

**CASE STUDY: CREATE A FACEBOOK CAMPAIGN TO LAUNCH  
THE APP MATRIX COLOR LOUNGE**

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## ABSTRACT

Welcome to the twenty-first century, when isn't enough for marketers to know how to manage a budget, give a few touches in accounting, be a creative genius maintaining rationality, predict the future, know the living habits of your target, transform ideas into catchy presentations, objectives into numbers accompanied by explicit graphs and have the aesthetic sense of an interior designer. Welcome to 2016, when a marketer has to master the digital marketing to assure that the campaign is seen and hear what your target really want.

The objective of this case study is to stem the reader knowledge about using digital marketing to develop an effective communication strategy, know the platforms where it is worth investing and how to do it. For a better perception of the reader it was used as a bench the methodoly used to launch the application Style My Hair, to achieve the same results with the launch of Matrix Color Lounge application, which belongs to the brand of the division of professional products - Matrix – of L'Oréal group.

The first analysis explains the company and the product to be launched, along with its competitors, having then the theoretical side of the digital marketing that should be related to the content previously read to be able to answer the questions of the case study.

At the end, the reader will be able to see how it's possible to enhance the release of an application through Facebook and how the 4 P's of traditional marketing evolved into the 8 P's of digital marketing.

Given that the main information contained in the case comes from the L'Oréal Group, the case study does not include many references, also because the subject of applications is still a very recent one, don't existing that many studies based on this new world.

Keywords: Digital marketing, Beauty App Market, Facebook Ads.

JEL classification system:

M31 Marketing;

M37 Advertising.

## RESUMO

Bem-vindos ao século XXI, altura em que não basta os marketers saberem gerir um budget, darem uns toques em contabilidade, serem génios criativos mantendo a racionalidade, preverem o futuro, conhecerem os hábitos de vida do seu target, transformarem ideias em cativantes apresentações, objetivos em números acompanhados de gráficos e terem o sentido estético de um designer de interiores. Bem-vindos a 2016, altura em que um marketer tem de dominar o marketing digital para conseguir com que a sua campanha seja vista e ouvir o que o seu target realmente quer.

O objetivo deste caso de estudo é providir o leitor de conhecimentos sobre como utilizar o marketing digital para delinear uma estratégia de comunicação eficiente, saber as plataformas onde vale a pena investir e como o fazer. Para uma melhor perceção do leitor, foi utilizado como bench a metodologia utilizada para lançar a aplicação Style My Hair, para conseguir replicar os resultados com o lançamento da aplicação Matrix Color Lounge da marca da divisão de produtos profissionais – Matrix – do grupo L'Oréal.

Numa primeira análise é apresentada a empresa e o produto a lançar, juntamente com os seus concorrentes, tendo depois o lado teórico do marketing digital que deve ser relacionado com o conteúdo lido anteriormente para ser possível responder às questões do caso de estudo.

No final, o leitor vai ficar a perceber como pode potenciar o lançamento de uma aplicação através do Facebook e como os 4 P's do marketing tradicional evoluíram para os 8 P's do marketing digital.

Dado que muita da informação contida no caso vem do grupo L'Oréal, o estudo do caso não inclui muitas referências bibliográficas, até por o tema das aplicações ser um assunto ainda muito recente, não havendo muitos estudos com base neste novo mundo.

Palavras-chave: Marketing Digital, Mercado de Apps de Beleza, Anúncios Facebook.

Sistema de classificação JEL:

M31 Marketing;

M37 Advertising



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## 1. CASE STUDY

### 1.1 L'ORÉAL GROUP<sup>1</sup>

L'Oréal is the leader group in cosmetics worldwide present in 140 countries and with 82,900 employees. With more than one hundred years of its existence, the original French cosmetics company called Société Française des Teintures Inoffensives pour Cheveux evolved into a multinational corporation, with a portfolio represented by 32 complementary brands. This portfolio gives to L'Oréal a Market capitalization (in €m) of 93,163, larger than the other 7 competitors all together.

The market of cosmetics has grown by 3.8% over the past ten years to €181 billion (EY report in consultancy.uk) and is evolving continuously by the influence of new trends, such as growing segment of male cosmetic products, the online cosmetic tutorials, emerging market of nutritional supplements (nutricosmetics), increasing consumer's knowledge and his demand for a natural origin of products, ecology and protection of the environment (biocosmetics). Aware of the new digital trends, L'Oréal is investing in the E-commerce sales which grew in 2015 37.9%, representing 5.2% digital share of consolidated sales.

Another key of L'Oréal success is based in the substantial investment made in research and development, an excellent exploitation of new trends and a subtle policy of acquisitions by which L'Oréal strengthens its position in strategic markets.

#### 1.1.1 Professional Products Division<sup>1</sup>

The group is structured in a divisional way. The organizational breakdown is determined by how a product reach the consumer, dividing L'Oréal into mass sales division, professional products division, luxury products division and active cosmetics division.

The highest share of total sales is represented by the division of mass sales (48.7% of total sales in 2015), which focuses on retail stores. The second largest share on turnover is represented by the division of luxury products (29.8% in 2015), followed by the professional products division (14%).

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<sup>1</sup>Information took from the official group web-site [www.loreal.com](http://www.loreal.com) and from the L'Oréal 2015 annual report

Active cosmetics division represented only 7.5% of total sales. The professional products division originates from the long-standing efforts of L'Oréal to build lasting and mutually beneficial relationship with hairdressing salons since the company's success has always been closely linked with the success of hairdressers. This division distributes its products in the hairdressing salons worldwide having always the education at the heart of the business, with more than 700.000 hairdressers trained in 2015. The structure of its brand portfolio tries to meet the needs of all types of hairdressing salons, regardless of their size or purchasing power.

## 1.2 HAIRDRESSERS MARKET IN PORTUGAL<sup>2</sup>

In light of the professional products division, a hairdressing salon represents the key partner and client who purchases:

- Technical products like colours, oxidants etc. Oxidation colours are one of the main sources that generate profits of the professional products division.
- Professional products for home use - hair care and styling products which the clients are offered, such as shampoos and conditioners.

Hairdressing salons and multi brand distributors (for example Pluricosmética, Cosmética do Nordeste, etc.) are the sole and exclusive place, where these products can be officially purchased. Professional products manufacturers sell their products to the salons for a tariff price. The products are subsequently sold to the customers for a suggested retail price, which is increased by a margin. The amount of margin varies across brands, but generally speaking, the higher the final price, the higher the hairdressers margin on one product.

In comparison with products sold in chain stores, the price of professional products is several-fold higher. Professional products are much more advanced in terms of quality and technology and when a new technology is delivered, it is always first offered in hairdressing salons. This leads to a valorisation of research and development.

Another important reason which justifies the higher price of professional products is training and education of hairdressers. Whereas the aim of retail chains is to sell a product, hairdressing salons sell a service, which consists of the product and the expertise and knowledge of the hairdresser.

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<sup>2</sup>Information took from L'Oréal Portugal material

This allows hairdressers to recommend products which meet each customer's specific needs because all of them are able of doing an hair diagnosis.

The aim of professional products division brands is to focus on salons which work exclusively with their brand. A good performance of salons is a mutual interest in this case, as the salon's profit generates profits of the manufacturer. Therefore, methods of salon development represent one of the key disciplines that each brand must be able to pass onto its clients.

Generally speaking, the methods of salon development can be described with the following diagram.

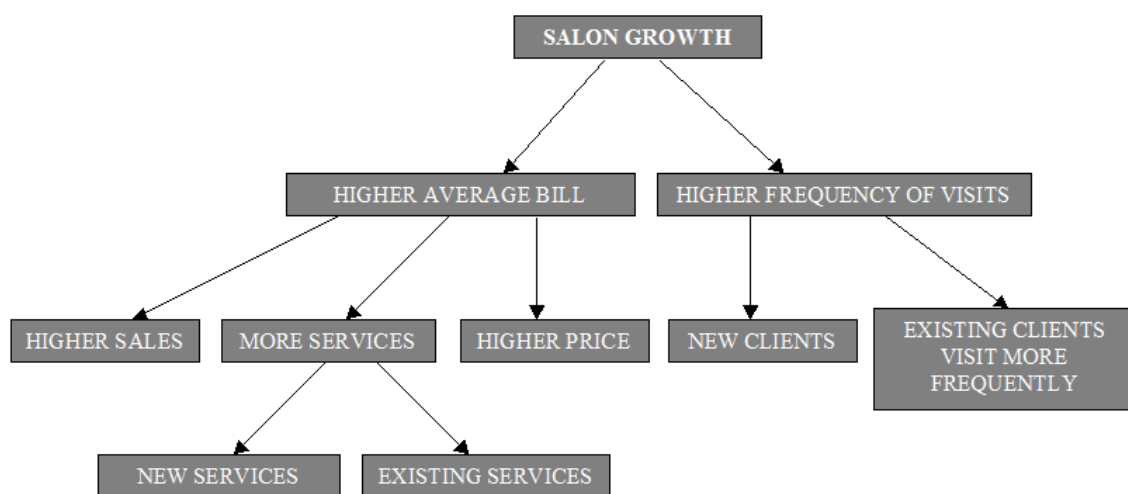


Figure 1-Salon Growth Diagram | Source: Internal material of L'Oréal Portugal

Salon growth can be achieved through higher average bill or higher frequency of customer visits. Higher frequency of visits can be achieved by acquiring new customers or making current customers visit more frequently. Higher average bill can be achieved by higher sales volume, by providing more services, or raising prices. More services may be provided by offering new services or increasing the volume of existing services provided.

An important difference between the market of professional products and mass distribution market is the difficulty to obtain valid data about the global market. While data about mass distribution market can be obtained with the use of such tools as a panel research, in the case of professional products, companies can efficiently measure the so-called sell-in, i.e. products that are sold in salons. However, it is extremely difficult to measure the sell-out, i.e. products sold to customers in salons. The sell-out is a very

important performance indicator since if salons become overstocked, they will not buy new products.

Given the importance of the two sales channels, the marketing of the professional products division focuses on two levels of communication:

1. Towards hairdressers, motivating them to purchase new products - through education and training, distribution of free samples, communication in professional journals, through sales representatives etc.
2. Towards customers, helping hairdressers to sell their products - through sales promotion tools, PR building in lifestyle and fashion magazines, promotional packaging etc.

It is therefore a business-to-business-to-consumer model (B2B2C), whose goal is to convince hairdressers and then their clients.

The main challenge of the professional products division is, through education, to sell a service rather than a product, whereas the main challenge of the mass sales division is to differentiate products and to convince consumers at the point of sale.

### 1.3 THE AMERICAN DREAM<sup>3</sup>



*Figure 2 - Matrix International Logo | Source: Matrix Canada website*

With the true American Dream in mind, having something efficient and accessible for everyone, the American husband and wife hairdressing team, Arnie and Sydell Miller, founded Matrix in 1980. The Millers wanted to provide hairdressers with a comprehensive range of products that would help them grow their businesses by providing the means, so they could take full advantage of their talent and creativity. Didn't take much time for Matrix to be the number one brand on the professional hair cosmetics market in the United States and Canada, raising the interest of the pharmaceutical company, Bristol-Myers Squibb, in acquiring the brand in 1992. Over the years, Matrix continued as the number one brand with the same values Millers stated in the 80's when he found it: fun, simple, intelligent and accessible.

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<sup>3</sup>Information took from the official brand web-site [www.matrix.com](http://www.matrix.com) and from the official group web-site [www.loreal.com](http://www.loreal.com)

Always with an eye in the competition, L'Oréal Group created an internal analysis called MAG, to understand if it would make sense to add Matrix to the Professional Products Division portfolio. So, MAG is the reference analyse when L'Oréal wants to localize a certain hairdresser in terms of potential and brand more suitable to work with.

A	<b>&gt;=27€</b>	A1	A2	A3
B	<b>&gt;=22-27€</b>	B1	B2	B3
C	<b>&gt;=17-22€</b>	C1	C2	C3
D	<b>&lt;17€</b>	D1	D2	D3
Price Color		<b>1-2</b>	<b>3-4</b>	<b>+5</b>
N° Employees		1	2	3

Table 1 – MAG | Source: Internal material of L'Oréal Portugal

At the column A, there will be the Kérastase, Redken and L'Oréal Professionnel saloons where the price of the color service is higher. The B it's the ideal column of L'Oréal professionnel clients. All the other saloons which are C and D there wasn't a clear brand assigned to them. Most of those saloons brands were not from L'Oréal but normally local low cost brands. To conquer this share of the market, in 2000 the group acquired Matrix to have a complete range of brands that have products for every type of saloons and to reinforce L'Oréal's commitment to the beauty salon industry and its partnership with distributors and hairstylists. It manufactures and markets shampoo, haircolor, styling and hair care products sold exclusively through beauty salons.

Today, Matrix is present in more than 250.000 saloons in 57 countries, with a clear mission: Through inspiration and innovation, Matrix supports every salon professional to achieve their dreams and **IMAGINE ALL THEY CAN BE** (slogan of the brand).

#### 1.4. THE PORTUGUESE DREAM<sup>4</sup>

Hairdressers market is hard to define in numbers since there isn't a regulation around it

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<sup>4</sup>Information took from the L'Oréal Portugal material

that can tell us the exact number of saloons in Portugal. However, according to L'Oréal, there exists more than 14 000 saloons in Portugal with more than 40 000 employees. For the Portuguese PIB, saloons represent 1% with a volume of business of 1,5 billions of euros. Despite the numbers, being a hairdresser in Portugal is perceived by the citizens as a job with low reputation, what is the exact opposite of the opinion in the north European countries. There, hairdressers are seen as public figures because they are the trend setters regarding hair looks and are responsible for the look of many famous people.

