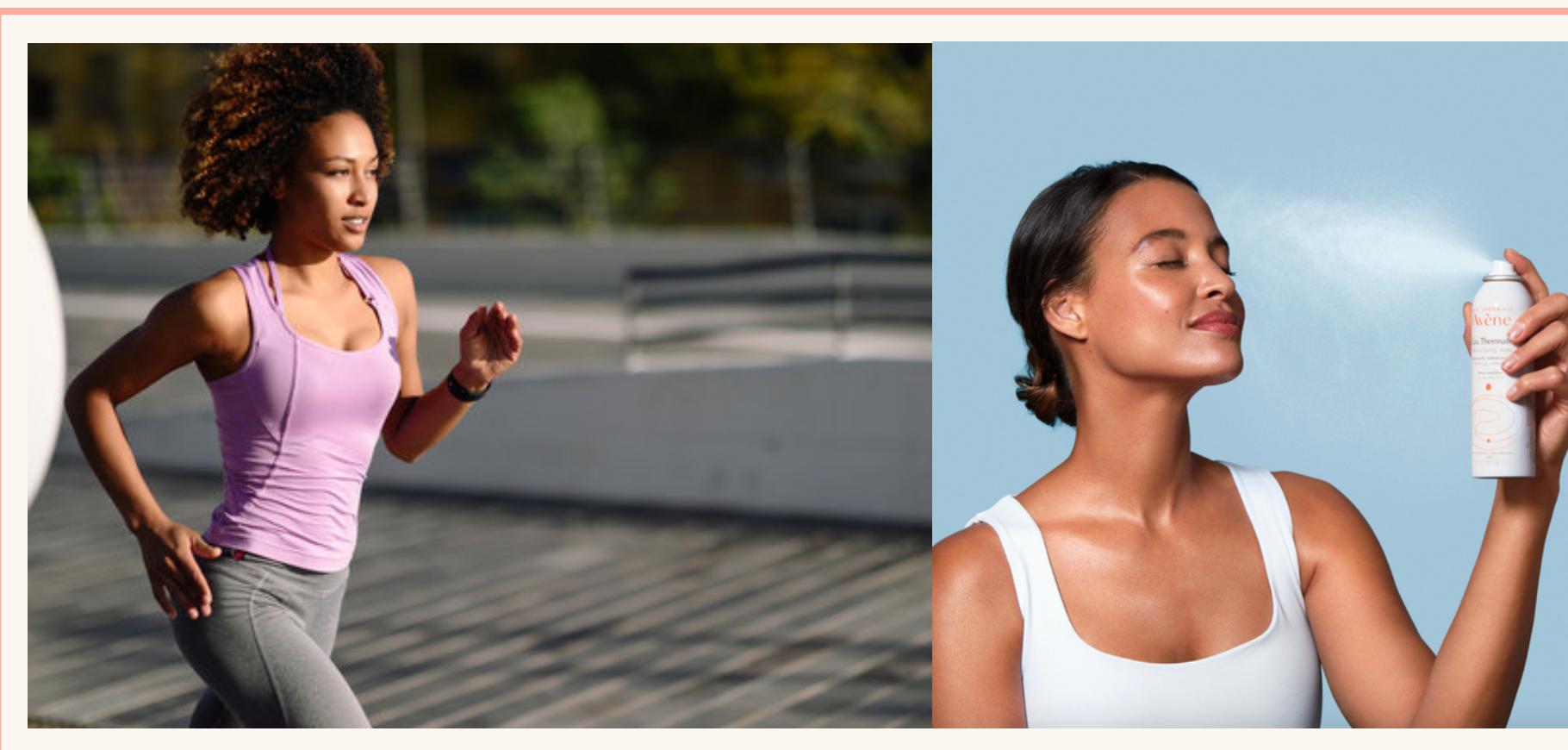
**Scene 1:** “Even though I put on makeup and look pretty,...”



**Scene 2:** "...life is stressful."



**Scene 3:** “So I decided to adopt a more balanced lifestyle.”

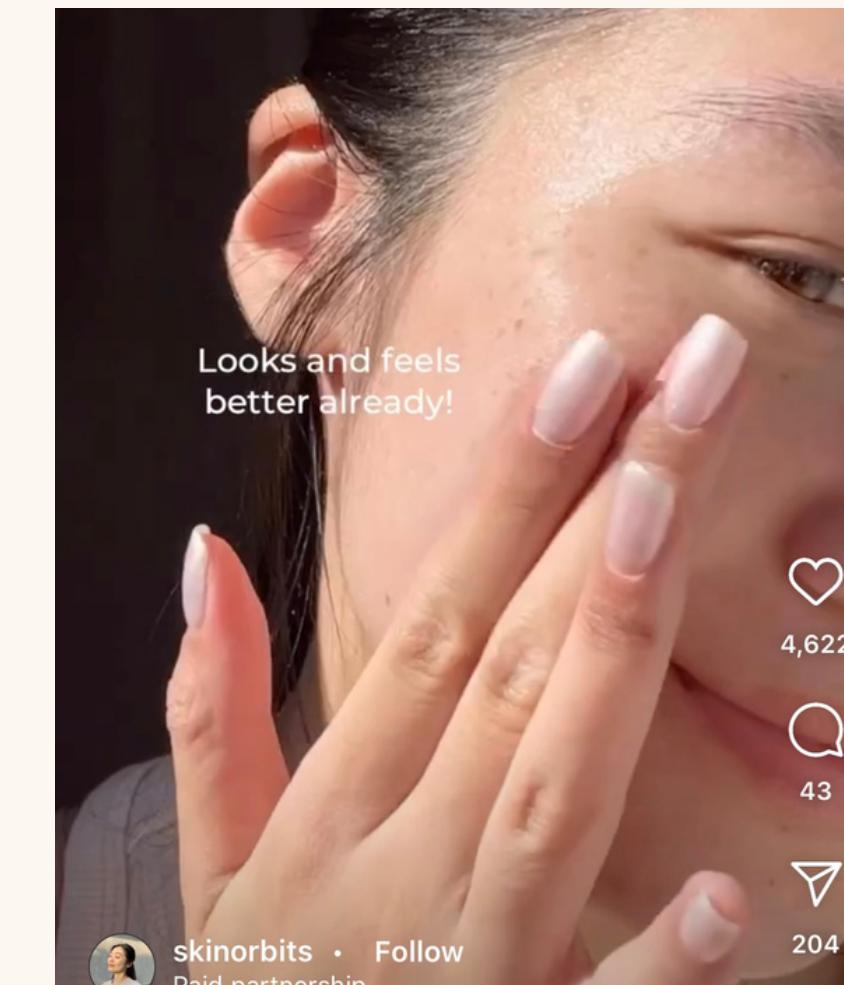
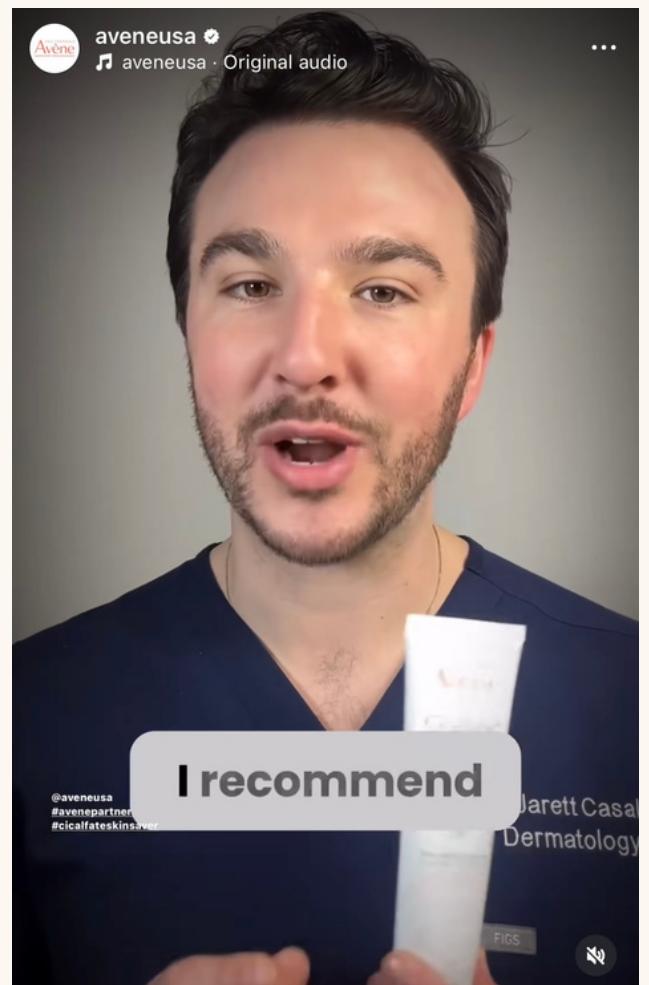


**Scene 4:** “I am glowing outside-in!”



# Media Strategy: Outside-In Challenge

**Encourage consumers to share their own stories to enhance their well-being and improve skin condition holistically**



## Collab with influencers:

- Dermatologists offer insights on how skincare routines impact well-being & recommend products
- Beauty influencers share their own outside-in experience

## User generated content:

- Use samples to incentivize users to create their own videos
- Repost on Instagram & TikTok

## Hashtags:

#OutsideIn  
#AvèneInnerPeace

**Media Strategy:** Use limited edition “Mystery Box” to strengthen the focus on well-being and discover new sales opportunity

# Mystery Box



**Small boxes, big business:**  
Expected to reach over 4.6 billion  
dollars by 2024 in the China market  
with similar target segments

