L’Oréal USA

The New Path to Purchase
Understanding the Consumer in a Technology Driven World

Marc Speichert
Chief Marketing Officer, L’Oréal USA
HELLO
my name is

MARC

Palmolive Colgate L'Oréal
CMO organization: 3 focus areas

VISION: A center of excellence and inspiration for transversal learning, business innovation, and cultural change obsessed with reaching +70M consumers for LUSA
TOP 5 GROWTH CONTRIBUTORS TO THE GOAL OF WINNING 1 BILLION NEW CONSUMERS

China
India
US  70MM
Brazil
Pakistan

Source: L'Oreal estimates – Strategic Prospective – December 2010
L’Oréal’s Brands Portfolio

Professional Products

Consumer Products

Luxury Products

Active Cosmetics

The Body Shop
Health & beauty category will be the next digital battleground

Source: iConsumer, 2010
Consumers are moving outside the traditional purchasing funnel, changing the way they research and buy products.
Then: The Funnel Metaphor

Old Consumer Decision Cycle

New Consumer Decision Journey

CONSIDER

THE LOYALTY LOOP

BOND

ADVOCATE

ENJOY

BUY

EVALUATE

Consider
Consider

L’Oréal Sponsored Destination
to Add or Subtract Brands from Consideration List

Most viewed program in YouTube history
22M partner videos viewed | 287MM impressions
MEET DERMABLEND PROFESSIONAL

Created by an American dermatologist, Dermablend Professional has been recognized as the expert in coverage cosmetics since 1981. Today, Dermablend Professional is the #1 Dermatologist recommended coverage brand in the United States.

For the past 30 years, Dermablend Professional products have been recognized for their high performance in wear and coverage as well as for their dermatological and efficacy standards.
Consider

Go Beyond The Cover
Viral Campaign

MEET ZOMBIE BOY
Consider

10 days
5.7 MILLION views

576,743 Facebook shares
12,400 tweets
400 blog posts
Evaluate

Importance of Evaluation Partnerships

DEMAND MEDIA

80% OF TRAFFIC COMES FROM 5+ WORD LONG TAIL QUERIES

CONSUMERS CONTENT SEARCHES ARE GETTING MORE SOPHISTICATED

- 80% < 5 WORDS
- 20% > 5 WORDS

L'ORÉAL
Importance of Evaluation Partnerships

DEMAND MEDIA

Beauty Term “Eye makeup”

Thousands of personal preferences lead to a very long “long tail”

Thousands of Combinations: Eye colors, Skin tones, Hair colors, Occasions…

CONTENT GAP!
Importance of Evaluation Partnerships

DEMAND MEDIA

How to Apply Liquid Liner
How to Best Apply Skin Products
How to Choose and Apply Blush
How to Choose Makeup Brushes
How to Choose the Right Facial
How to Do a Dark Manicure
How to Deal with Winter Hair
How to Fake a Vacation Glow

How to Apply Makeup for a Round Shaped Face
Dry, Sensitive, Mature Skin Care Tips
The Best Makeup Products for Oily Skin
How to Find a Red Lipstick for Black Women
Products to Make Porcelain Skin Glow
Short Hair Styles for Thin Hair
Sun Tanning Tips for Olive Skin
The Best Relaxer for Curly Hair
Hair Care Tips for Red Hair
What Is the Best Mineral Makeup for Damaged Skin?

Allure: 259 How-to articles
Demand Media: 29K How-to articles
Importance of Evaluation Partnerships

DEMAND MEDIA
Importance of Evaluation Partnerships

DEMAND MEDIA

DEMAND MEDIA & LUSA PARTNERSHIP (15 BRANDS)

DEMAND MEDIA USP?

LISTEN TO BILLIONS OF SIGNALS

CONTENT THAT WE KNOW USERS WANT

ENGAGE WITH QUALIFIED INTENDERS

WHAT IS IN IT FOR LUSA?

CONTENT INSIGHTS

CONTENT AT SCALE

CUSTOMIZED CONTENT MATCHED WITH RELEVANT ADS

L’ORÉAL
Evaluate:
Michelle Phan
Michelle Phan 2010 Top 10 Beauty Videos

1. LANCÔME - Michelle Phan Clubbing Tutorial; 2,418,287 views (as of 11.17.10)
2. LANCÔME - Michelle Phan Romantic Valentine’s Day Date; 2,107,956 views (as of 11.17.10)
3. LANCÔME - Michelle Phan Pretty Prom; 2,418,287 views (as of 11.17.10)
4. LANCÔME - Michelle Phan Natural Beauty; 2,041,736 views (as of 11.17.10)
5. LANCÔME - Michelle Phan How To’s for Perfume; 1,371,764 views (as of 11.17.10)

All Top 5 Videos Are from Lancôme

6. CHANEL - Scorsese Bleu de Chanel; 638,901 views (as of 11.17.10)
7. COVERGIRL - “Glamorous in the City” CoverGirlTV; 391,864 views (as of 11.17.10)
8. L’ORÉAL PARIS - Beyoncé “Happy 100th L’Oreal” 255,780 views (as of 11.17.10)
9. AVON - 30 sec ad for Derma-Full, anti-aging product; 188,839 views (as of 11.17.10)
10. MAYBELLINE NEW YORK - How to Eyes Video; 162,701 views (as of 11.17.10)
BUY

THE LOYALTY LOOP

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EVALUATE

BOND

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ENJOY

Buy

Consumers choose where they want to shop today – Anywhere & Everywhere!

Buy: Mobile Taxi Shops

Taxi Mobile Shops:
1. Taxi Tops
2. Backseat Panels
3. Taxi TV
Listening Benchmarking

Engage with users where the discussions are.
Daily Volume Assessment for LUSA

242,354 Raw Posts

224,001 Irrelevant Posts
18,353 Relevant Posts

893 Actionable Posts
17,640 Relevant Posts No engagements

533 Consumer Affairs
47 Corporate
309 Brands/Divisions
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FACEBOOK PLATFORM FOR SALONS

LAUNCH:
5,300 SALONS
977,160 CONSUMERS

GOAL:
10,000 SALONS
OVER 1.5 MILLION CONSUMERS
Key Takeaways

- Know who your shopper is
- Think about the new consumer decision journey
- Spend in the right places according to your customers’ journey
- Measure and evaluate
- Experiment, experiment, experiment