The main difference from this market of professional Haircare to others is the part of education that is always present in the business. Almost every brand have during all the year education sessions with their clients so they can learn a new trend, the features of a new product and the best way to work with it or even learn some management tips. The financial success of the hairdressers is the financial success of the brands so, it is important for the brands to do the best they can to develop the hairdresser business.

In Portugal, 10 years ago, L'Oréal realized that Matrix was the brand missing in the professional hair care brands, since there wasn't any brand in the group commercializing products with prices more accessible to the market. So, Matrix started to be the perfect brand to conquer new beauty salons, making it easier for brands with higher margins of revenues like Redken, Kérastase or even L'Oréal Professionnel to sell something in those salons since they were already clients of the group.

#### 1.4.1 The Digital Strategy

In the case of hairdressers professional brands like Matrix, L'Oréal Professionnel, Redken or Kérastase, digital platforms like Instagram and Facebook are the only ways those brands can establish a relationship with their consumers. So, not using those social



*Figure 3 - Portuguese Matrix Communication | Source: Matrix Portugal Facebook Page*

platforms, it means that they are missing the most relevant way of communicating with their consumers. For that reason, brands are not able to know what consumers think about



them, what they want from the brand or even what are the favourite products where brand should invest more or on the opposite, understand why a particular product is not being well received by the market. This is why digital marketing has a huge importance in this type of market and needs to be well structured to take the best profit possible.

There are a few different ways of selling from one professional hair care brand to another. Since the project is about the brand Matrix, I will explain how the team is structured and how they sell the products. In Portugal, 4 people work in the brand at L'Oréal: 1 brand manager, 1 product manager, 1 intern and 1 education manager. This 4 employees are responsible of doing all the promotions and communication to the professionals saloons, establish a good relationship and help the suppliers, educate the hairdressers, predict how many product they will sell in the future and manage all the ways they have to communicate the brand.

The job of visiting saloons to sell the products is made by the commercials of the 5 different suppliers in Portugal. In total, they are 18 commercials. When the products are in the saloons, the hairdressers are responsible for selling to their own customers. For that reason, the communication made from the brand directly to the final consumers is very important and crucial to reduce the effort hairdressers have to do to sell a product.

Because of that necessity, the interest to structure a better digital communication plan started, since the brand digital platforms (website, facebook and instagram), are the only methods to be in touch with the final consumers. The problem itself is that the brand gave up, in 2015, of having a digital agency to do that communication for them and gave the responsibility to the intern because the brand would not invest any money to develop the digital platforms. The question mark here is, how an intern without money or expertise in digital marketing, can do the turnaround of the brand and create an effective and structured plan so the final consumers can get to know the brand and its products to have the will of going into a Matrix saloon and ask for the product he/she saw in the digital channel.

## 1.4.2 The Switch On Year

With the growing habit of the consumer for looking what he wants in the internet before buying in the store (82% of all shoppers check their phones while in store before making a purchase according to bazaarvoice), brands need to make sure they are communicating the right way online and that it's easy for the consumer to understand the brand's values and main success factors.

Aware of these multi-platform consumer habit, L'Oréal is switching some traditional communication investment (television, magazines, mupis, etc.) to the digital communication in different channels. In case of Matrix, the international digital focus (source: internal L'Oréal Portugal material) is this one: 1º Instagram, 2º Twitter, 3º Youtube, 4º Facebook and 5º Pinterest.

With that information, the marketing team of Matrix Portugal had to decide if their digital communication would continue to be only through the official website and facebook page, or if it makes sense betting in a new digital channel according to the international priorities. To take a more conscious decision, they looked at the main data of their facebook page:

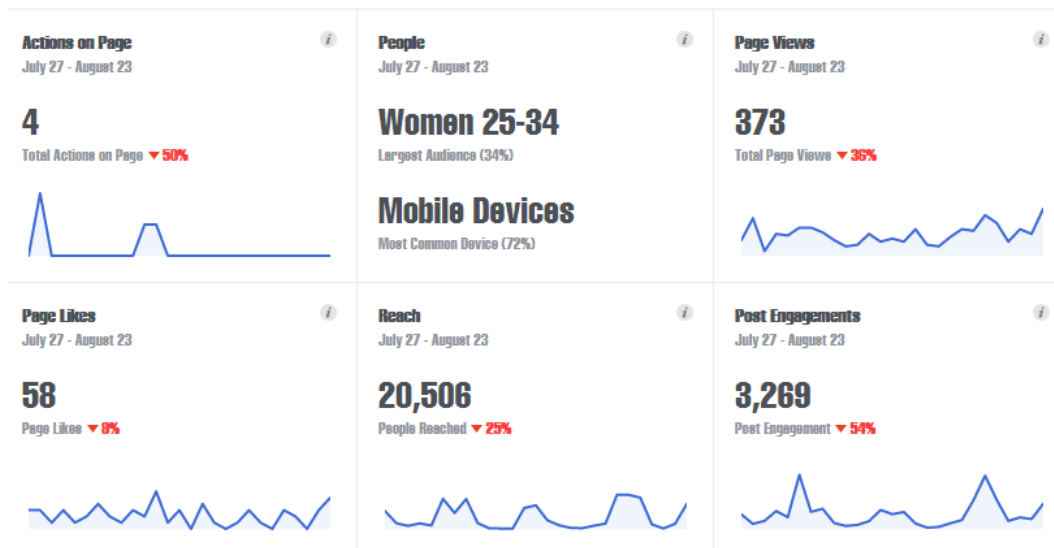


Figure 4 - Matrix Portugal Facebook Page Main Data | Source: Matrix Portugal Facebook Page

Looking at every data, the most relevant is: (1) the use of mobile devices (72%) making it extremely important to develop images and videos in a suitable format for smartphones, so the consumer can have a good experience; (2) the range of ages of the followers, being from 25-34 the most expressive one with 34%.

With this information in mind, Matrix decided to launch an Instagram page, to reach a younger audience, taking into consideration that the % of Instagram users among the internet users are 55% between 18-29 years.

### Instagram Demographics

*Among internet users, the % who use Instagram*

	Internet users
Total	28%
Men	24
Women	31
White, Non-Hispanic	21
Black, Non-Hispanic (n=85)	47
Hispanic	38
18-29	55
30-49	28
50-64	11

Table 2 - Instagram Demographics | Source: Pew Research Center

### 1.4.3 Matrix Color Lounge

Beauty brands had boost their engagement and communication with the final consumer by developing smartphone applications capable of showing the effect of a product without using it, introduce products and enhance their shopping experiences. According to a study from virtual makeover technology leader ModiFace, mobile beauty app usage grew by 38% in December 2013 compared to 120% for the same period in 2012.



Figure 5 - Matrix Color Lounge Logo | Source: Google Play

Aware of this emergent market, Matrix developed and launched the app Matrix Color Lounge with different content for clients and consumers.

For the consumer it was available:

- Color Consultation: opportunity for consumers of taking a selfie, select the hair and change the color (one for full hair and other on top) according to the one they desire. This color can have effects like Ombré, Color Blocking, Highlights or just natural. After this, consumers can save the photo or share their look with their friends through e-mail, facebook, Instagram and twitter.
- Matrix Trends: feature where consumers can be inspired by the latest looks of Matrix.
- Haircare Recommendations: presentation of all the haircare range with a link to the page of the range in the website.

For the customer it was available:

- Color Consultation: same tool of consumer version.
- Color Formulation Tool: feature that allows customers to know which colors and in what quantities they have to mix to get the desired one.
- Digital Swatchbook: possibility to check all the colors Matrix have in its portfolio.
- Matrix Trends: same tool of consumer version.
- Haircare Recommendations: same tool of consumer version.
- Client Book: area to register all the information regarding each consumer, like name, date of last visit, phone number, last service of color or cut and styling, update photo and notes.



*Figure 6 - Virtual Makeover Consumer Experience |  
Source: macintyrecommunications.com*

The Matrix Portugal marketing team launched this app in January 2016.

## 1.5 MARKETING MIX

### 1.5.1 Product

The number of product lines under the Matrix umbrella brand is quite high. Product lines are designed in a manner that their application is simple and safe, but comprehensive and with immediate results.

Matrix product lines include hair dyes as well as hair care products (shampoos, conditioners) and styling products. The most famous brand products are Socolor.beauty and Total Results. Slightly apart from these product lines stands Biolage, a brand of natural hair care products, which has a premium positioning and figures among the more

expensive product line.



Figure 7 - Total Results Range | Source: Matrix Portugal Facebook page

The packaging is colourful and attractive and is in conformity with the brand's principles - fun and professionalism. The packaging of Biolage products highlights their natural composition divided in 2 segments. The packaging of the core range is white and is responsible for cleansing the hair while the advanced range, has the packaging silver and is responsible for treating the hair fiber.



Figure 8 - Biolage Advancedr Packaging | Source: style icons website



Figure 9 - Biolage Core Packaging | Source: Pinterest Biolage

### 1.5.2 Price

Lower cost is one of the characteristics of Matrix products. It is the least expensive brand of L'Oréal professional products division. Therefore, Matrix can achieve a wide distribution.

The price is influenced by the price of the competitors (in particular Schwarzkopf, Wella and Purah). The quality and price of Matrix products is higher than those of Italian brands or Schwarzkopf, but lower than Wella or other brands of L'Oréal. However, the haircare brand Biolage prices are at the same range as the L'Oréal Professionnel, what makes Matrix a brand for everyone, because it has from the lowest prices to the highest, combined with the quality of the L'Oréal Group.

### 1.5.3 Distribution

The distribution of Matrix is based on its original objective, which is the availability of products for salons of all sizes and purchasing power. Matrix products are sold through well-established hairdressing wholesalers.

Matrix offers its distributors a business model that allows them to be involved and participate in sales. The role of the distributor lies not only in storage, shipment and sale of Matrix products, but also in providing information, organizing training events and gaining new clients through its network of sales representatives.

Matrix products are intended exclusively for hairdressers. Selling products to final consumers is prohibited, even under the threat of financial sanctions. For this reason, there is no official online sales channel.

### 1.5.4 Communication

The communication is based on the typical red color which attracts attention. As Matrix products are available in hairdressing salons only, communication takes primarily the form of push strategy and is targeted at hairdressers. Marginally, it is focused on the end-consumers, particularly through PR and advertising campaigns. Advertising takes the form of advertisements in fashion magazines and journals for professional stylists, such as *Tom sobre Tom* or the official brand magazine in Portugal, the *Revista M*.

PR is built up in life styles magazines as *Vogue*, *Happywoman*, *Saber Viver* or *Women's Health*. Matrix emphasizes its products technology with the main focus in communicating their sub brand Biolage, to attract woman worried about the environmental issues.

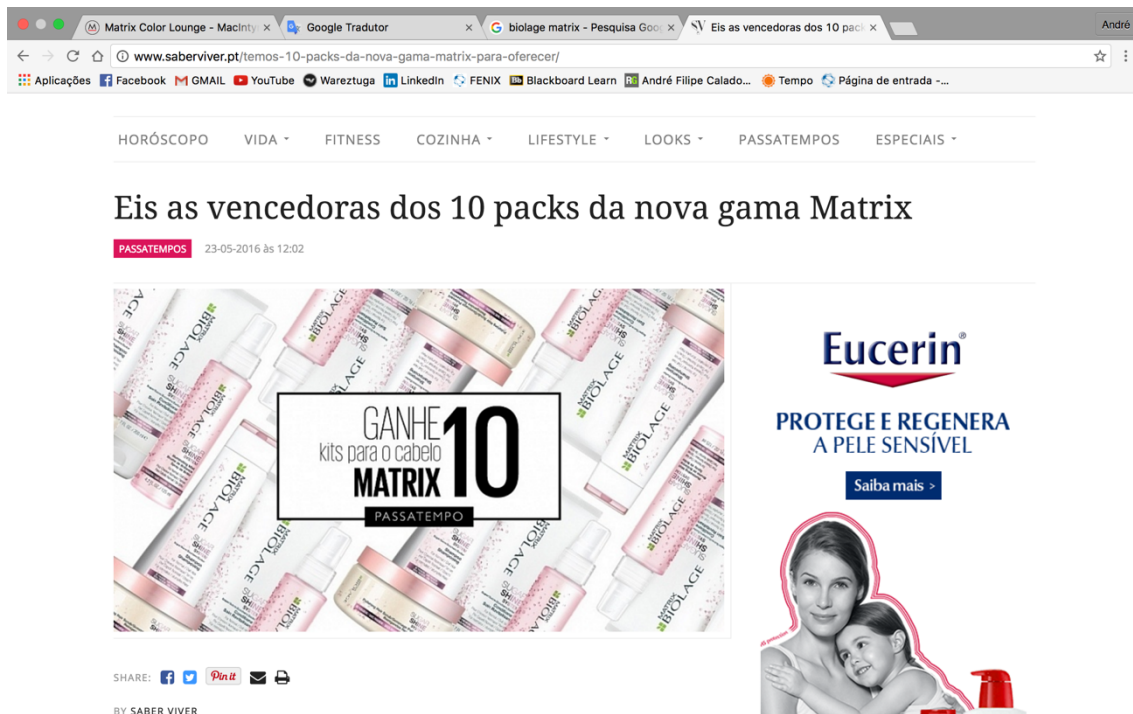


Figure 10 - Matrix Consumer Contest | Source: Saber Viver Magazine Blog

The sales promotion is focused on merchandising, i.e. direct presentation of goods in premises of wholesales, and on providing samples to hairdressers. Matrix also organizes training programs and events for hairdressers. The biggest event of this kind is the Matrix Destination Imagination which happens one time per year in Europe or in North America, designed for hairdressers from around the world.