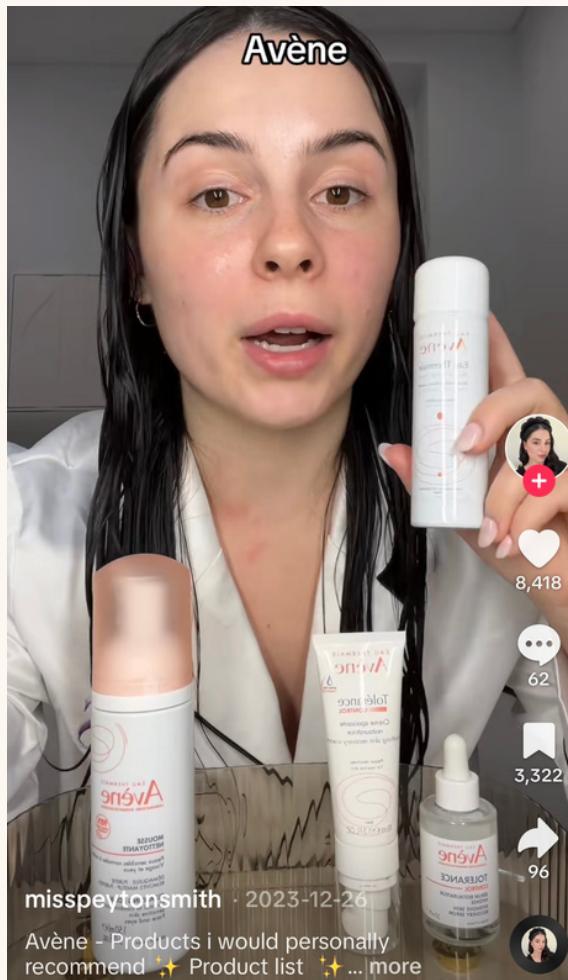
## Limited Edition: Purchase Avène products with a giveaway

# Media Strategy: Live stream and wellness hub

## Livestreaming

Livestreaming on Instagram & TikTok:

- Product seeding campaigns
- Selling products via livestreaming
- Direct users to website



## Wellness Hub on Avène website

- Establish a well-being community for consumers to join virtual and in-person workshops, such as yoga, meditation, and art therapy sessions
- Offer comprehensive self-care with skincare tips and outdoor activity suggestions



# Medical Detailing: Bridging dermatology and emotional wellness

## (1) Collaborate with Psychodermatologists



**Psychodermatologists** explore the relationship between **psychological factors** and **skin health**



### Differentiation from competitors

"Recommended by both Psychodermatologists and Dermatologists"



### Customer empowerment and brand trust

Avène is a trusted advisor in the realm of skincare and self-care



### Higher sales

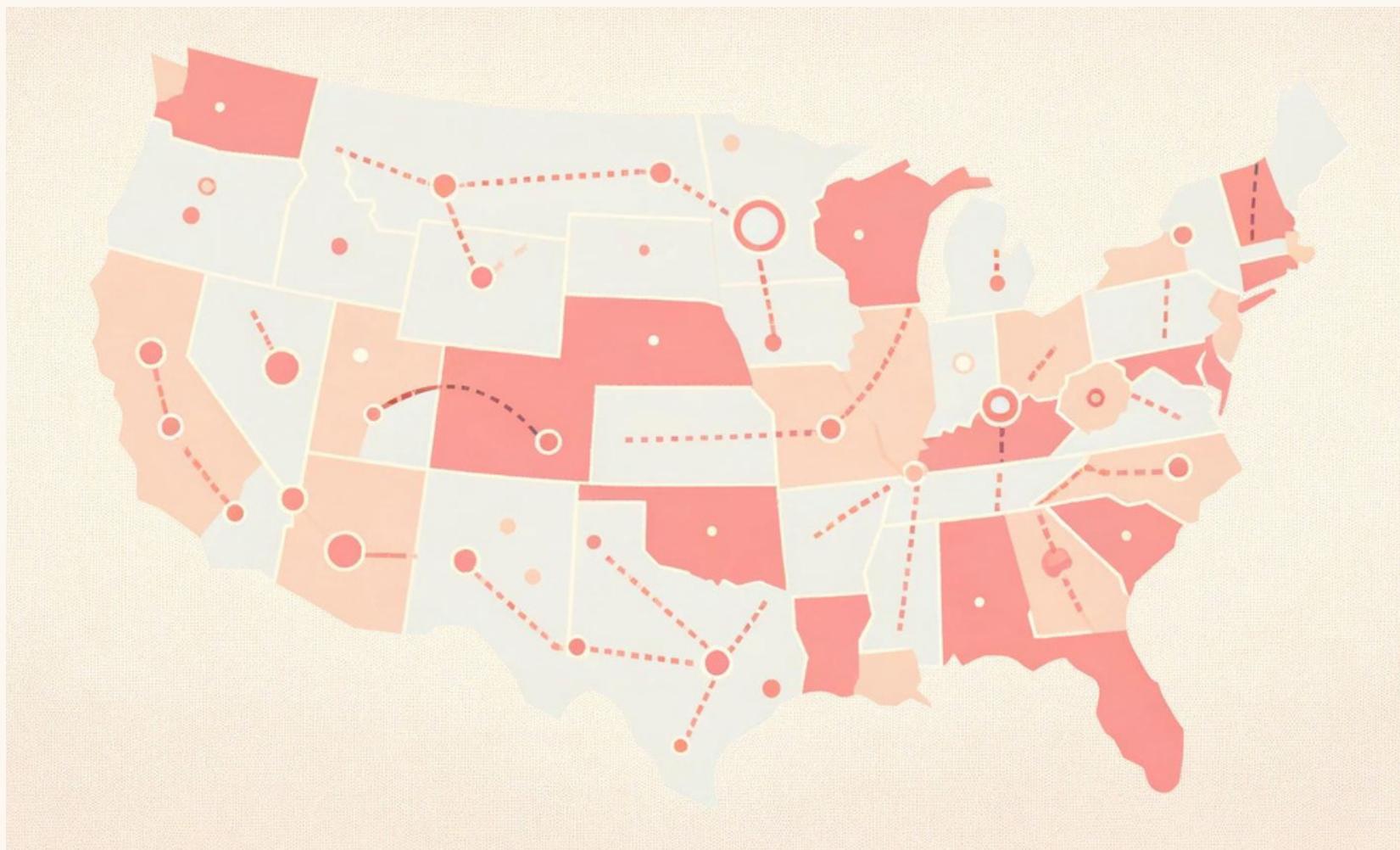
Psychodermatologists also promote Avène products with samples and coupons

## (2) Collaborate with Dermatologists



- When advising patients, dermatologists also focus on the **well-being aspects** of Avène products
- Provide dermatologists with **materials** emphasizing the link between skin health and the well-being benefits of Avène products.

# Medical Detailing: Establish an active national community of Psychodermatologists and Dermatologists



**Increase the number of doctors and sales faster without solely depending on the salesforce**

# National Account: Rate your skin and well-being score with Avène Outside-In Mirror!



Emotional expression analysis from **hume.ai**

## Technology

- AR Facial Diagnosis:** Analyze the customer's skin to identify specific concerns
- Empathic AI voice (from hume.ai):** Interpret emotional expressions and generate empathic responses

## Experiment

- Facial Diagnosis:** Start conversations, take photos, and analyze customer skin for concerns such as sensitivity, acne, wrinkles, and dark spots
- Emotional Analysis:** Evaluate the customer's tone of voice to assess their emotional state: happiness, excitement, or anxiety

## After Experiment

- Personalized recommendations, free samples, and coupons that can be used at store or online channels



# Sampling not only helps boost sales but also strengthens the brand message through collaborations with well-being-related events

Besides providing samples at current marketing channels, Avène should target other well-being-related events to promote Avène products and strengthen the brand message.



Yoga Class



Running/Marathon



Flower arranging class

# Implementation Timeline

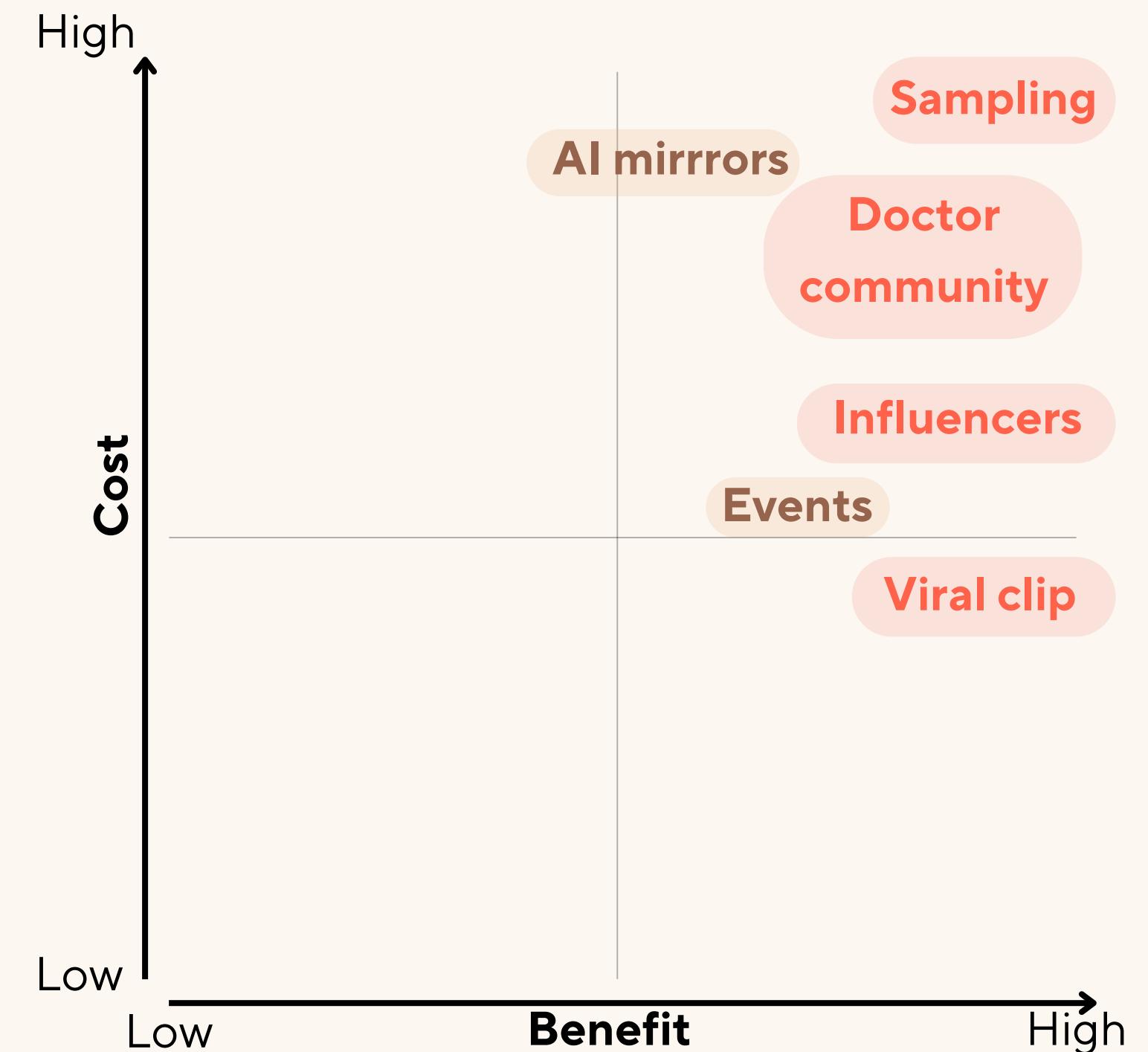
Channel	Now to End 2024	2025	2026
<b>Media Strategy</b>	Outside-In Campaign		
		On-going media activities	
<b>Medical Detailing</b>	Expand sales force		
	Build a connected community of Psychodermatologists and dermatologists		
<b>National Accounts</b>	Avène Outside-In Mirror		
	Enhance sales across in-store and online channels		
<b>Sampling</b>	Partner with well-being events		
	Provide samples across marketing channels		

# Implementation Guide

	AWARENESS	CONSIDERATION	CONVERSION	AMPLIFICATION
Timeline	05/2024 - 12/2024	05/2024 - 12/2026	05/2024 - 12/2026	01/2025 - 12/2026
Objectives	<ul style="list-style-type: none"> <li>Enhance brand visibility and brand awareness to more customers as a leading brand in sensitive skincare and well-being</li> </ul>	<ul style="list-style-type: none"> <li>Build brand trust and credibility and by showcasing Avène's psychodermatological and dermatological expertise</li> </ul>	<ul style="list-style-type: none"> <li>Increase product sales by providing incentives</li> </ul>	<ul style="list-style-type: none"> <li>Cultivate brand advocates by nurturing relationships with satisfied customers and doctors, leading to higher brand trust and sales</li> </ul>
Key hook	<ul style="list-style-type: none"> <li>Viral clip</li> <li>Outside-In challenge</li> </ul>	<ul style="list-style-type: none"> <li>Collaborate with psychodermatologists</li> <li>National community of doctors</li> </ul>	<ul style="list-style-type: none"> <li>Mystery Box</li> <li>Avène Outside-In Mirror activity</li> </ul>	<ul style="list-style-type: none"> <li>Wellness Hub on Avène's website</li> <li>National community of doctors</li> </ul>
Supporting tactics	<ul style="list-style-type: none"> <li>Collaboration with influencers</li> <li>User-generated content</li> <li>Hashtags</li> <li>Well-being events</li> </ul>	<ul style="list-style-type: none"> <li>Collaboration with influencers</li> <li>Sampling</li> </ul>	<ul style="list-style-type: none"> <li>Livestreaming</li> <li>In-store and online coupons</li> </ul>	<ul style="list-style-type: none"> <li>User-generated content</li> <li>Well-being events</li> </ul>
Channels	<ul style="list-style-type: none"> <li>Youtube, Tiktok, Instagram</li> <li>Avène website</li> <li>Virtual and in-person events</li> </ul>	<ul style="list-style-type: none"> <li>Youtube, Tiktok, Instagram</li> <li>Avène website</li> <li>Medical detailing materials</li> </ul>	<ul style="list-style-type: none"> <li>Tiktok, Instagram</li> <li>National accounts and Pure players accounts</li> <li>Doctor offices</li> </ul>	<ul style="list-style-type: none"> <li>Tiktok, Instagram</li> <li>Avène website</li> <li>Virtual and in-person events</li> <li>Word of mouth</li> </ul>
KPIs	<ul style="list-style-type: none"> <li># reach, engagement, views</li> <li># customers joining events</li> <li>Website traffic</li> </ul>	<ul style="list-style-type: none"> <li># reach, engagement, views</li> <li># doctors joining the community</li> <li>Website traffic</li> </ul>	<ul style="list-style-type: none"> <li>Revenue and market share</li> <li>Conversion rate to sales</li> <li># stores</li> </ul>	<ul style="list-style-type: none"> <li># reach, engagement, views</li> <li># customers and doctors joining</li> <li>Net Promoter Score</li> </ul>

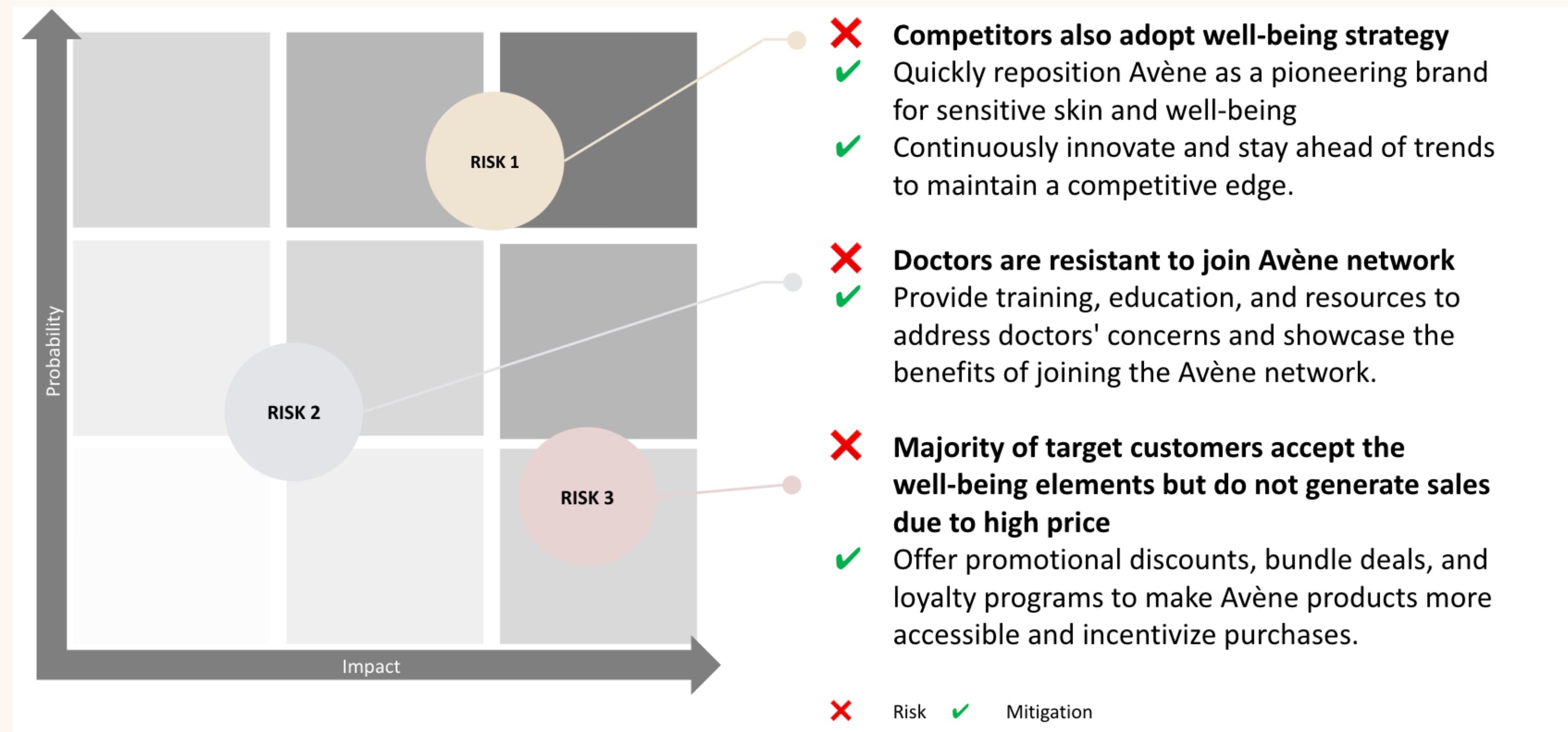
# Cost-Benefit Analysis

Channel	Key Activities	Value
<b>Media Strategy</b>	Viral clip production	\$ 400,000
	Paid Ads	\$ 1,100,000
	Collaboration with influencers	\$ 800,000
	Event organization	\$ 700,000
	<b>Total</b>	<b>\$ 3,000,000</b>
<b>Medical Detailing</b>	Sales force costs	\$ 3,000,000
	Community building	\$ 2,000,000
	<b>Total</b>	<b>\$ 5,000,000</b>
<b>National Accounts</b>	Buy tablets for AI Mirror	\$ 1,000,000
	Display fees at National Accounts	\$ 400,000
	Software development (skin analysis + voice)	\$ 800,000
	<b>Total</b>	<b>\$ 2,200,000</b>
<b>Sampling</b>	For doctors	\$ 1,500,000
	For influencers	\$ 800,000
	For retailers	\$ 2,000,000
	Gifts from mystery box	\$ 500,000
	<b>Total</b>	<b>\$ 4,800,000</b>
<b>Total cost</b>		<b>\$ 15,000,000</b>
<b>Total sales</b>		<b>\$ 355,000,000</b>
<b>Profits (EBIT) (with the current profit margin of 8.2%*)</b>		<b>\$ 29,110,000</b>
<b>ROI</b>		<b>194.07%</b>