Personal selling through sales representatives plays an irreplaceable role in the communications mix of Matrix. The task of the sales representatives is to present and explain the advantages of Matrix products.

The website of Matrix is aimed at professional hairdressers and final consumers. It contains information regarding all the brand portfolio and advices about the application of products to various types of hair, about hair colouring and styling, etc. The pages also contain a set of professional hair care and colour videos, and the possibility of experiencing the new application Matrix Color Lounge. Matrix is established in social networks like Facebook, YouTube and Instagram.



## 1.6 COMPETITORS<sup>5</sup>

The competitors of Matrix in Portugal are separated by direct and indirect ones. In the direct competitors we have the brands with commercials that sell directly to hairdressers which are Revlon, Schwarzkopf, Purah Beauty, Lupabiologica, Wella and L'Oréal Professionnel.

Looking at the estimated market shares by brand, we can conclude that L'Oréal Professionnel it's the main player with 16,51%, followed by k erastase with almost

the same MS of the third player, Wella. Matrix MS is still very low, mainly because it's in Portugal only for ten years. However, if we look for the evolution, it's possible to understand the brand is the second player with the highest growth.

In the indirect competitors we have the indirect channel stores, having Pluricosmetica as the main player in this circuit. In those stores, mainly located in big malls, hairdressers can buy cheaper products from different brands because the discount given is higher than the one conceded to hairdressers, due to the volume of each one.

### 1.6.1. Direct Competitors

#### 1.6.1.1. L'Or al Professionnel



Figure 11 - L'Or al Professionnel Logo | Source: Pinterest L'Or al Professionnel

The first brand of the L'Or al Group was L'Or al Professionnel (LP), founded by Eug ne Schueller in 1909, when he formulated, manufactured and sold the first hair dyes to

	R2015	Evo	PDM
<b>L'OR�AL PPD</b>	<b>29,21</b>	<b>8,0%</b>	<b>45,3%</b>
L'Or�al Professionnel	16,51	2,4%	25,6%
K�erastase	7,81	7,2%	12,1%
Redken	2,04	16,8%	3,2%
Matrix	1,73	28,7%	2,7%
Pureology	0,71	178,0%	1,1%
Shu Uemura	0,42	39,0%	0,6%
<b>WELLA</b>	<b>7,80</b>	<b>-2,3%</b>	<b>12,1%</b>
W Classic	6,90	-1,4%	10,7%
SP	0,75	-6,3%	1,2%
Sasson+Sebastian	0,15	-16,7%	0,2%
<b>SCHWARZKOPF</b>	<b>5,85</b>	<b>-0,8%</b>	<b>9,1%</b>
<b>LUPABIOLOGICA</b>	<b>5,10</b>	<b>4,1%</b>	<b>7,9%</b>
<b>REVLON</b>	<b>2,57</b>	<b>-3,0%</b>	<b>4,0%</b>
<b>OTHERS</b>	<b>13,97</b>	<b>-2,3%</b>	<b>21,7%</b>

Table 3 - Market Share of Hair Professional Market Players | Source: Internal Material of L'Or al Portugal

<sup>5</sup>Information took from each brand official web-site



Parisian hairdressers. After 108 years, LP continues with the same 3 values in his essence: professional proof, innovation and on trend. With a full portfolio in Hair care, color and styling, the brand has one product to fulfil every hair needs through the hands of hairstylists or at home by the final consumer, being the player with higher market share in Portugal.

With a full portfolio divided in three categories: haircare, hair coloration and styling, the brand has one range of products for every type of hair need.

In haircare there are 5 sub-brands:

- 1) Serie Expert: the core range of haircare with specific products divided by hair needs. For hair with colour (Vitamino Color), rebellious, frizzy and dry hair (Liss Unlimited), damaged hair (Absolut Repair Lipidium) and for thinning or hair loss (Scalp).
- 2) Serioxyl: the intense hair-loss treatment with 3 kits depending on the hair need. Hair with colour, normal or very-sensitized hair.
- 3) Mythic Oil: the range of haircare with oil in its essence to treat, pamper and transform the look of the hair. Its divided into hair type, thin or dense hair.
- 4) Pro Fiber: it's the most advanced and premium range of hair treatment with a special routine starting at the salon and finishing at home. The products are divided by the damaged hair level.
- 5) Homme: brand with products specially develop for men. There are 4 different types of shampoo, waxes and a kit to treat hair loss.

In hair coloration there are 7 sub-brands: Dia for semi-permanent, Majirel for permanent, Inoa for permanent ammonia-free, Blond Studio for lightening, Hair Touch Up to colour roots, Infinie Platine for high-power lightening and Luo Color for a fresh multi-dimensional and translucent hair colour.

At last, the products of Styling, usually applied to get a celebrity look after the cut, colour and hair care. In this category there are 4 sub-brands in where each product is divided by desired result: texture, volume or liss.

- 1) Tecni.art: this is the core range of styling with 24 products to ensure that the hairdresser has all the necessary tools to create the look their clients want in a daily basis.

- 2) Dual Stylers: 3 different products with two benefits combined – style and hair treatment.
- 3) Hollywood Waves: 4 products develop specially for curly and wavy hair.
- 4) Wild Stylers: 5 products that allows hairdressers to give an extra texture and a style more wild.
- 5) Beach waves: the way to get a beach waves effect.
- 6) Steampod: for a liss and smooth look, this tool is available for salon and home.
- 7) Xtenso: it's a treatment program for salon to get a smooth hair.
- 8) Infinium: professional hairspray to fix the look.
- 9) French Girl Hair: 2 products, one for thin and other for dense hair, to get texturized waves.

In February of 2016, LP launched the app Style My Hair to enhance their position as the main brand for hair trends and to be closer to the consumer. You can find 4 features:

- 1) Pure/trend: a place where users can find articles with tips and looks for inspiration to the next hair cut or just to know how to treat their hair right. All the articles are in Portuguese and there is one new article per day.
- 2) Virtual makeover: in this feature, the user can take a selfie, update a photo or use one of the models to define one haircut and one hair colour. After selecting the colour it's possible to determine the intensity and an effect (Ombré, Sombré, Highlights, etc.). Happy with the transformation, it's possible to save, share through e-mail, see the before and after, start a new transformation and finalize. This last option it will open some professional tips to get that look, the products needed with a brief description and a button redirecting to the salon locator.
- 3) Salon locator: here you will be able to find the LP salons nearest of your location or search by zip code, address or region. Once you click in one salon, it's possible to get directions to reach there, see the contacts and address.
- 4) My Gallery: all the saved pictures from the feature virtual makeover and your favorite looks from Pure/trend are in this section.

### 1.6.1.2. Wella



*Figure 12 - Wella Professionals Logo | Source: Wikipedia*

Wella was founded in 1880 by Franz Ströher, an hairdresser from Eastern Germany. After 14 years creating tulle, bases for wigs and inventing tullemoid waterproof, a new technique allowing the scalp to breathe, it was time to settle his first factory in Rothenkirchen. They brought many innovations towards the years to the professional market, like the first hair dryer with built-in motors (1930), the first balm to protect and nourish hair (1939), the first cream colourant (1950) and the first demi-permanent colour (1988). In 2003 Procter & Gamble bought the brand that would end to be sold in July of 2015 to Coty Inc.

Nowadays, Wella counts with three brands: Wella Professionals (WP), Sebastian Professional and System Professional.

Wella Professionals is sold to hairdressers and to distributors with 3 categories: Haircare, Styling and Colorants.

Haircare brands are Brilliance for coloured hair, Enrich for dry and damaged hair, Oil Reflections to give smoothness and luminosity, Elements as a natural sub-brand free of sulfates, parabens and artificial colourants, Balance for scalp care, Color Recharge for colour reignition, Sun with uv protection hair, Age for mature hair and Service for salon.

WP Styling is known by the name of EIMI, one sub-brand divided by 5 categories to solve different needs. Volume to volumise, set and curl, Smooth to smooth, tame and perfect, Texture to texturise, ruffle and fix, Shine for shine, shimmer and gloss and Fixing Hairsprays to fix and finish.

Colorants are divided by Permanent (1) with the sub-brands Koleston and Illumina, Demi-permanent (2) with Color Touch, Semi-permanent (3) with Color Fresh, Lightener (4) with Blondor and Additive (5) with Color.ID.

Wella launched the app Style Vision for their customers and consumers. It counts with 3 features:

- 1) Inspiration Gallery: this section has looks separated by hot and cold hair colours and images of all the products with a brief description of each one when user clicks on it. You can choose the brand you want to check and the type of content.
- 2) Professional Consultation: divided by cut or color, each picture has one brief description and in colour you can see the brands that offers that one. It's possible to check what you want to see by brand, gender, look, colour, type of hair, hair length and look.
- 3) Home Care: once you click on this feature one question appears asking if damaged hair is one of your worries. If you click no you go to a 9 question quiz and if you click yes you go for a 4 question quiz. The questions are basically to understand the type and actual condition of your hair to in the end recommend the products necessary to a healthy hair treatment at home. Each product has a description.

### 1.6.1.3. Revlon



*Figure 13 - Revlon Professional Logo | Source: Tomisaki Website*

Revlon is an American multinational company founded by two brothers – Joseph and Charles Revlon – and a chemist – Charles Lachman - in 1932 and based in New York City. In 1955 the company goes public with the name Revlon Inc. After acquiring several companies and being sold in 1985 to Pantry Pride, becoming a private company, in 2000 the professional products line is sold for £315 million to the Colomer Group. Thirteen years later, the company reacquired for \$660 million the Colomer Group.

Revlon Professional is divided into Hair Care, Hair Color and Styling & Shape. Hair Care has 5 sub-brands: Revlonissimo 45 days, Interactives, Equave, Uniq One and Extreme

Make Over Kit. In Hair Color as Permanent they have Revlonissimo, Young Color Excel as a Semi-permanent, Nutri Color Creme as Demi-permanent, Bleaches for blonds and Technics for color services in salon. At last, Styling & Shape has 2 sub-brands: Style Masters (divided into sprays and mousses, creator, curly, volume and smooth) and Lasting Shape to achieve a curly or a smooth hair.

#### 1.6.1.4. Schwarzkopf



*Figure 14 - Schwarzkopf Professional Logo | Source: Logo Noid website*

Hans Schwarzkopf, a qualified chemist in Berlin, in 1898 opened a drugstore with a perfume section and later on in 1903 developed a “powder shampoo” that could be dissolved in water, the first step in hair care sector to end as the number one Beauty Care brand of the Henkel company. Nowadays, the brand is divided in 4 categories: Hair Care, Hair Color, Hair Styling and Hair Repair.

In Hair Care we find 4 brands: BC Bonacure as the core range with products divided by hair need; 3D MEN with products designed for the men; Blond Me to protect the hair before, during and after the blond service; Seah as the luxury brand.

Hair Color they have IGORA Colorwrx and IGORA Expert Mousse for semi-permanent, IGORA Royal and IGORA Color10 for permanent, Essensity for permanent ammonia-free, IGORA Vario Blond for lightening, ColorMelter for color matching, FibrePlex as a hair bonds protector service and IGORA Expert Kit to support the hair colourist in salon during the services.

Hair Styling counts with brand like Natural Styling, Strait Styling, Silhoutte and Oasis+.

Like the L’Oréal professionnel brand, Schwarzkopf has its own commercial team and it’s also present in the distributors of the indirect channel.

Schwarzkopf has 3 apps in the market: Essential Looks, Hair Expert and House of Color. First two are to consumers and customers and the last one is only to customer. However, the one's to both audience don't have different content depending on the user, what makes the option of choosing one or another irrelevant.

Hair Expert is the app to use in the hair salon, where the user need to login to have acces to the content. After creating a customer account, it's possible to find 4 features, one to do the diagnosis to the consumers, one to register all the clients, one with all the information of the products and the last one with services with step by step videos to learn how to do it. At the end of the diagnosis, made through a quiz, the solution will be a service or a product with the corresponding information or step by step video.

Essential Looks is the ideal app to be inspired by the new trends. It's possible to check the latest books launched by the brand, save the favourites, experience a 360° video of the looks and read the news of the brand, however, this section has always the same content. In the left menu, a little bit hidden, it's possible to find a salon locator.

House of Color, despite of being an app only to customer, it's really complete with the possibility of doing a diagnosis, create a formula corresponding to the initial color of the cliente and the desired one, register the consumers, check all the information regarding brand products, go to other apps, be inspired with essential looks and check how to accomplish 4 different services.

#### 1.6.1.5. Purah Beauty



Figure 15 - Purah Beauty Logo | Source: Purah Beauty Website

Identified as a high quality professional beauty cosmetics brand, Purah Beauty was founded in May 2010 with the objective of deliver products that would make a difference in the cosmetic sector. The company is established in Portugal, Spain and Italy with their products in more than a dozen countries.

The brand offers professionals products for hair treatment in salon and for home care. As treatment lines they have: Bio Tanino, Botox Capilar, Free Gold Brazilian Bio Technology, Power Fiber, Trinity Complex, Total Keratin and Max Volume. On the other hand the home care range has: Deep Care, Argan Shine Bright, Daily Use, Silver Violet, Bella Color, Curly Hair, Hair Wax and Gentlemen.