\*: according to the 2022 Integrated report of Pierre Fabre group

# Risks & Mitigation





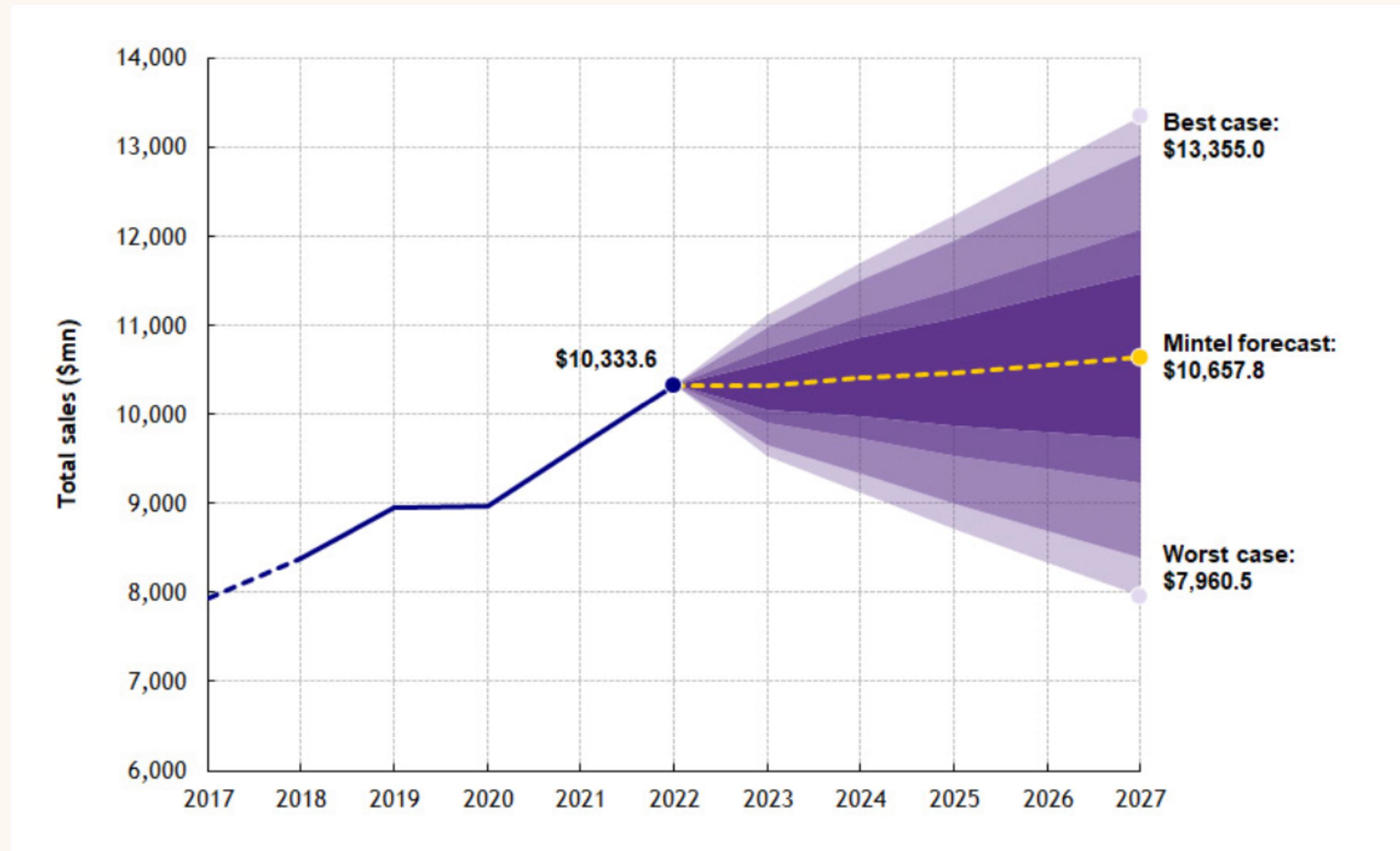
**Thank You**



# Appendix

# Exhibit 1

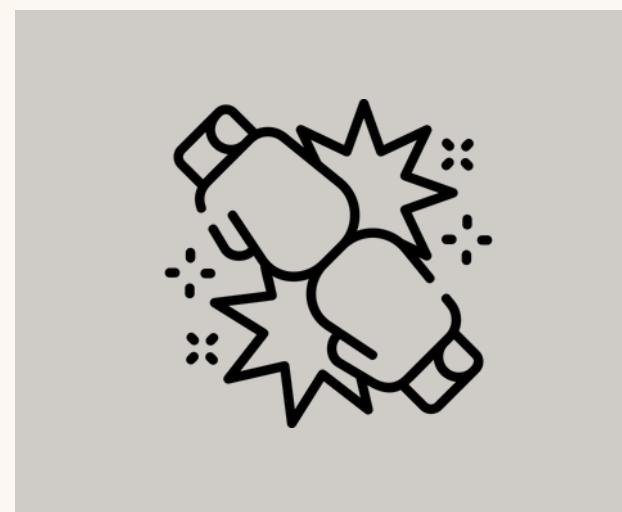
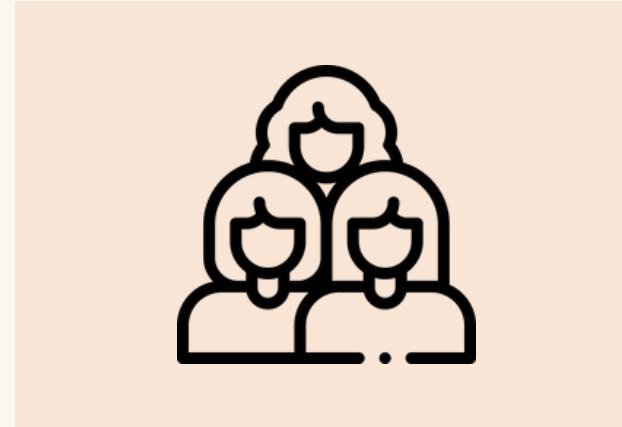
## US skincare market size



Data source: Mintel

# Exhibit 2

## 3C Analysis



### Customers

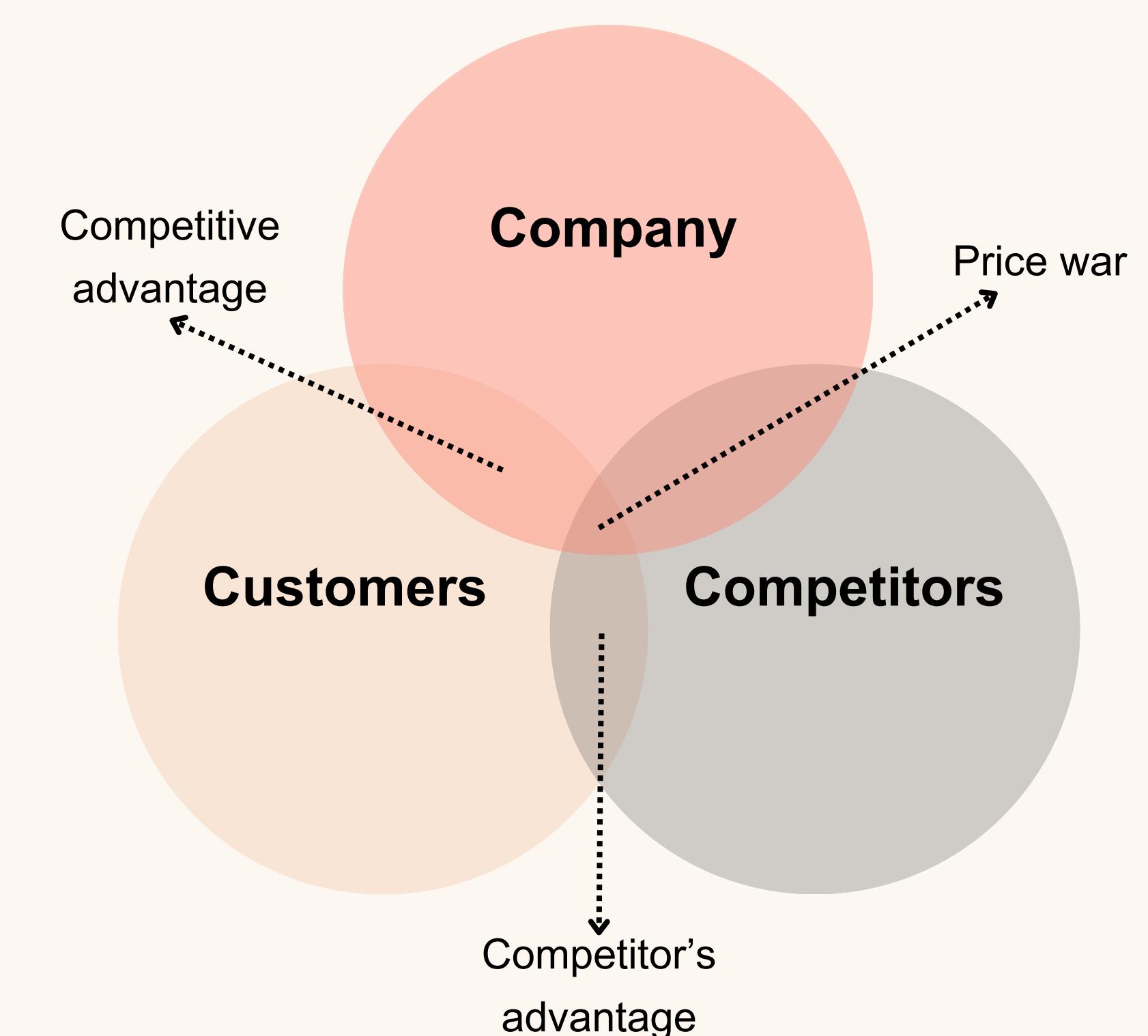
- Young Adults and Millennials
- Well-being

### Competitors

- Lower price
- Diverse skin types
- Dermatologist-recommended

### Company

- Premium price
- For sensitive skin
- Dermatologist-recommended



# Exhibit 3

## Positioning Map

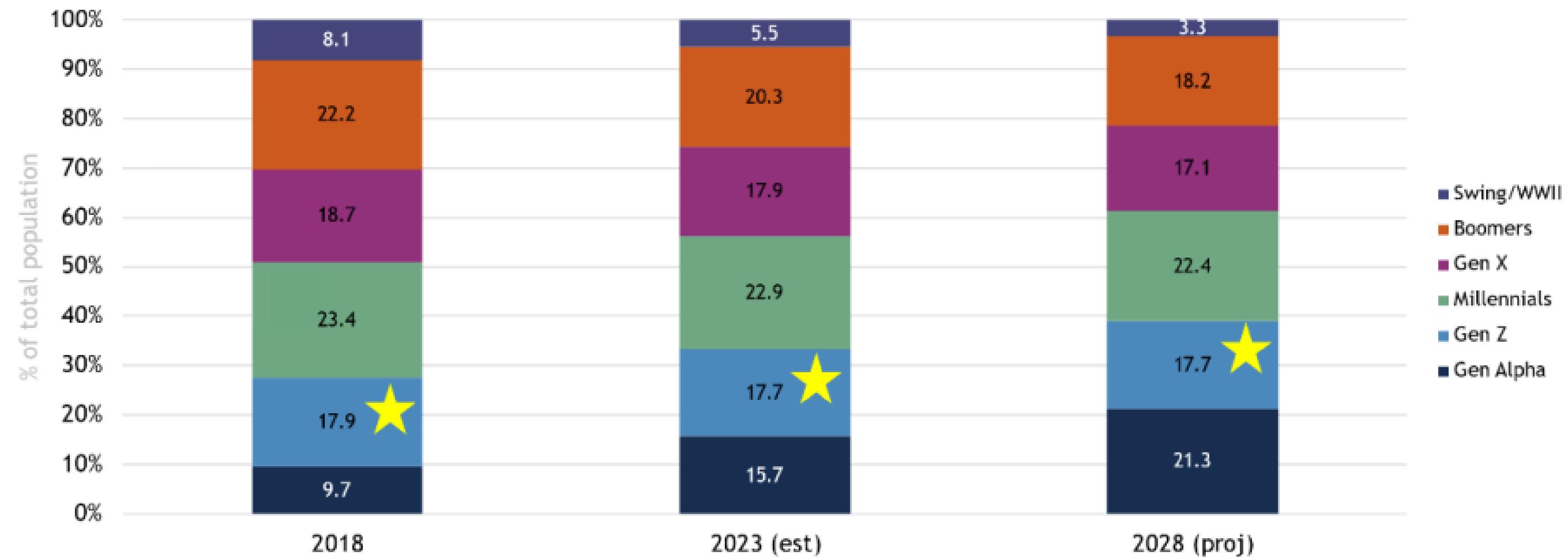
Sensitive skin focus



# Exhibit 4

**Gen Z population is stable, while the millennial population is decreasing**

FIGURE 11: US POPULATION BY GENERATION, 2018-28



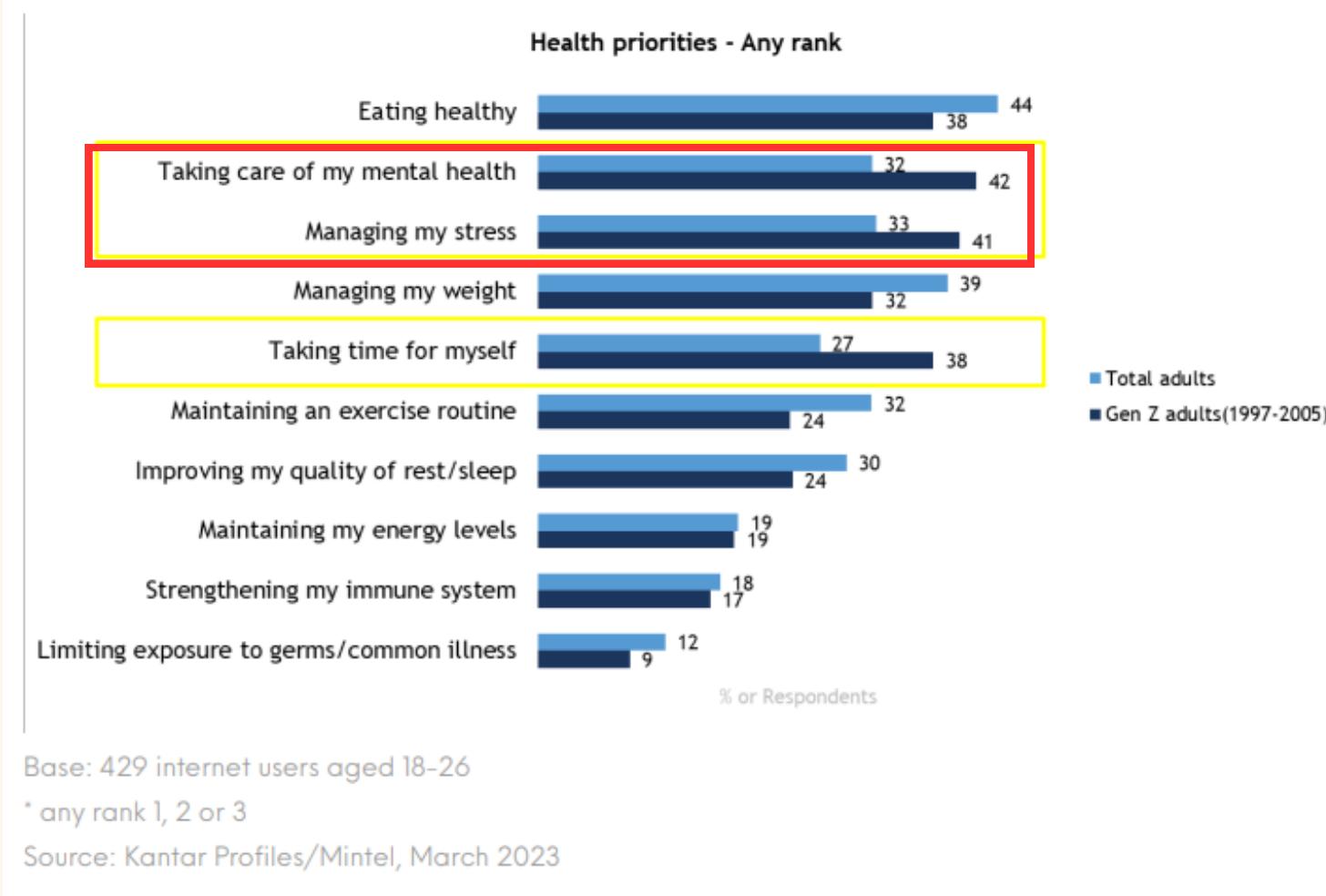
Note: data may not equal totals due to rounding

Source: Census Bureau, annual population estimates and 2017 National Population Projections/Mintel

# Exhibit 5 & 6

## Gen Z top health priorities

"What are your top three health priorities right now? Please select and rank up to three in order of importance, with one being the most important."



## Gen Z spending behaviors

"How much do you agree or disagree with the following statements?"

### Attitudes and self-perceptions - Spending priorities



Base: 867 internet users aged 13-17

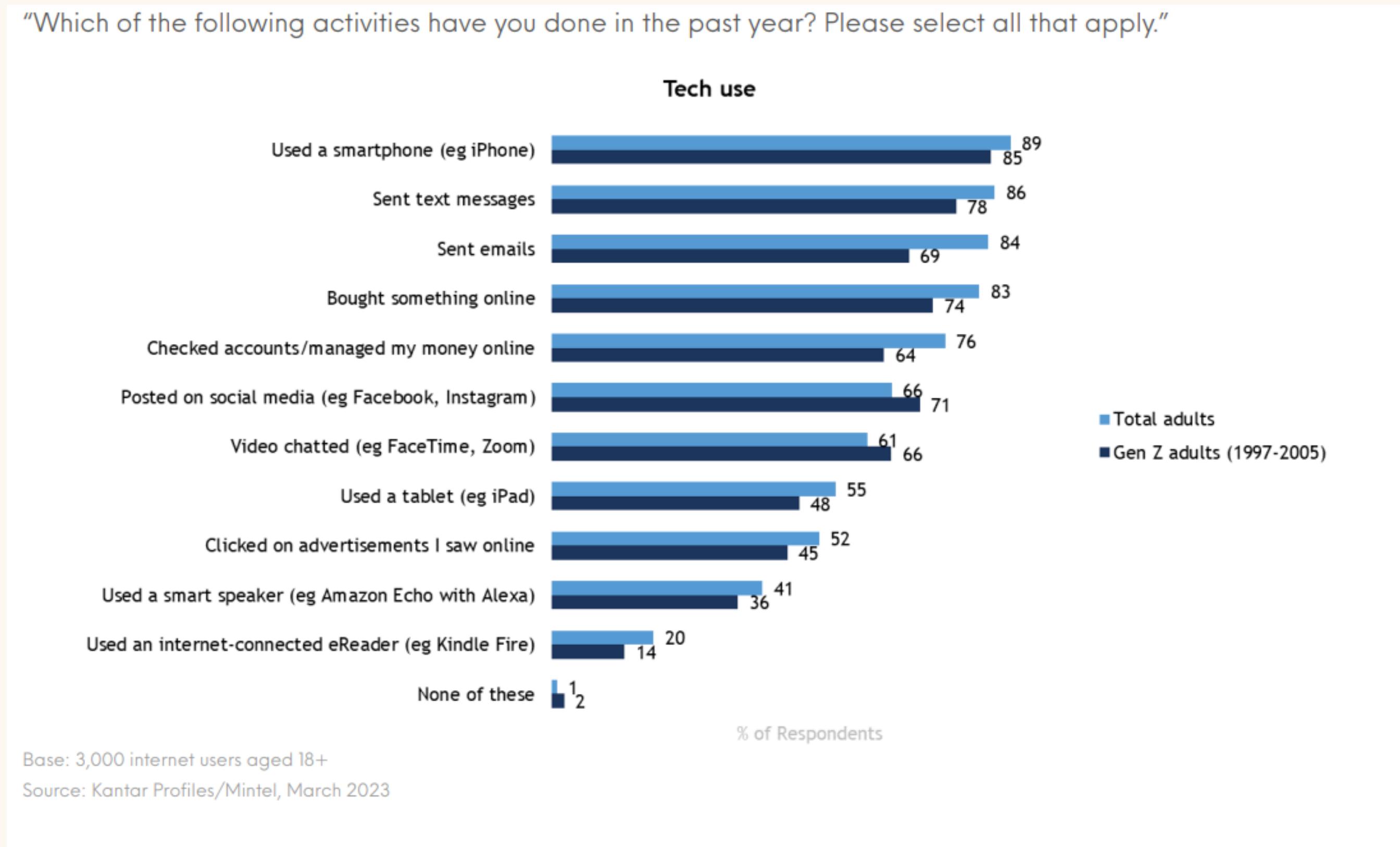
\* net of "Strongly agree" and "Somewhat agree"