#### 1.6.1.6. Lupabiológica



*Figure 16 - Lupa Biológica Logo | Source: New Comers Week Wordpress*

This brand was founded by Elísio Rolo Simões, a Portuguese hairdresser, in 1977. With the knowledge, experience of working as an hairdresser and main difficulties, the Portuguese decided to create the first Portuguese professional brand with the goal of delivering an added value in the relationship with customers.

Today the brand is the top of mind brand for natural products with a portfolio divided by anti-hair loss program, treatment, coloration and finishing. Anti-hair loss program has products for man known as VITAUOME – HC and for woman with the brand BIOSEIVAS – NATURE. Treatment is divided by two sub brands, Bioseivas and Lupacolor. Bioseivas is a sub brand with products containing natural ingredients in their formula divided by: (1) Nutritive for dry hair, (2) Repair for damaged hair, (3) Essence to answer to the main necessities like volume, definition or protection, (4) Nature for dandruff hair and oily scalp and (5) Solaire to protect the hair from the sun. Lupacolor have products to give moisture and protection for hair with color.

In coloration there are two main sub brands: Lupacolor and Beatcolor. Lupacolor has lupacolor as permanent color and deco for lightening while beatcolor is permanent but ammonia-free.

Finally, the finishing range only has one brand - logi-logi – with several hairsprays, mousse, gel, wax, gloss, liss and serum.

## 1.6.2. Indirect Competitors

### 1.6.2.1. Pluricosmética



*Figure 17 - Pluricosmética Logo | Source: Gaia Jardim*

With 63 stores from North to South of Portugal, Pluricosmética was founded in 2001 with the mission of selling the best of cosmetic products, hairdresser and aesthetic products, accessories, furniture and work equipment. It sells brands like Wella, L'Oréal Professionnel, L'Oréal Paris, Maybelline, Schwarzkopf, Revlon, Farmavita, Rich, Wet Brush, Anadia, Mettro, Elegance, Kelly K, Ciolia and Golden Rose.

Later on, in 2008, the company founded the “Instituto Pluri”, a Pluricosmética Technical Center, with the goal of supporting the professionnel market in the cosmetic sector through education. They have a wide range of courses from men cut, nail art, hair coloration, make up to different types of massages.

## 1.7 Case study questions

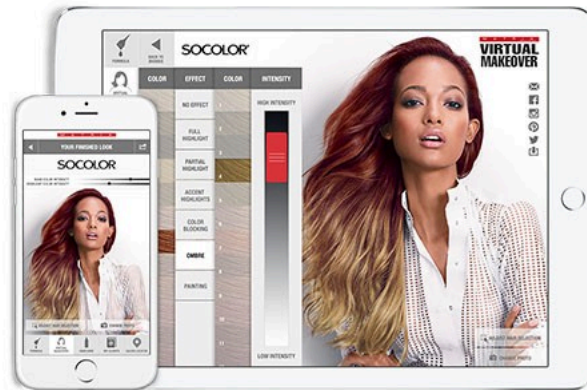
- 1) In order to a better understanding of the brand Matrix, develop a dynamic SWOT analysis of the brand.
- 2) Taking into account that Matrix needs to have two voice tones, one for consumer and one for customer, and the different features of the SNS's, create a new way for the brand to communicate only with customers.
- 3) Compare the beauty apps by stating the strengths and weakness of each one and develop a conceptual map.
- 4) Taking into consideration the last answer, create a conceptual map justifying the two axis and position of each app.
- 5) Structure a Facebook ad to launch the app Matrix Color lounge with a budget of 10.000€.



## 1.8 Appendixes

Appendix 1: App Facebook cover – *Source: Facebook Page Matrix Portugal*

CONSIGA UM DIAGNÓSTICO  
AINDA MAIS PROFISSIONAL  
**MATRIX**  
**VIRTUAL  
MAKEOVER**

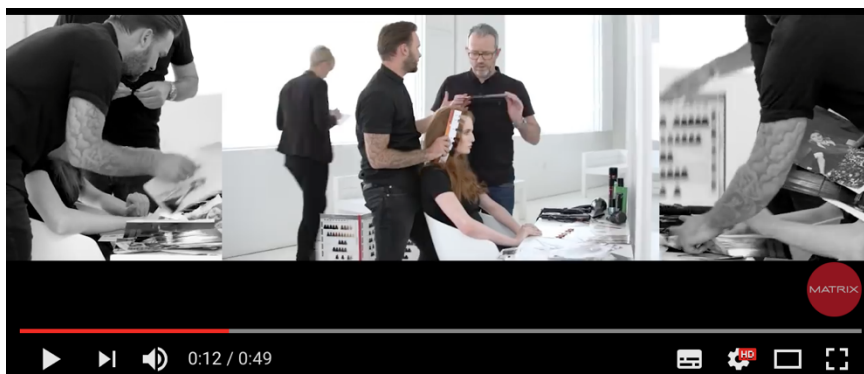


Appendix 2: App Facebook post – *Source: Facebook Page Matrix Portugal*



Appendix 3: App Youtube video – *Source: Youtube Matrix Canada Channel*

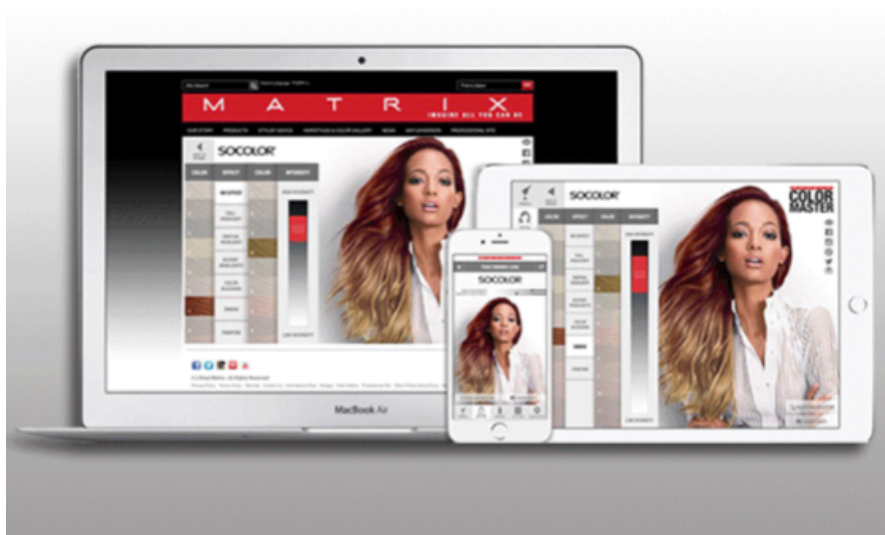
Link: <https://www.youtube.com/watch?v=X1Chf8XAys>



## Instale a App **Matrix Color Lounge**



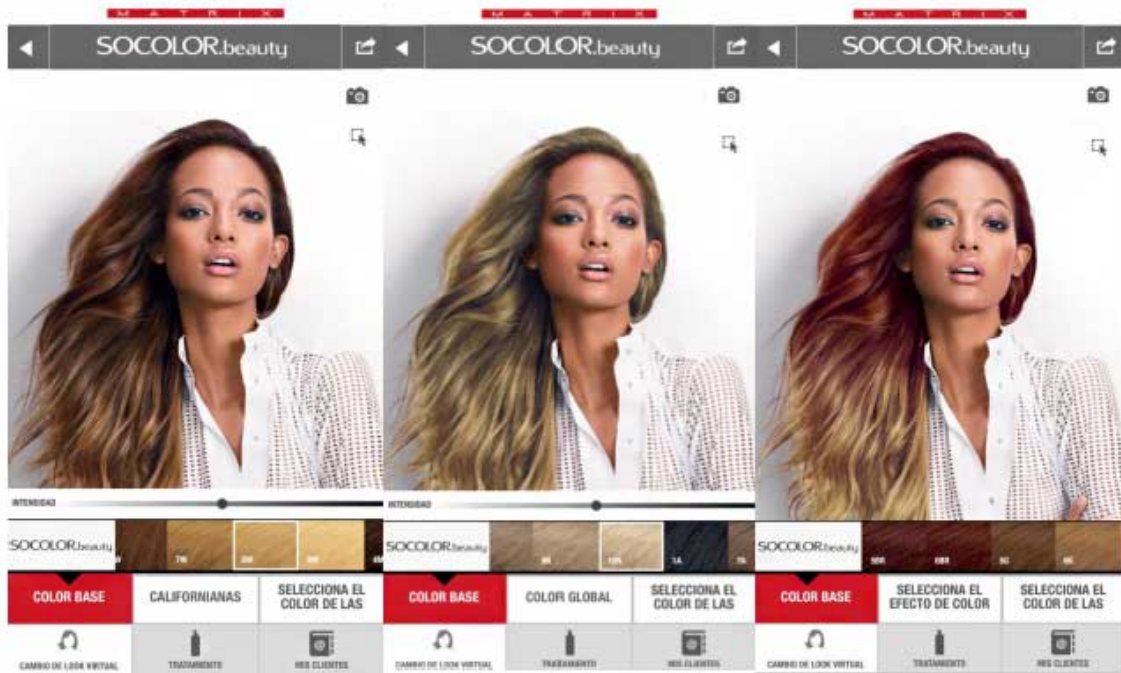
## **Escolha** a sua cor







Appendix 5: App virtual makeover comparison – Source: Google



Appendix 6: App virtual makeover communication – Source: Google

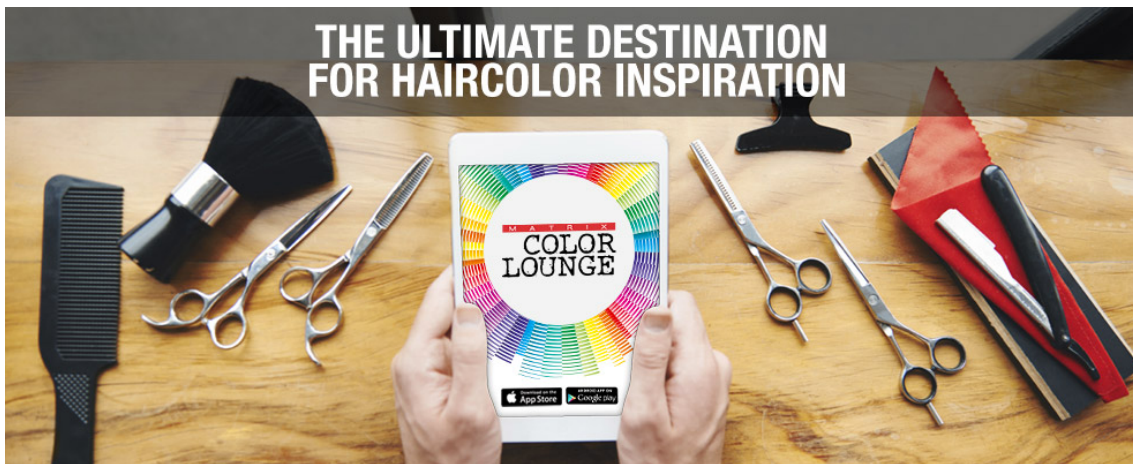




Appendix 7: App communication – Source: Google



Appendix 8: App communication – Source: Matrix Canada



Appendix 9: Style My Hair Launch Plan – Source: OMD Report

Site	Formato	Impressões	Clicks	Taxa Click	APP Installs	CPL
Facebook	APP Installs - Android All - Multi-Product	1.094.424	20.203	1,85%	7.578	0,20 €
Facebook	APP Installs - Android All - Short Video 10"	132.771	1.607	1,21%	761	0,24 €
Facebook	APP Installs - Android All - Short Video 14"	93.837	845	0,90%	399	0,30 €
Facebook	APP Installs - Android All - Slide Show	890.497	15.178	1,70%	5.824	0,19 €
Facebook	APP Installs - Android Wifi - Multi-Product	616.535	8.072	1,31%	3.147	0,23 €
Facebook	APP Installs - Android Wifi - Short Video 10"	25.249	259	1,03%	105	0,32 €
Facebook	APP Installs - Android Wifi - Short Video 14"	57.839	592	1,02%	286	0,21 €
Facebook	APP Installs - Android Wifi - Slide Show	1.553.247	38.232	2,46%	15.368	0,15 €
Facebook	APP Installs - IOS All - Multi-Product	861	10	1,16%	2	0,62 €
Facebook	APP Installs - IOS All - Short Video 10"	58.208	501	0,86%	341	0,29 €
Facebook	APP Installs - IOS All - Short Video 14"	465.492	3.875	0,83%	2.671	0,29 €
Facebook	APP Installs - IOS All - Slide Show	386.905	3.688	0,95%	2.169	0,28 €
Facebook	APP Installs - IOS Wifi - Multi-Product	1.449.061	20.286	1,40%	11.796	0,20 €
Facebook	APP Installs - IOS Wifi - Short Video 10"	15.884	105	0,66%	71	0,38 €
Facebook	APP Installs - IOS Wifi - Short Video 14"	28.079	211	0,75%	150	0,33 €
Facebook	APP Installs - IOS Wifi - Slide Show	87	1	1,15%	1	0,18 €

## 2. PEDAGOGICAL NOTES

### 2.1 CASE'S TARGET AUDIENCE

This case study was developed so students from masters and bachelor's, of areas such Management and Marketing, can have a better understanding of what is digital marketing and how they can apply this theory in a future job. Thus, it is intended for students of Management, Marketing Management and Marketing.

In case of bachelor students the presentation of this case should be done in strategic marketing as a way of understanding that the world of marketing is in constant evolution and to understand what is the difference between the traditional marketing 4 P's and the digital marketing 8 P's.

For the marketing master students it's especially important to acquire general knowledge regarding digital marketing and to learn how to develop a communication plan in the social networks. The answer proposal of each student/group is a determinant factor for the teachers to understand the effort and dedication to getting the most efficient answer.

### 2.2 EDUCATIONAL OBJECTIVES

The case study shows how can a company develop an efficient communication plan to launch an app through social networks with the focus on the launch of the app Matrix Color Lounge and the bench of the app Style My Hair of L'Oréal Professionnel.

The aim of this study is to understand the Matrix brand identity, identify the main social network ads and the more efficient ones, analyze a budget and learn how to invest according to certain objectives.

At the end of the case study, the student will be able to understand how an international company applies the digital marketing into their business and acquire capabilities to:

- Better understanding the market of hairdressers in Portugal;
- Understand the L'Oréal Group identity;
- Know how to apply the 8P's of digital marketing;
- Develop a communication plan to launch an app.

## 2.3 LITERATURE REVIEW

In the following chapters the students will perceive the different phases of developing a digital marketing communication plan, the different channels where is worth investing or not and how to create an efficient communication campaign in Facebook to launch an app.

### 2.3.1 Digital Marketing Mix (8 P's)

As you learn at the university, the marketing mix defined by Neil Borden in 1953, is one of the main tools to develop a marketing plan. However, Borden's original marketing mix had a set of 12 elements namely: product planning, pricing, branding, channels of distribution, personal selling, advertising, promotions, packaging, display, servicing, physical handling and fact, finding and analysis. After eight years, Frey suggests that marketing variables should be divided into two parts: the offering and the methods and tools. In 1964, E. Jerome McCarthy proposed a four Ps classification, namely product, price, promotion and place. During several years after, many authors like Judd (1987), Kotler (1986), Baumgartner (1991), MaGrath (1986), Vignalis and Davis (1994) and Goldsmith (1999) suggested different p's for the marketing mix. However, only Booms and Bitner (1980) addition of 3 p's – participants, physical evidence and process – to the original 4 p's to justify a marketing mix for service was taken into consideration. This 7P framework was taken even more serious due to the fact of the implementation of the 4 P's didn't cover the task of various departments and people within the organisations. According to Kotler (2013), marketing mix is a set of marketing tools that work together to satisfy customer needs and build customer relationship, what makes sense for Damian Ryan (2014) as he considers that developing a digital marketing strategy is a crucial first step towards understanding how the constantly evolving digital marketplace relates to you, and how it affects the relationship between your business or brand, and your customers and prospects.

To develop that crucial digital marketing strategy, we will need to consider the studies of Conrado Adolpho (2012) justifying the 8 P's of the digital marketing mix. Translated, the p's stands for:

1) Probing:

Communicating with clarity and efficiently is impossible if you don't know who is your consumer, your competitor and products or services. This is possible to do, by tracking which type of websites our consumers have been visiting, in order to know where is more efficient for a brand to invest their efforts and low resources.

As Erich Schmidt said at an interview, for Atlantic in 2010: "We Know Where You Are. We Know Where You've Been. We Can More Or Less Know What You're Thinking About.". That quote was regarding Google capability of collecting information from their users, knowing almost everything about a person. This information is possible to collect due to Customer Relationship Management (CRM), a tool that allows companies to gather, save and cross data about clients. This tool is crucial to target clients and understand what are their needs.

## 2) Planning:

This P consists in all the work of "backstage" that marketing people or digital agencies have to do to make sure that the everything will end with the goal set at the beginning. This planning needs to be done by every different teams together to make sure that it will be possible to transform a website into a business tool.

## 3) Production:

Here it is followed the plan to create every kind of tool necessary to complete our plan. From website, photos to publish, apps to be created or insert adwords, everything needs to be done as decided previously by all the team.

## 4) Publication:

There's no need to have a website if you can't lead enough consumers to go there and generate profit. If you don't have enough traffic is because your website is not relevant enough for your consumers. To solve that your publications can't be just promotions of the products or services because you can get some buyers but you will not be able to build a relationship with them. Your goal is to do publications that can create a relationship with the customers and have regular consumptions of your products or services instead of casual ones.

## 5) Promotion:



According with the same author (Conrado Adolpho, 2012) the key to a good promotion is to never do it just for one person. If that person wants the promotion she will have to shares the information of the product or why she wants the product (for example) with other people. The promotion needs to be promoted by itself after presented.

#### 6) Propagation:

The hidden clues are the best way to get more traffic into your website as states Conrado Adolpho (2012). Hidden clues can be any video, link or pop-up inserted in blogs, forums and websites that have to do with your companies business, so people that are there can be redirected to your website.

#### 7) Personalization:

Consumers don't search for average products anymore, they search for anything that can be personalized and somehow fell a connection with the brand that is selling the product or service. Personalization gives to the people the idea that the company knows them and that they are special.

#### 8) Precision:

The author (Conrado Adolpho, 2012) reinforces that everything in the digital channels of the company need to be measured so you know why the customers go to your website and what is the product/service they search more or if the customers click in a product to see more details and then don't buy it. This information will allow you to be precise in the type of communication or product you have to enhance to get even more visitors.

According to Kent Wertime and Ian Fenwick (2008) there are a few certain things in the future of media. First, we will eventually reach an inflection point when the majority of channels become digital, making it mainstream and mainstay of media. Second, content created by companies and consumers alike will proliferate, particularly video content. Third, as channels and content proliferate, the virtual and physical worlds will intertwine, with consumers crossing back and forth constantly between the two.

For Chaffey and Smith (2008), there are three benefits that justify the use of e-marketing:

**1º. Get closer to customers** – possible by creating a two-way dialogue through web

interactions like forums and surveys, conducting online market research through formal surveys and informally monitoring chat rooms to learn about them.

**2°. Save costs** – achieved through online e-mail communications, sales and service transactions to reduce staff, print and postage costs. Savings also accrue through “web self-service” where customer answers queries through online content.

**3°. Extend the brand online** – possible by providing new propositions, new offers and new experiences online while at the same time appearing familiar.

In conclusion, the distance between brands and consumers nowadays is a click away, thus most of the times a consumer has the first contact with a brand through its Facebook official page or company website. However, the consumer will only make an effort to do the physical distance if he likes what he saw in the website or other digital channel. Otherwise, he will search for another company that can give what he was looking for. That’s the meaning of living in the digital village we are today – competition is in a distance of a click or a search box - so, is crucial for the success of the companies to have a good digital marketing mix and to understand how it’s possible to do so, to take advantage of all the benefits of using e-marketing.

### 2.3.2 Digital Channels

As Damian Ryan (2014) stated, it took television 22 years to reach 50 million households while internet took just five years to get the same level of penetration. For Damian, this means that we’re approaching a pivotal point in marketing history – a time when digital marketing will overtake traditional mass media as the medium of choice for reaching the consumer of tomorrow. The facts are that digital methods of communication and marketing are faster, more versatile, practical and streamlined, so it is perhaps unsurprising that once the technology became available we began quickly moving into the digital age. The good news is that digital offers just as much potential to marketers as it does to consumers. Not forgetting that digital marketing is infinitely more affordable than traditional offline marketing methods, you can track your customers, view customer response rates and measure the success of your marketing campaign in real-time, enabling you to plan more effectively for the next one.

Besides that, via electronic channels and by posting positive comments, feedbacks about

your company/product you (and your loyal customers) can attract new customers and build long-lasting relationship. Online business has become highly competitive with people opening up businesses in all industry verticals.

According to Dave Chaffey and Paul Russell Smith (2012) there are three main types of media:

**1. Paid media:** media where there is investment to pay for visitor, reach or conversions through search, display ad networks or affiliate marketing.

**2. Earned media:** it includes conversations in social networks, blogs and other communities.

**3. Owned media:** this is media owned by the brand like the company's own web sites, blogs, mobile apps or social presence in SNS.

So, what we will need to know is what paid media should we do and in which owned media to have the most efficient communication. This way, it will be possible to raise the earned media.

### 2.3.3. Digital Channels available in the market

To structure the most effective digital communication plan, we need to know what digital channels we have available in the market to use. First, we list the different channels: E mail marketing, pay-per-click advertising, search engine optimization, display advertising, social media marketing, content marketing, affiliate marketing and online public relations.

With so many choices, we need to understand the potential of each one when using it to generate site visits, leads or sales compared to the level of investment in applying the media based on the paid media costs and the costs of marketing team members.

The four types of media shown on the matrix are:

**Wasteful media (Lowest volume, Highest cost):** Your aim here should be to reduce costs through budget reallocation and/or efficiency improvements;

**Slow and steady media (Lowest volume, Lowest cost):** The least important to act on, but you need to make sure you are not distracted by these. Here, the aim is to minimise costs and review potential of techniques for improvement;

**High-cost volume driver media (Highest volume, Highest cost):** You should aim to reduce costs and make efficiency improvements;

**Star performers (Highest volume, Highest cost):** The aim here should be to build on your success to bring more resources to bear to scale volume further.

Other option to divide the channels is by the goals desired by the company:

**Brand Awareness:** This includes greater company or product name recall as well as familiarity with your business, brand, products and services:

- 1.Social media channels particular Twitter, Facebook and Google+
- 2.Engaging with targeted audience through social channels
- 3.Channels that promote visual elements like Instagram and Pinterest
- 4.Channels that promote video materials like YouTube and Vimeo
- 5.Promotional campaigns with coupons
- 6.Joint venture marketing projects with other online businesses

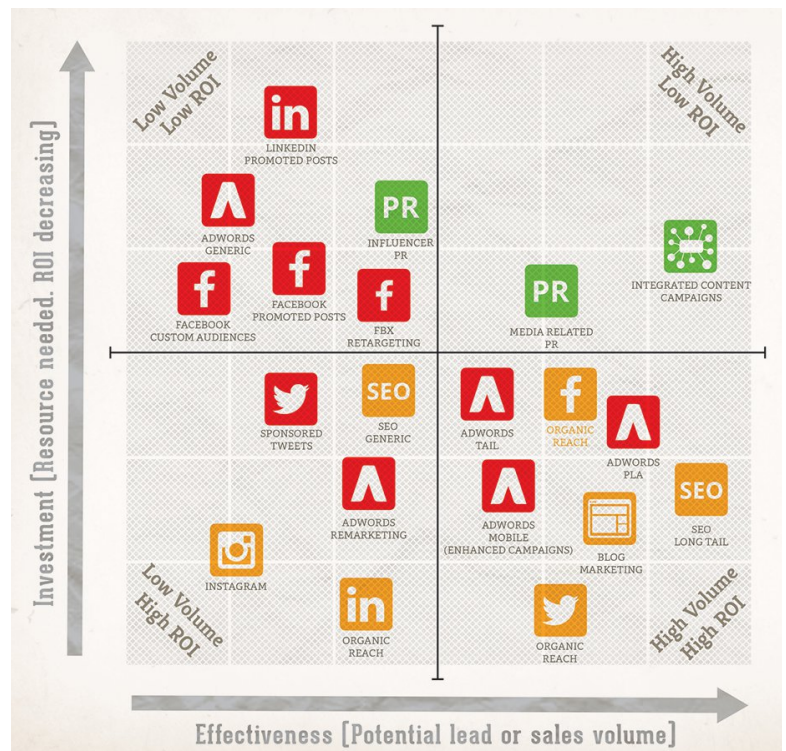


Figure 18 - Content Distribution Matrix | Source: Smart Insights

## 7.Participating in online and offline events

**Sales Generation:** Most businesses market their brands, products and services to generate sales through online channels. More and more people are getting comfortable with the concept of e-commerce and are now more open to the idea of purchasing products through online means. The following channels can be used:

1.Amazon Resellers 2.Facebook Storefront 3.Google Shopping Feeds 4.Google Search Network 5.Google Display Network 6.Affiliate Marketing Networks

**Lead Generation:** Many businesses make use of digital marketing mainly to generate leads and connect with potential customers. Digital marketing channels that are good for lead generation includes:

1.Search Engine Optimization (SEO)

2.Pay-Per-Click Advertising

3.Display Advertising

4.Google Search Network

5.Blogging and other content marketing channels

6.Email marketing

**Educate Potential Customers:** Some businesses involve relatively new products and services that are very promising in their potential but still does not have an established market segment that are familiar or even knows that the product is already existing. Digital marketers in this segment should go for educating their targeted customers first, particularly in making them realize the importance of the products/services and the problems that they can resolve. Blogging, press releases and content marketing will be ideal for this purpose.

**Generate Traffic:** Many websites do not really have something to sell and may in fact giving away information and other materials for free. Many of these sites however are publishers of online contextual and display advertising as a way of monetizing their sites. In order to generate revenue from these ads, websites will need a considerable amount of raw traffic that will click on these ads. Digital marketing channels appropriate for this

includes SEO and content marketing.

### 2.3.4. Effectiveness of Digital Channels

As mentioned before, one of the main advantages for doing digital marketing is the possibility of measuring each campaign or investment to improve the reach of the next one. However, it is extremely important to know which channels are more efficient before creating a campaign to make sure we don't waste our precious investment.

Analysing a study from GlobalWebIndex based on its ongoing survey of more than 170,000 internet users, we can see that the most effective sources to find new brands are "stories on newspaper/magazine websites", "results from a search engine" and "information on a brand website" (figure 20). At the same time, the "search engine", "consumer review sites" and "product/brand sites" are the ones most effective when talking about users of internet when are looking for product information (figure 19).