Source: Kantar Profiles/Mintel, March 2023

# Exhibit 7

## Gen Z tech use

"Which of the following activities have you done in the past year? Please select all that apply."

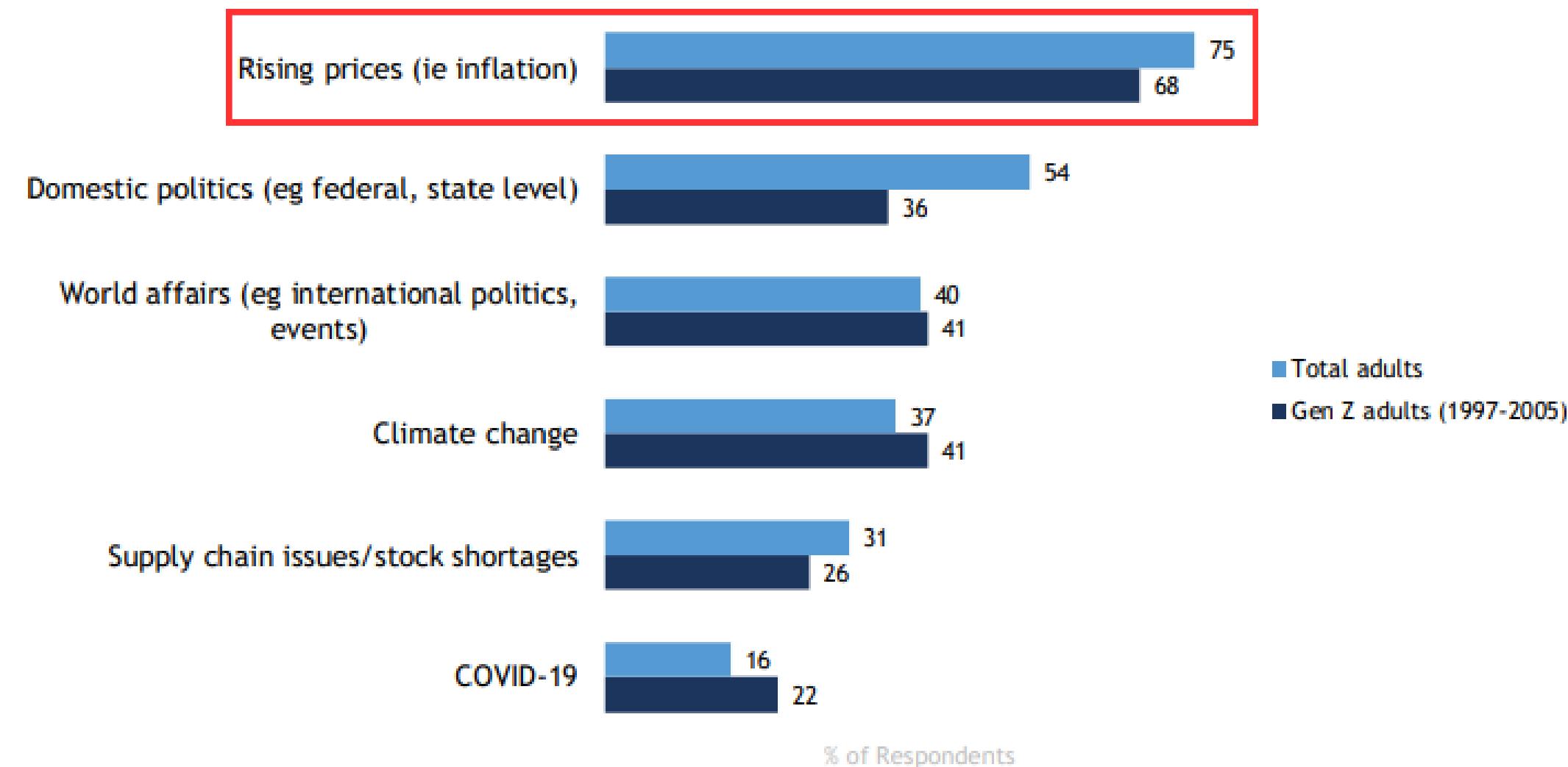


# Exhibit 8

## Gen Z concerns

FIGURE 21: CONCERNS – NET – ANY RANK\*, 2023

"Which of the following are you most concerned about? –Please select and rank up to three in order of concern, with 1 being the most concerning."



Base: 3,000 internet users aged 18+

\* net of Rank 1, 2 or 3

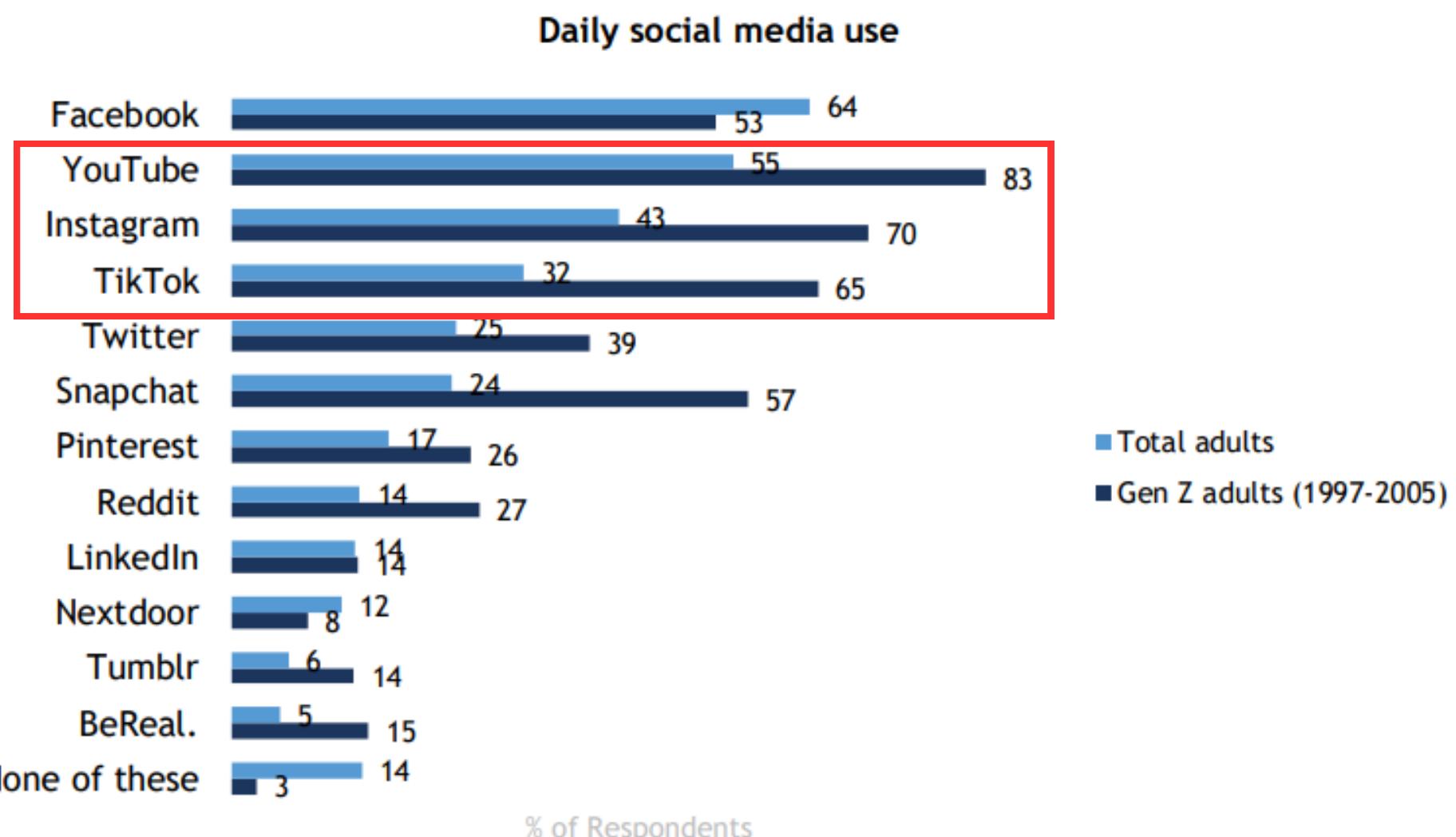
Source: Kantar Profiles/Mintel, May 2023

# Exhibit 9

## Gen Z social media behaviors

FIGURE 68: DAILY SOCIAL MEDIA USE, 2023

"Visit social media sites daily"



Base: 3,000 internet users aged 18+

Source: Kantar Profiles/Mintel, March 2023

# Exhibit 10

## Gen Z social media behaviors (cont.)

FIGURE 67: GEN Z ADULT SOCIAL MEDIA PERCEPTIONS, 2023

"Which phrases best describe each of these social media platforms? Please select all that apply per platform."