Now we can look for the top rated channels in the UK which are more effective:

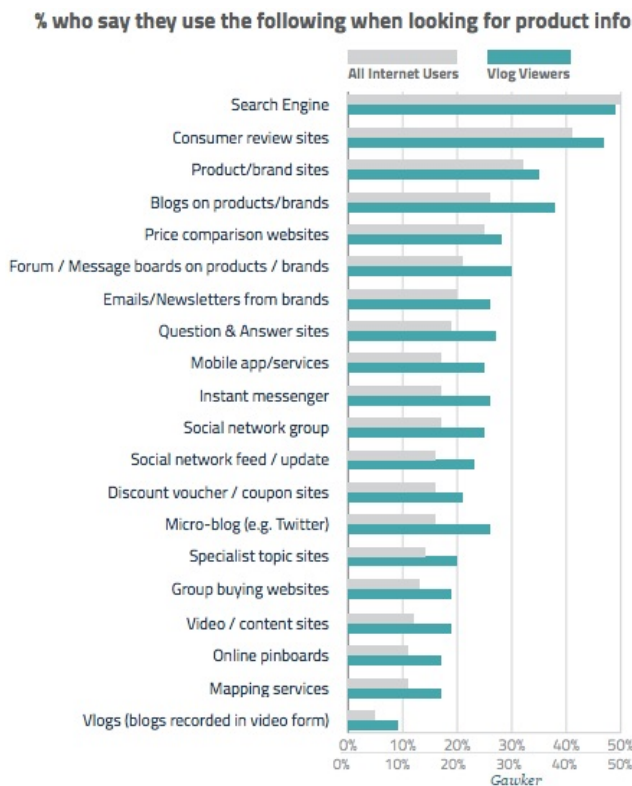


Figure 20 - % who say they use the following when looking for product info | Source: Global WebIndex Study

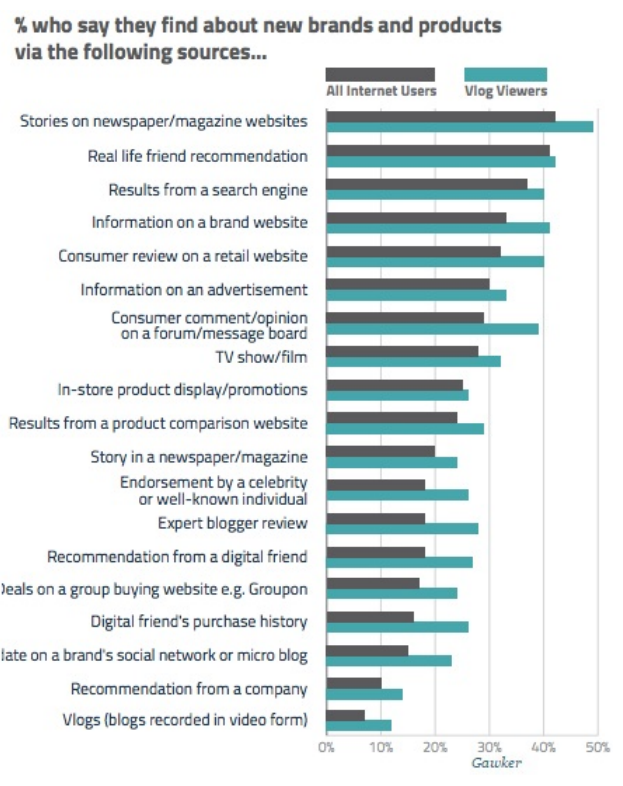


Figure 19 -- % who say they find about new brands and products via the following sources | Source: Global WebIndex Study

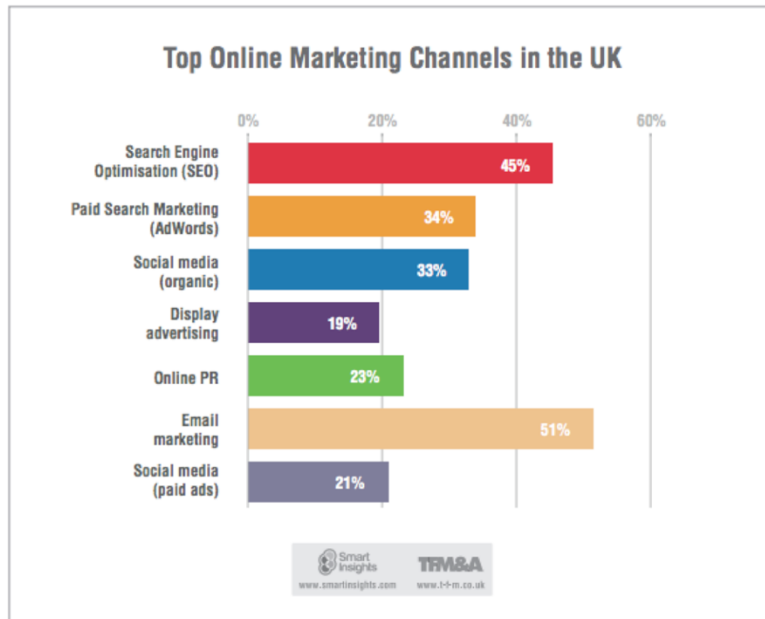


Figure 21 - Top Online Marketing Channels in the UK | Source: Smart Insights

Email marketing was rated as highly or very effective by 51% of respondents followed by SEO (45%) and AdWords (34%). Organic use of social media wasn't far behind with 33%, but with only 21% believing paid social media was effective.

Many marketers are planning to increase investment across these channels with Email marketing (59%), SEO (51%) and AdWords (46%) leading the pack.

With this knowledge, companies are capable of making a wise decision in which digital channel is more cost-effective.

### 2.3.5. Social Network Sites Ads

The term Social Network Sites (SNSs) is understood as web-based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system (Boyd & Nicole B. Ellison, 2007).

In Portugal 15% out of the 38% time spent online is in SNSs, being Facebook the one with highest penetration rate with 93,6%, followed by Youtube (41,4%) and Google+ (40,2%). Adding to these stats the fact that, in Portugal, there are 5,2 million Facebook users per month, it means that this social network is literally the place to be for brands

that want to make sure they can be in touch with the highest number of internet users possible.

### 2.3.6. Creating a Facebook Ad<sup>6</sup>

As the SNS with more users and higher penetration rate in Portugal, it's relevant to explain the different type of Facebook ads that allows brands to choose (1) the target, (2) the content, (3) the way and (4) when they will communicate with their consumers. To do so, Facebook developed a free feature accessible to every user that owns a page – Ad Manager.

For this case study, the Facebook Ads we should analyse are the ones responsible for driving the consumer to download an app. One campaign, with a certain budget, can have

multiple ads, different targets and formats. In this case, Facebook is capable of dividing and allocate the investment for the ones with higher downloads rate per appearance - most efficient ads in the campaign will have more investment and appear to more people than the ones with lower efficiency. This way, it's possible to do at a first stage an A/B test during some time to understand which format had the best performance and focus the investment in that one.

As Bird Drayton (2007) said, you have the ability to test, to measure the response from particular individuals to particular messages at particular times in particular media. This way, the same author claims that you can find what works and what doesn't, conduct further tests and constantly improve the effectiveness of your activities so you can spend the money where it does the most good.

#### 2.3.6.1 To whom can we communicate?

In the ad manager we can choose and know the exact amount of people we are communicating. The definition of the target need to have:

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<sup>6</sup>Information took from facebook ads manager



- 1) **Localization:** it's possible to choose people which are in certain area, live in determined area, were recently in that location or travelling in that location. After choosing the last criteria, we can choose to include or exclude people from that specific area and select between a single or multiple country, city, region, zip code or address.
- 2) **Age:** select a range between 13 and 65+.
- 3) **Gender:** select all, Male or Female.
- 4) **Language:** fill it or not.
- 5) **Interests:** fill with demographic data, interests, behaviours or jobs. After choosing the last criteria, we can choose to include or exclude the target we selected.
- 6) **Links:** choose (1) people or their friends who (1.1) likes or doesn't like a certain page or even that (1.2) answered or not to your event.

It's important to keep in mind that the more criterias are selected, the less amount of people the ad will reach because Facebook will exclude the one's that doesn't fill your preferences.

#### 2.3.6.2 What can we communicate?

Now that the target is defined, it's time to decide what we want to communicate in order to convince our audience to download the app. With the Call to Action button "Install Now" the options available are:

- 1) **One image or video and different ads:** in this format it's possible to insert one image, do a presentation from 3 to 7 pictures to display as a video and upload a video.
- 2) **Multiple images or videos in one ad:** the options available are the same as the previous format, however, you can upload from 3 to 5 images making it possible for the user to slide and see different perspectives of the app.

#### 2.3.6.3 Where can we communicate?

As a main consideration to take into account is where we want the ad to display: in mobile

only or also in desktop? To take this decision we have to consider that smartphones are the second equipment more used to access SNSs, after the computers and how our followers access our publications. If the decision goes for mobile we have to define 4 things: select the operating system - (1)IOS and/or (2)Android - and if (3)it's connected to wifi or (4)not. In both systems, IOS and Android, the ad will appear at the middle of the news feed.

If we choose to communicate the app in the desktop, we will need to decide if we want the ad to appear in the right column of the Facebook where all the other ads are or in the News feed between our friends publications. The options available for desktop are the ones explained in the chapter of "what can we communicate?". However, when we talk in communicating in desktop we can't have the call to action button "Install Now". Instead, we will have the button "Use the app" redirecting to a specific area in the app that will work if the app is available to use in desktop.

#### 2.3.6.4 When can we communicate?

The time of the day we choose our ad to go live it's extremely important as the number of Facebook users active during the day varies according to the hour of the day. According to Forbes, a Facebook post at 7pm will result in more clicks on average than posting at 8pm and the highest traffic occurs mid-week between 1 to 3 pm. With this in mind and checking the highest traffic hours in our page, we are ready to select the duration we want the ads to be live. For that, we have two formats:

- 1) **Daily Budget:** in this option we define the budget we want to spend for each day selecting (1)if we want to start the investment from "today" with no limited data or (2)select a range of time to have the ad on. In this last case we have to select the day of beginning and end with respective hours, knowing that isn't possible to select a range smaller than one day.
- 2) **Budget for the entire duration:** we set the total amount we want to spend with the ad and select a range of time to have the ad on. It works the same way of the Daily Budget explained before - we have to select the day of beginning and end with respective hours, knowing that isn't possible to select a range smaller than one day.

## 2.4. LECTURE PLAN

This case study is ideal to challenge the marketing students to understand some terms of digital marketing and be capable of developing a digital communication plan by themselves.

To motivate the students and ensure a better understanding of the key concepts, the lecturer should, before of the first session, download the app Matrix Color Lounge and create a facebook page. The app will be used to motivate the students and to explain how it works. With the page, lecturer will give access to each group so they can experience how the ad manager of facebook works in the 4<sup>th</sup> session, following the theory of the case study.

The resolution of the case study it's to be done during 3 classes and two outside of the class. Below it's the proposal of case resolution with objectives, methodology and time per session.

<b>Sessions</b>	<b>Objectives</b>	<b>Methodology</b>	<b>Time</b>
1 <sup>st</sup> Session – In class	<ul style="list-style-type: none"> <li>- General presentation of the case study;</li> <li>- Motivate the class;</li> <li>- Introduce the theme;</li> <li>- Create work groups.</li> </ul>	<ul style="list-style-type: none"> <li>- Distribute the case study;</li> <li>- Sum up of the case by lecturer;</li> <li>- Introduce the class to the professional cosmetics market;</li> <li>- Show how the app Matrix Color Lounge works.</li> </ul>	90'
2 <sup>nd</sup> Session – Out of class	<ul style="list-style-type: none"> <li>- Understand the case study;</li> <li>- Learn how the app works;</li> <li>- Answer proposal of the first three questions.</li> </ul>	<ul style="list-style-type: none"> <li>- Read all the case individually;</li> <li>- Download the app and use the virtual makeover;</li> <li>- Do a proposal for the SWOT analysis and point out Matrix Color Lounge strengths and weaknesses;</li> <li>- Download the competitor's app to understand the plus and less of the app.</li> </ul>	60'
3 <sup>rd</sup> Session – In class	<ul style="list-style-type: none"> <li>- Answer the first three questions;</li> </ul>	<ul style="list-style-type: none"> <li>- One group for each question present their answer proposal;</li> </ul>	90'

	<ul style="list-style-type: none"> <li>- Clarification of any doubt.</li> </ul>	<ul style="list-style-type: none"> <li>- The other groups can conclude with their opinion;</li> <li>- Discussion and explanation of the correct answer.</li> </ul>	
4 <sup>th</sup> Session – Out of class	<ul style="list-style-type: none"> <li>- Answer proposal of the missing questions;</li> <li>- Learn how to develop a full communication plan of an app.</li> </ul>	<ul style="list-style-type: none"> <li>- Read the literature review regarding the facebook ads;</li> <li>- Experience the facebook ad manager and understand how it works.</li> </ul>	180'
5 <sup>th</sup> Session – In class	<ul style="list-style-type: none"> <li>- Answer the last two questions;</li> <li>- Clarification of any doubt and conclusion of the case study resolution.</li> </ul>	<ul style="list-style-type: none"> <li>- The groups which didn't present in the 3<sup>rd</sup> session, present their answer proposal;</li> <li>- The other groups can conclude with their opinion;</li> <li>- Discussion and explanation of the correct answer;</li> <li>- Lecturer conclusion and sum up of the main conclusions of the case study.</li> </ul>	90'

## 2.5. ANIMATION QUESTIONS

- 1) Do you know how many brands the group L'Oréal has and how the company's divisions?
- 2) Do you actually choose an hairdresser taking into account his salon brand?
- 3) How many brands from the professional hair market do you know?

4) What do you think of the communication of those brands? Do you follow any of them in the SNS's?

5) Do you often buy products in the salons?

6) Any of you have a facebook page and already promoted some post?

## 2.6. RESOLUTION PROPOSAL

1) In order to a better understanding of the brand Matrix, develop a dynamic SWOT analysis of the brand.

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>1) Brand with a full portfolio;</li> <li>2) Reputation of being one of the L'Oréal Group brands;</li> <li>3) Education team to teach everything customers need to know regarding Matrix products and new trends.</li> <li>4) Accessible prices;</li> <li>5) Capability of having stronger commercial deals.</li> </ul>	<ul style="list-style-type: none"> <li>1) App development controlled by the USA L'Oréal;</li> <li>2) High dependency on the products and information that L'Oréal USA develops;</li> <li>3) Young brand with a low brand awareness;</li> <li>4) Mistaken as a brand with lower quality products due to their lower prices.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>1) Raise of consumer desire for green brands;</li> <li>2) Beauty app market is increasing;</li> <li>3) Synergy between other L'Oréal Group brands</li> </ul>	<ul style="list-style-type: none"> <li>1) Market with strong competitors;</li> <li>2) E-commerce of non-official distributors available to sell Matrix products;</li> <li>3) Products with lower prices available in indirect competitors;</li> <li>4) Consumers don't often buy products in</li> </ul>

	the hairdresser.
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SO Strategy	WO Strategy
<p>(S5xO3) Make partnerships with other L'Oréal brands in order to have stronger commercial deals.</p> <p>(S2xO1) Sustain the Biolage reputation by communicating through the empowerment of the L'Oréal Research.</p>	<p>(W3xO2) Take advantage of the fun and happy Matrix identity to communicate in a more relaxed way and be known as the brand next door through the app.</p> <p>(W2xO2) Communicate to the international the importance of having new features in the app to attract more consumers.</p>

ST Strategy	WT Strategy
<p>(S3xT2) Use the education sessions to assure hairdressers understand the value for money of products being sold through the distribution sales team.</p> <p>(S3xT4) Educate the customers to talk about the advantages of each product every time they use it in the consumers, so they can get that look at home if they buy the products.</p>	<p>(W3xT3) Communicate to the L'Oréal USA the importance of developing an official e-commerce website to have more revenues.</p>

2) Taking into account that Matrix needs to have two voice tones, one for consumer and one for customer, and the different features of the SNS's, create a new way for the brand to communicate only with customers.

To think in a solution, the main point to take into account at first place is that Matrix is

present in 3 different SNSs: Facebook, Youtube and Instagram. In all of them, the brand is communicating to the consumer, since it can reach, with each publication, a wider audience than the 3500 customers they have. In the other hand, we need to consider the type of content we want to pass to the customers, which include: photo, video, event (education sessions) and links to articles or other web pages (youtube or blogs).

Now we need to analyse the three different SNS to understand the different features each one has, what is done by the brand nowadays, the presence of customers and it's usability to communicate. First, we have Instagram, where we can post photos, videos into the news fee, send direct messages or create lives for 24 hours in the Instagram stories. With the exception of direct messages, the communication is done always to all the audience that follows the brand profile, including customers and consumers. This way, the only two options we could take into consideration to communicate only with customers would be the direct message, where we had to communicate to each one at a time, or create a private profile where we would accept only customers. However, in this last case, we couldn't share events or links in the publications so, Instagram isn't a good SNS to consider to communicate only with customers. Second, we need to consider youtube, that would be perfect to have customers subscribe a private channel only with tutorials to communicate the products application but it didn't solved the problem we face with Instagram with sharing events and links. Finally, we have the most used SNS in Portugal, Facebook, what makes sense to be the one selected to communicate only with customers, since it will have a higher probability of having more customers than in any other SNS. When we look at the official page of Matrix, we can conclude that doesn't make sense to change the communicating to exclude all the consumers that already follow the brand. Looking at other features, we have the creation of a private group that allows the admins to accept or deny the entrance of users in the group, the posts and makes the group invisible for the one's outside of it, being ideal for the competitors to don't see what is being shared. In the group, every user can share photos, videos, events and links, making it a perfect way to communicate from the brand to the customers but also from customers to the brand with questions, doubts or just sharing their daily works.

In conclusion, the best way of the brand being able to communicate only with customers would be to create a private group in Facebook administrated by the education team. This way, every client present in the education sessions would have free access to the group where the brand could share exclusive content regarding new launches, new education



sessions, doubts and videos with tutorials.

3) Compare the beauty apps by stating the strengths and weakness of each one.

Matrix Color Lounge	
Strenghts	Weaknesses
<ul style="list-style-type: none"> <li>- Two entrance possibilities: consumer and customer;</li> <li>- Haircolor change in real hair;</li> <li>- Information of all products;</li> <li>- Redirects to the website;</li> <li>- Possible to share the final look with friends through the main SNS's.</li> </ul>	<ul style="list-style-type: none"> <li>- Don't have the possibility of changing the haircut;</li> <li>- In mobile the user doesn't get the full experience because some features are hidden;</li> <li>- Don't have a salon locator for the consumer.</li> </ul>

Style Vision	
Strenghts	Weaknesses
<ul style="list-style-type: none"> <li>- Filter to select exactly what consumer or customer is looking for;</li> <li>- It's possible to see which colors should be used to get certain tone;</li> <li>- Quizz with key questions concerning consumer hair to do a full hair diagnostic resulting in some range recommendation;</li> <li>- App in 17 different languages.</li> </ul>	<ul style="list-style-type: none"> <li>- Content for customer and consumer is mixed in the same app;</li> <li>- Possibility of sharing my own look it's hard to find;</li> <li>- I have always the same experience with the app because the content is always the same.</li> </ul>

Style My Hair	
Strenghts	Weaknesses
<ul style="list-style-type: none"> <li>- One new article a day, what makes the app having new content every day;</li> <li>- Possibility to change haircut and haircolor;</li> <li>- At the end of the look consumer can learn how to recreate it and find the hairdressers nearby;</li> <li>- Possibility to filter by length of hair and color.</li> </ul>	<ul style="list-style-type: none"> <li>- App only to consumer;</li> <li>- Change of the hair is visually artificial;</li> <li>- Consumer can only share the look through e-mail;</li> <li>- Virtual makeover not suitable for men.</li> </ul>

House of Color	
Strenghts	Weaknesses
<ul style="list-style-type: none"> <li>- Possibility to know how to apply each colour according to the diagnostic done to the consumer;</li> <li>- Timer with alarm to know when to take the silverware of the hair.</li> </ul>	<ul style="list-style-type: none"> <li>- App only to customer;</li> <li>- Don't have any information regarding hair care services.</li> </ul>

Essential Looks	
Strenghts	Weaknesses
<ul style="list-style-type: none"> <li>- Inspiration for customers and consumers</li> </ul>	<ul style="list-style-type: none"> <li>- Not very user friendly;</li> </ul>

with several looks;  - Salon finder for the consumers.	- Salon finder is located at an hidden menu.
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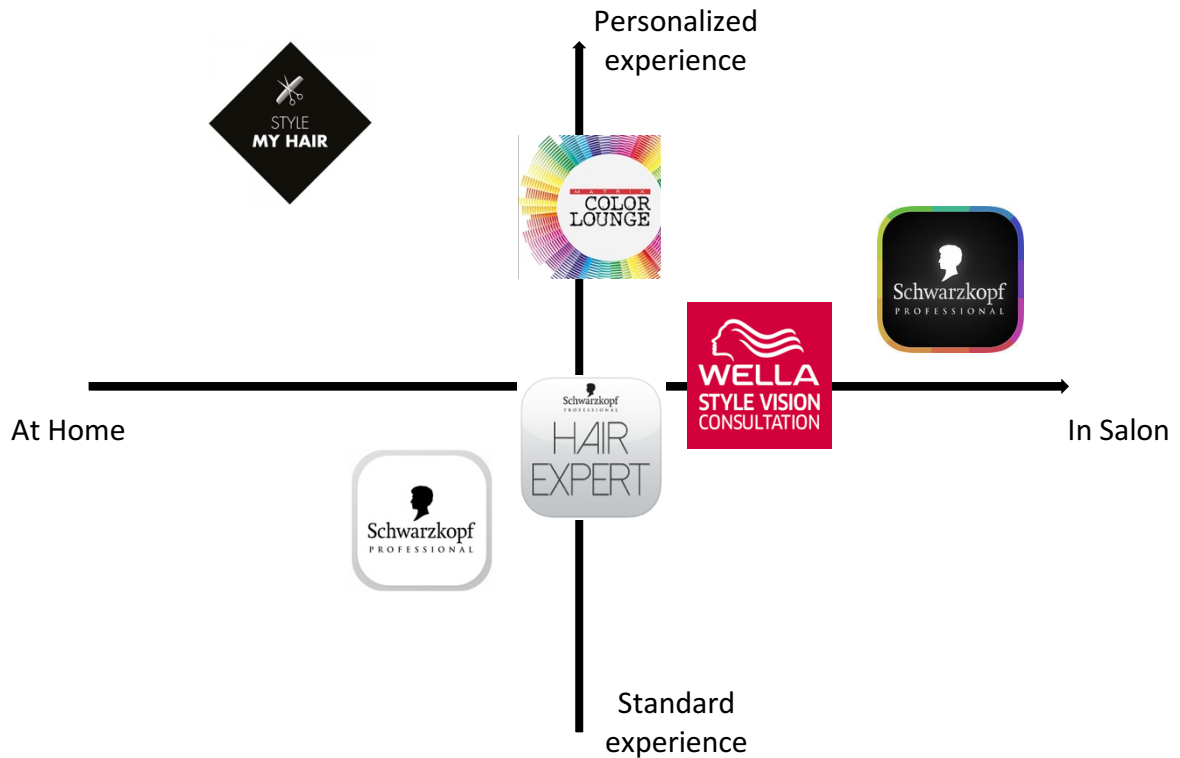
Hair Expert	
Strenghts	Weaknesses
- Area to have all the clients information;  - Possibility to do a diagnostic in an easy way and check the most suitable products for the consumer.	- Necessary a login to have acces to the content of the app;  - Videos of the services are in English.

4) Taking into consideration the last answer, create a conceptual map justifying the two axis and position of each app.

In order to have a conceptual map easy to understand and see clearly the main differences between all the apps, we had to enhance the characteristics of each one which were possible to identify. With this in mind, the axis for the map were based in the experience of the user and where it's more suitable to use it.

So, regarding the experience, we divided into personalized and standard, being personalized for those apps that allows you to create different content and that different users can have acces to different experiences. The standard is exactly the opposite, where different users have the same experience.

Considering the place, the division was made between "at home" and "in salon" because it was the most clear way to select the one's more likely to be used in salon during the service and the one's with more inspirational content with a higher probability of being used by a consumer, or even a customer, at home.



5) Structure a Facebook ad to launch the app Matrix Color lounge with a budget of 10.000€.

To develop a Facebook ad we need to select the images and videos we want to use as part of our campaign and choose where we want the ad to appear, to whom, when and in which format.

**To whom:**

Localization: Portugal

Age: 18 - 45

Gender: Female

Links: People who like and people who don't like the page.

**What:**

Use the "Install Now" call to action button communicated through multiple images and

videos in one ad. Taking into consideration the images and video we have in the appendixes, we will use all of that content to convince the consumer to install the app. So, we will have in one ad: five images, one gif and one video. With this three ads inside the campaign, Facebook will be able to spread the investment to each one and understand which of them has the best engagement/install rate. After that, the ad will spend a higher amount of the budget in that one instead of the ones with lower rate.

**Where:**

If we think that we are trying to convince our consumers to install an app, it makes more sense to target the ad only in mobile, to reach the audience that has higher probability of installing an app than the ones at the desktop, that we don't even know if the phone they use are capable of downloading an app.

In mobile, we will target to IOS and Android system and to two different users, the one's with and without wifi. This way, we assure that we can reach to a wider audience and analyse later if it's better to communicate only to smartphones connected to wifi or not and the better operating system.

**When:**

Budget for the entire duration is the best option to this kind of ad, since the intention is to have the campaign for two weeks live, we would spend 2000€ equally distributed for each operating system.

In conclusion, we will launch a campaign with multiple images and video during two weeks to test which is the content that gets higher install rate, so we can invest the remaining 8000€ later only in that one or two formats that performed better as one campaign with one image or video. With this strategy we are certain that we are not wasting the money we have to invest.

2.7. CASE RESOLUTION SLIDES



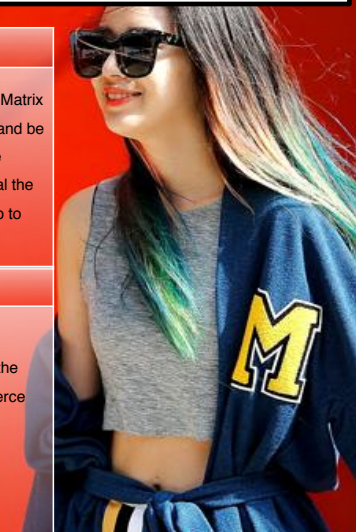
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Strengths	Weaknesses
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Opportunities	Threats
<ul style="list-style-type: none"> <li>1) Raise of consumer desire for green brands;</li> <li>2) Beauty app market is increasing;</li> <li>3) Sinergy between other L'Oréal Group brands.</li> </ul>	<ul style="list-style-type: none"> <li>1) Market with strong competitors;</li> <li>2) E-commerce of non-official distributors available to sell Matrix products;</li> <li>3) Products with lower prices available in indirect competitors;</li> <li>4) Consumers don't often buy products in the handdresser.</li> </ul>

**MATRIX**

1) In order to a better understanding of the brand Matrix, develop a dynamic SWOT analysis of the brand.