	Fun to use	Good for interacting with friends	For people like me	Good for learning about brands	Easy to search for information	Is a good resource when I want to learn something	Has trustworthy content	Shows people as they really are	Has too many advertisements	Keeps my data safe	Makes me feel bad about myself	None of these
YouTube	58	18	41	39	44	47	34	18	31	19	7	4
Instagram	48	45	35	31	20	16	17	18	19	15	15	11
TikTok	53	29	33	26	21	23	20	23	17	12	12	17
Facebook	28	40	25	17	21	14	18	18	18	12	7	21
Snapchat	39	42	29	12	11	8	14	19	13	16	10	22
Twitter	28	23	22	16	19	17	17	20	10	11	12	30

Base: 426 internet users aged 18-26 who are social media users

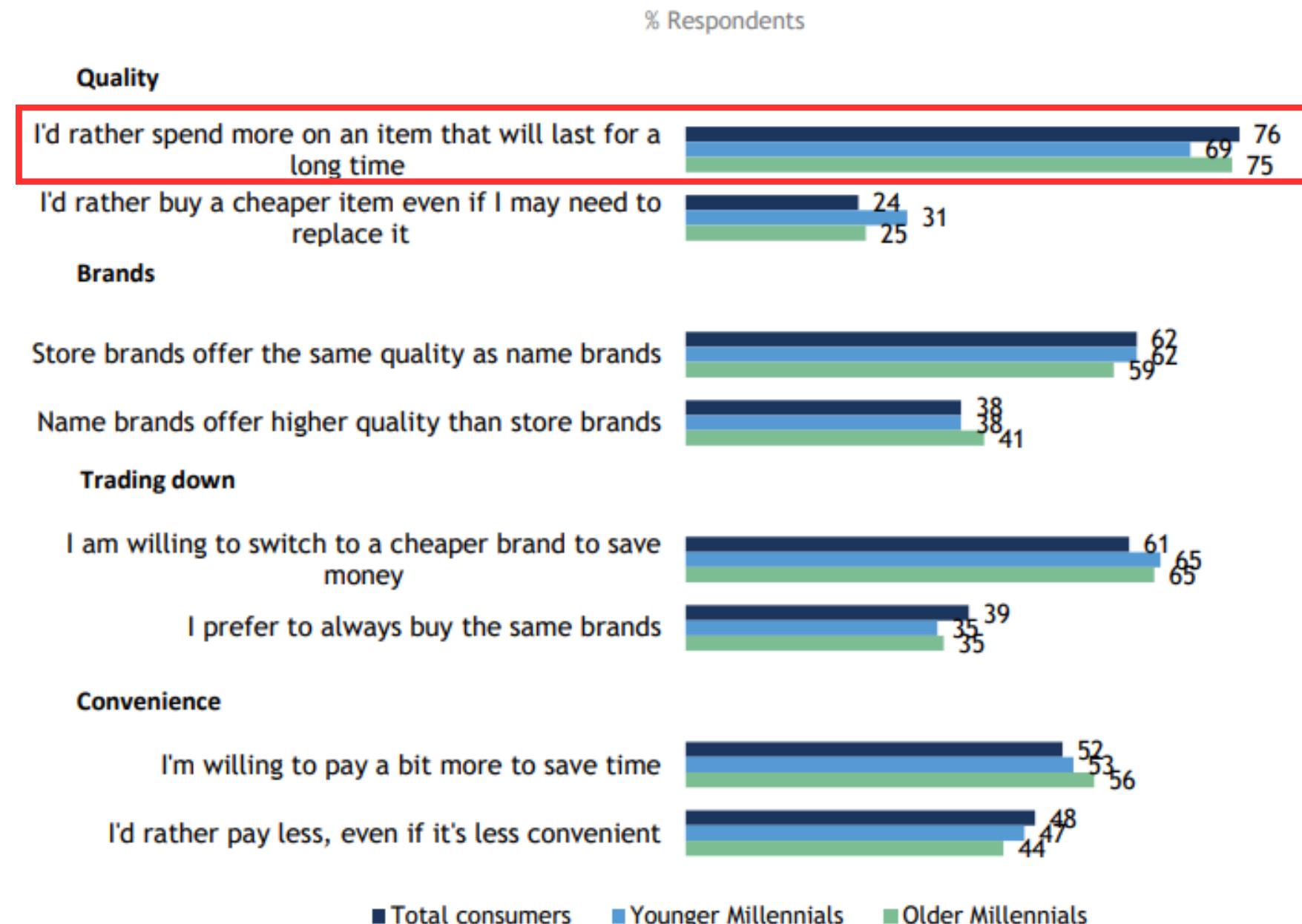
Source: Kantar Profiles/Mintel, March 2023

# Exhibit 11

## Millennials are willing to spend more on high-quality products

FIGURE 8: PERCEPTIONS OF VALUE, 2023

"Which of the following statements in each pair do you agree with most about shopping? Please select the most applicable in each pair of statements."



Base: 3,000 internet users aged 18+

Source: Kantar Profiles/Mintel, March 2023

# Exhibit 12

## Millennials are mental health-conscious

FIGURE 40: HEALTH PRIORITIES, ANY RANK, 2023

"What are your top three health priorities right now? Please select and rank up to three in order of importance, with one being the most important."

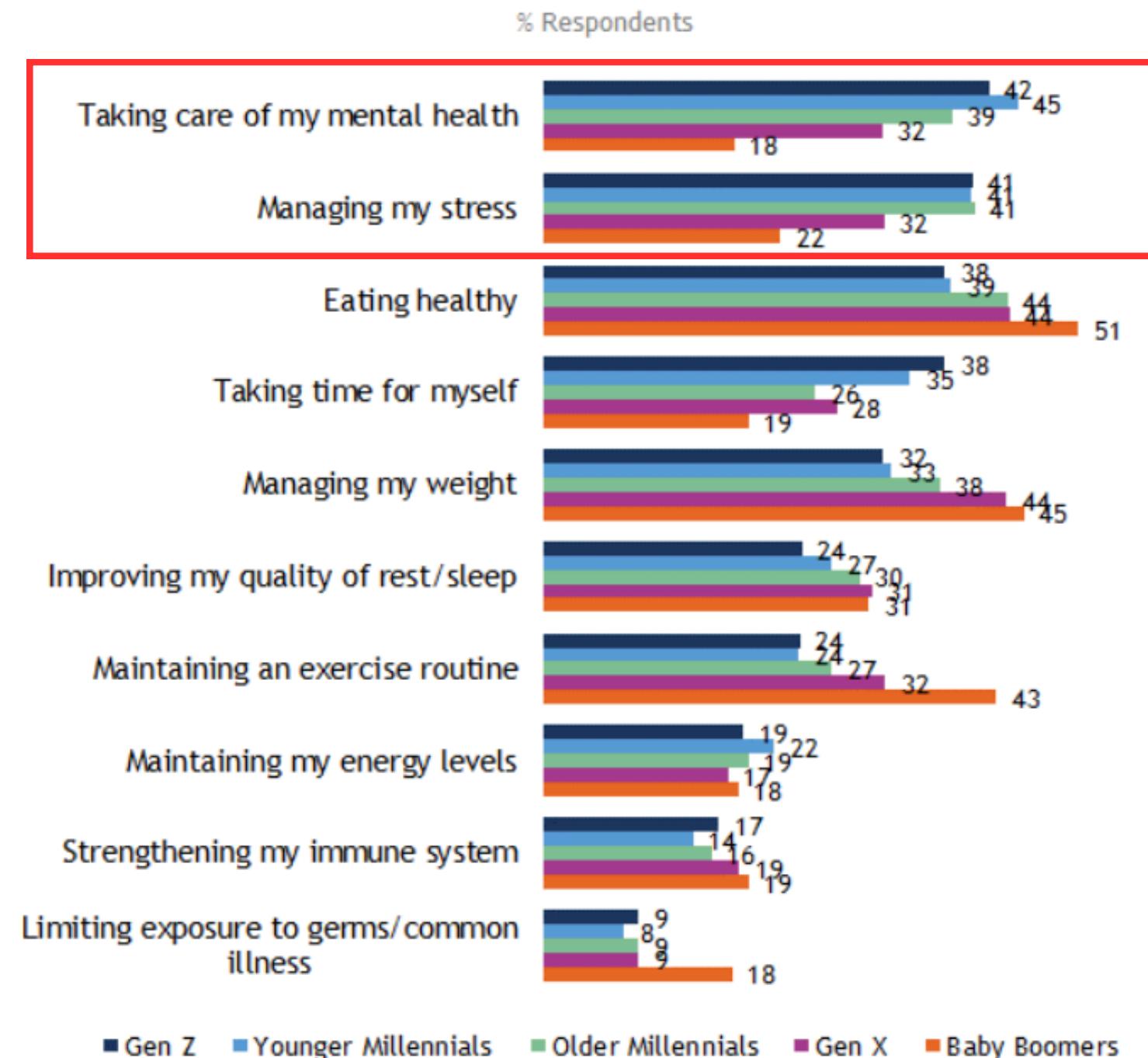
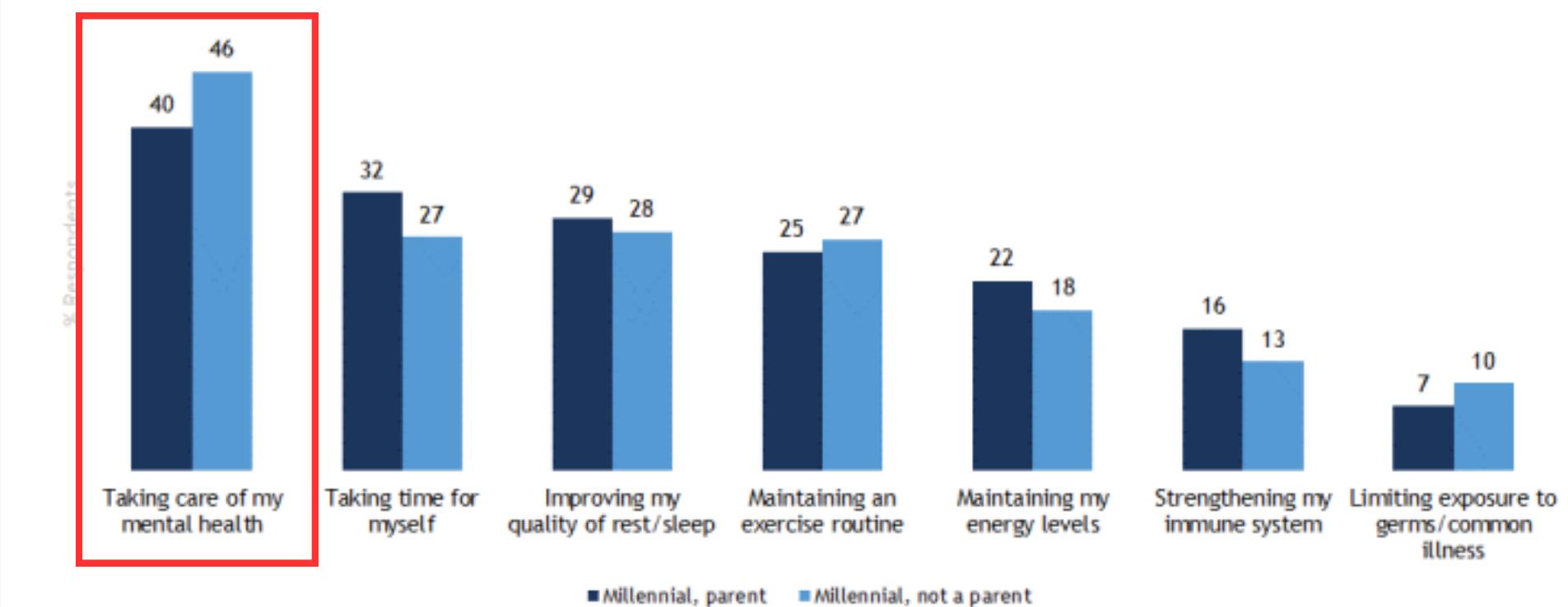