SO Strategy	WO Strategy
<p>(S5xO3) Make partnerships with other L'Oréal brands in order to have stronger commercial deals.</p> <p>(S2xO1) Sustain the Biolage reputation by communicating through the empowerment of the L'Oréal Research.</p>	<p>(W3xO2) Take advantage of the fun and happy Matrix identity to communicate in a more relaxed way and be known as the brand next door through the app. (W2xO2) Communicate to the international the importance of having new features in the app to attract more consumers.</p>
ST Strategy	WT Strategy
<p>(S3xT2) Use the education sessions to assure hairdressers understand the value for money of products being sold through the distribution sales team.</p> <p>(S3xT4) Educate the customers to talk about the advantages of each product every time they use it in the consumers, so they can get that look at home if they buy the products.</p>	<p>(W3xT3) Communicate to the L'Oréal USA the importance of developing an official e-commerce website to have more revenues.</p>



**MATRIX**

2) Taking into account that Matrix needs to have two voice tones, one for consumer and one for customer, and the different features of the SNS's, create a new way for the brand to communicate only with customers.

### CONSUMERS

Continue to communicate with consumers through the three different SNS's where Matrix Portugal is already present.



### HAIRDRESSERS

Create a community for the brand where clients, education team and brand can be in touch in the same place.



Private group administrated by the education team.

**MATRIX**



3) Compare the beauty apps by stating the strengths and weakness of each one.

Matrix Color Lounge	
Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Two entrance possibilities: consumer and customer;</li> <li>- Haircolor change in real hair;</li> <li>- Information of all products;</li> <li>- Redirects to the website;</li> <li>- Possible to share the final look with friends through the main SNS's.</li> </ul>	<ul style="list-style-type: none"> <li>- Don't have the possibility of changing the haircut;</li> <li>- In mobile the user doesn't get the full experience because some features are hidden;</li> <li>- Don't have a salon locator for the consumer.</li> </ul>



MATRIX

3) Compare the beauty apps by stating the strengths and weakness of each one.

House of Color	
Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Possibility to know how to apply each colour according to the diagnostic done to the consumer;</li> <li>- Timer with alarm to know when to take the silverware of the hair.</li> </ul>	<ul style="list-style-type: none"> <li>- App only to customer;</li> <li>- Don't have any information regarding hair care services.</li> </ul>

Essential Looks	
Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Inspiration for customers and consumers with several looks;</li> <li>- Salon finder for the consumers.</li> </ul>	<ul style="list-style-type: none"> <li>- Not very user friendly;</li> <li>- Salon finder is located at an hidden menu.</li> </ul>



MATRIX



3) Compare the beauty apps by stating the strengths and weakness of each one.

### Style Vision

Strengths	Weaknesses
<ul style="list-style-type: none"><li>- Filter to select exactly what consumer or customer is looking for;</li><li>- It's possible to see which colors should be used to get certain tone;</li><li>- Quiz with key questions concerning consumer hair to do a full hair diagnostic resulting in some range recommendation;</li><li>- App in 17 different languages.</li></ul>	<ul style="list-style-type: none"><li>- Content for customer and consumer is mixed in the same app;</li><li>- Possibility of sharing my own look it's hard to find;</li><li>- I have always the same experience with the app because the content is always the same.</li></ul>

MATRIX

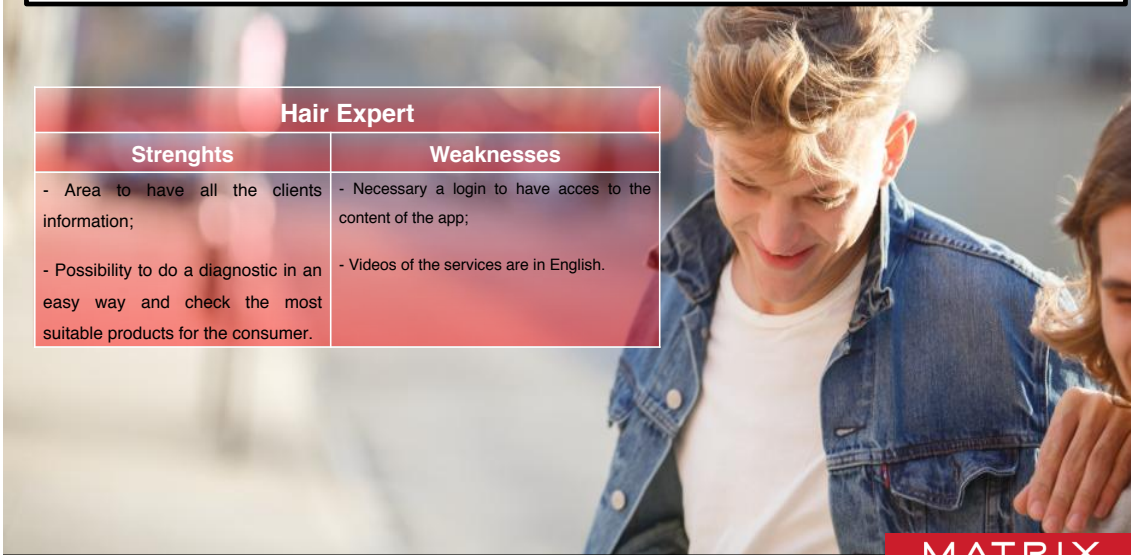
3) Compare the beauty apps by stating the strengths and weakness of each one.

### Style My Hair

Strengths	Weaknesses
<ul style="list-style-type: none"><li>-- One new article a day, what makes the app having new content every day;</li><li>- Possibility to change haircut and haircolor;</li><li>- At the end of the look consumer can learn how to recreate it and find the hairdressers nearby;</li><li>- Possibility to filter by length of hair and color.</li></ul>	<ul style="list-style-type: none"><li>- App only to consumer;</li><li>- Change of the hair is visually artificial;</li><li>- Consumer can only share the look through e-mail;</li><li>- Virtual makeover not suitable for men.</li></ul>

MATRIX

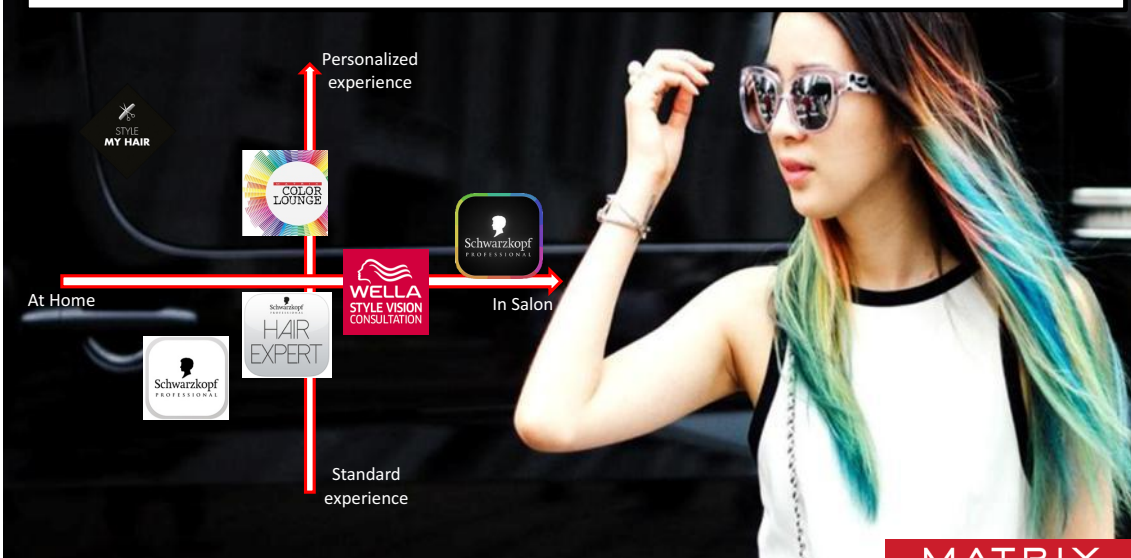
3) Compare the beauty apps by stating the strengths and weakness of each one.



Hair Expert	
Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Area to have all the clients information;</li> <li>- Possibility to do a diagnostic in an easy way and check the most suitable products for the consumer.</li> </ul>	<ul style="list-style-type: none"> <li>- Necessary a login to have access to the content of the app;</li> <li>- Videos of the services are in English.</li> </ul>

MATRIX

4) Taking into consideration the last answer, create a conceptual map justifying the two axis and position of each app.



MATRIX

5) Structure a Facebook ad to launch the app Matrix Color lounge with a budget of 10.000€.

### A/B TEST PHASE

**TO WHOM:**

Localization: Portugal  
Age: 18 - 45  
Gender: Female  
Links: People who like and people who don't like the page.

**WHAT:**

"Install Now" call to action button  
Five images, one video and one gif

**WHERE:**

Mobile  
IOS and Android  
Wifi and not Wifi

**WHEN:**

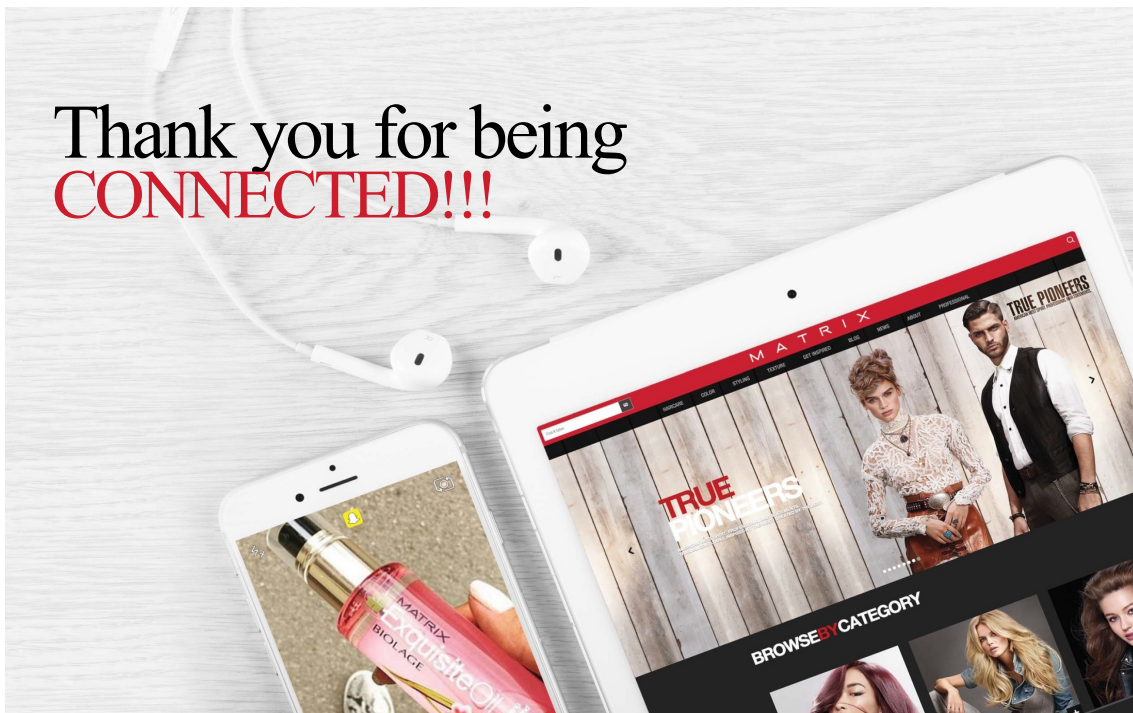
Two weeks  
2000€  
Distributed equally for each operating system



After the A/B Test Phase, the remaining investment will be allocated to the contents with higher install rate in each operating system.

**MATRIX**

Thank you for being  
**CONNECTED!!!**



## 2.8. MAIN TAKEAWAYS FOR BRANDS

This case study showed marketers that doesn't matter how well we think we know our customers and their preferences when it comes down to decide which campaign format is more or less efficient. Facebook does that job way better and with all the necessary stats to make a conscious decision after the A/B test, of which ad is worth to invest our budget.

A great plus of the way the practical and theory part is connected is that companies can understand how to leverage and optimize their online communication, even if it's not to launch an app. The different ad options provided by facebook are suitable to all kind of communications and type of business.

Besides presenting a solution for the way companies can promote a product, the brand selected had the huge challenge of selecting the best online channel and format to communicate with two completely different targets. A great benchmark for brands that want to know how they can establish a relationship with their customers based in B2C or B2B. The first option is better to be done in a public format, as Matrix did with the Instagram, Youtube and Facebook profiles to communicate all the launches and promotions available, while B2B was decided to do through a more private way with a facebook private group. This last decision gives the possibility of showing to our clients special upcoming changes in the brand before communicating to the customers, creating a more reliable and accessible image. However, it's extremely important to always make sure that the ages of our target is the one present in the social network we want to communicate. Otherwise, it will be extremely hard to optimize the results of the campaign because the cost to reach the interested audience will be higher due to the lack of users.

As conclusion, brands should look to online advertising as the solution to have a more direct approach with their target, achieve the most cost efficiency way of communicating a product and have a place where they can listen to all the clients complaints or compliments and react according to it.

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