FIGURE 41: HEALTH PRIORITIES, ANY RANK, AMONG PARENTS, 2023

"What are your top three health priorities right now? Please select and rank up to three in order of importance, with one being the most important."



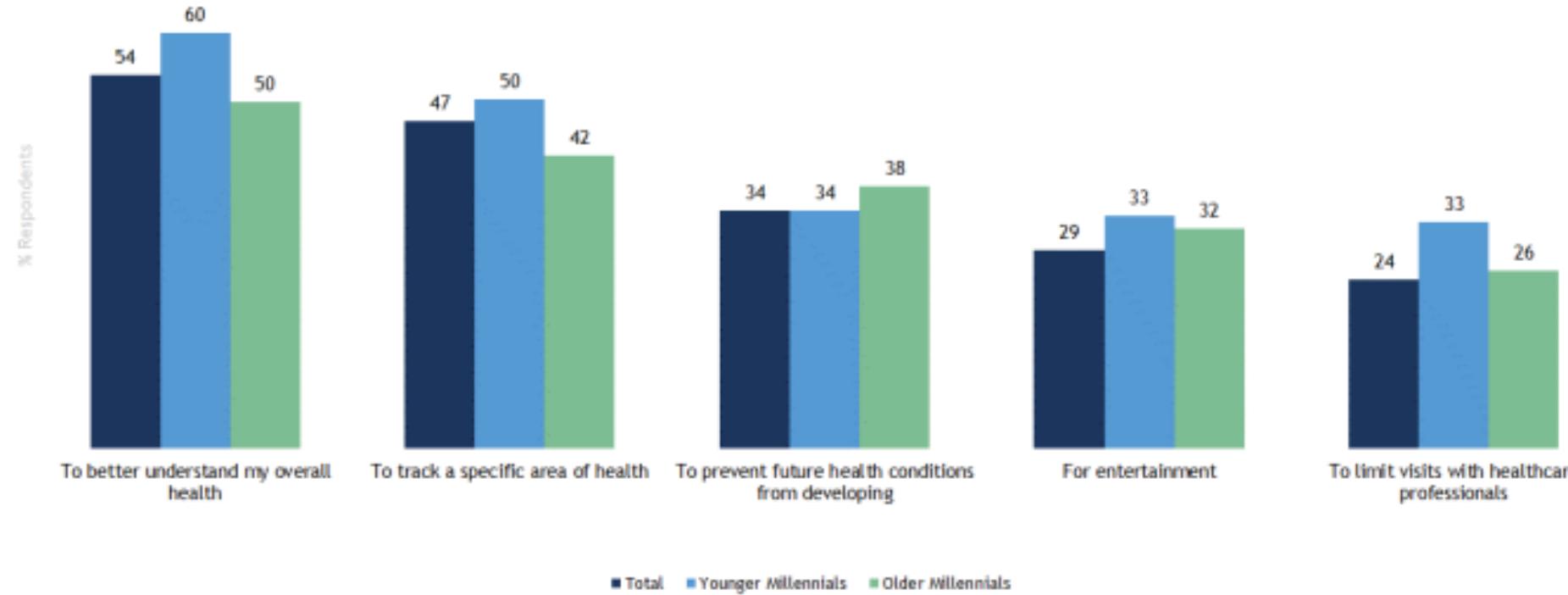
# Exhibit 13

## Millennials are tech-savvy when it comes to health

Millennials are most likely to own a health-tracking wearable device (eg smartwatch) (see Consumer Databook) reflecting Millennials' interest in health and wellness as well as their acceptance of new technologies (see Millennials and Tech). 38% of Older Millennials who use technology to manage their health say they use technology to help prevent future health issues (see Health Tech Trends – US, 2023). Older Millennials use of technology for preventative health reasons suggest more Millennials may become receptive to health tracking devices as they age, creating new opportunities for devices that capture Millennials' detailed health information and provide suggestions for Millennials to optimize their health.

FIGURE 19: REASONS FOR USING TECHNOLOGY TO MANAGE/MONITOR HEALTH, 2022

"Why have you use technology to manage or monitor your health? Please select all that apply."



Base: 1,262 internet users aged 18+ who use/have used technology to manage health

Source: Kantar Profiles/Mintel, December 2022

# Exhibit 14

FIGURE 37: PERCEPTIONS OF SOCIAL MEDIA PLATFORMS, GEN Z AND MILLENNIALS, 2023

"Which phrases best describe each of these social media platforms? Please select all that apply per platform."

	YouTube			Instagram			Facebook		
	Gen Z	Younger Millennials	Older Millennials	Gen Z	Younger Millennials	Older Millennials	Gen Z	Younger Millennials	Older Millennials
Good for learning about brands	39	39	33	31	26	23	17	26	20
Easy to search for information	44	50	47	20	20	21	21	27	23
Has trustworthy content	34	29	25	17	16	14	18	15	15
Keeps my data safe	19	15	11	15	14	10	12	12	12
For people like me	41	44	41	35	30	30	25	31	32
Good for interacting with friends	18	17	14	45	45	41	40	55	52
Is a good resource when I want to learn something	47	46	47	16	17	16	14	19	15
Fun to use	58	56	52	48	47	43	28	39	41
Has too many advertisements	31	31	31	19	15	13	18	23	24

Base: 2,914 internet users aged 18+ who are social media users

Source: Kantar Profiles/Mintel, March 2023

# Exhibit 15

FIGURE 38: PERCEPTIONS OF SOCIAL MEDIA PLATFORMS, GEN Z AND MILLENNIALS, 2023

"Which phrases best describe each of these social media platforms? Please select all that apply per platform."

	TikTok Gen Z	Younger Millennials	Older Millennials	Twitter Gen Z	Younger Millennials	Older Millennials	Snapchat Gen Z	Younger Millennials	Older Millennials
Good for learning about brands	26	20	17	16	17	13	12	10	9
Easy to search for information	21	19	13	19	21	15	11	9	9
Has trustworthy content	20	13	10	17	9	12	14	10	9
Keeps my data safe	12	6	8	11	10	9	16	7	8
For people like me	33	24	21	22	18	18	29	22	16
Good for interacting with friends	29	24	20	23	19	18	42	35	25
Is a good resource when I want to learn something	23	17	15	17	16	15	8	8	8
Fun to use	53	48	41	28	24	24	39	42	30
Has too many advertisements	17	11	11	10	10	8	13	10	8

Base: 2,914 internet users aged 18+ who are social media users

Source: Kantar Profiles/Mintel, March 2023

# Exhibit 16

## Big idea explanation:

# Outside In

The concept of "Outside-In" in skincare refers to a holistic approach that considers both external and internal factors in achieving optimal skin health and appearance.

- The "**Outside**" aspect refers to the traditional focus on external factors that affect the skin, such as environmental stressors, UV exposure, pollution, and skincare products applied topically. This includes conventional skincare routines that primarily target surface-level concerns like acne, wrinkles, or dryness.
- On the other hand, the "**In**" aspect represents the recognition of internal factors that play a significant role in skin health, including mental well-being, stress levels, diet, hydration, sleep quality, and overall lifestyle factors. These internal elements can influence skin conditions such as inflammation, sensitivity, and premature aging.

By adopting an "Outside-In" approach, Avène aim to **address both the external and internal aspects of skin health comprehensively**.

Ultimately, the goal is to achieve radiant, healthy skin that reflects overall well-being from the **outside in**.

# Exhibit 17

The profit margin as of 2022 is 8.2%

