

Competitive analysis

Client- Johnson & Johnson: Neutrogena

Client Product- Neutrogena: Makeup Remover Cleansing Towelettes



Competitor- L'Oréal: Garnier

Competitor Product- Garnier: Skinactive Makeup Removing Cleansing Towelette



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The following report is a comparative overview of our client Johnson & Johnson's Neutrogena Makeup Remover Cleansing Towelette and its major competitor- L'oreal's Garnier Skinactive Makeup Removing Cleansing Towelette. The report uses an analysis of secondary research, along with a combination of frameworks. The report utilizes a customer segmentation model, the 4Ps, a SWOT analysis, Tactical analysis, Competitive Gap Analysis, Red Ocean strategy analysis, product life cycle study, and a messaging and positioning framework which resulted in the following insights:

1. Segmentation Model

a) Market Segmentation

There are four main customer types that Johnson & Johnson's Neutrogena Makeup Remover Cleansing Towelette cater to- as shown concisely in the segmentation model (Figure 1) . The first segment is Professional and Conventional. This segment comprises of male or female professional makeup artists who have a strong preference for premium products that cater to all skin types. They are typically 26-40 years old and do not shop for themselves, but for their clients.

The second segment is Rushing and Blushing which is the largest segment of customers for makeup remover towelettes and also the target segment for Neutrogena . This consists of 18-28 year old females who are actively dating. As full-time working women, they often need to touch up their makeup outside their homes. They value socialization, self-grooming, and seek products that are good value for money.

The third segment is named Teen and Keen. It is formed by teenagers who are newly exposed to make up and are just beginning to explore new brands. They let online reviews by influencers guide their purchases.

The fourth and last segment is called Connected and Addicted. These are Millennial or Gen Z Youtubers and bloggers that purchase makeup to create tutorials and review videos.

b) Primary Target Audience

The target audience for both Neutrogena and Garnier is Rushing & Blushing Beatrice (Figure 2). She is an 18-28 year old social butterfly. She enjoys going out with friends and on dates and holds liberal ideologies. She has a college degree or is currently pursuing one and works full time (or is a full time student). She invests in self grooming and watches youtube skin care tutorials. Since she wears light make up on a daily basis to work or while going out to social, she appreciates products that can be used while she is on the go. She seeks mid-range pricing for her beauty needs and sticks to purchasing drugstore makeup.

2. Client and Competitor Overview

The following is a comparative overview of our client Johnson and Johnson's: Neutrogena and competitor L'oreal's: Garnier in terms of the marketing mix:

Product: Neutrogena Makeup Remover Cleansing Towelettes have similar substitutes available in the market and hence face cut throat competition in the red ocean with a mature product in the market. However, it differentiates itself by offering both single wrap packaging and 25 towelette packaging to its customers. The convenience of carrying a single packed makeup wipe directly caters to the need of their target segment- Rushing and Blushing who appreciate the convenience of being able to use a product on the go. They also offer limited edition packaging from time to time eg- Pride colored packaging and halloween packaging. Additionally, The cleansing towelettes are a no rinse formula that leaves the skin feeling clean and refreshed. They are alcohol-free as well as ophthalmologist, dermatologist and allergy-tested.

Similarly, Loreal's Garnier Skinactive Makeup Removing Cleansing Towelette offer their product in resealable packaging with a no rinse formula wipes capture and lift away dirt, oil and makeup without harsh rubbing, leaving skin feeling clean and soft to cater to Rushing & Blushing Beatrices. The towelettes are formulated with silk fibers and incorporate plant extract and Vitamin E to soothe and comfort skin which particularly appeals to Rushing and Blushing Beatrices who invest in self-grooming products. The product is packaged in a standard 25 ct packaging with a Garnier micellar water bottle image on top which sends the message that the trusted Garnier micellar water is now in an easy-to-carry towelette form.

Price: The Neutrogena makeup remover cleansing towelettes retail for \$5.99 for both their 25ct packing and their 20ct singles packaging. This is because the individual wrapping drives up cost. The pricing strategy is to keep uniform pricing across packaging and lower count in the singles to encourage customers to be indifferent while choosing .

The Garnier Skinactive Makeup Removing Cleansing Towelette retail for \$5.29.

Both products are priced at competitive drugstore pricing to attract Rushing & Blushing Beatrices. Hence, firms have to rely on differentiating themselves among competitors through other aspects of the marketing mix.

Promotion: Neutrogena's television advertisements for their Makeup Remover Cleansing Towelettes feature a young woman who's out on a date and accidentally smudges her makeup. The ad showcases how convenient it is to carry the single packed towelettes and their no rinse formula saves the girl from a disaster date. Other advertisements feature Kerry Washington removing a stubborn mascara smudge. The ads show scenarios relatable to Rushing & Blushing Beatrice. Additionally, Neutrogena's website offers a 10% discount on first order when customers subscribe to their Emails. Furthermore, They indulge in promotions through public relations. Their website flaunts them being LGBTQIA+ allies and promotes a JOHNSON & JOHNSON CARE WITH PRIDE program to increase goodwill. Their facebook and instagram pages feature influencers using their products.

Similarly, Garnier's television advertisements feature friends getting ready for parties and correcting make up smudges with their Skinactive towelettes. This speaks to Rushing & Blushing Beatrice who has a social personality. Their advertisements club Garnier Micellar water with the towelettes to get users who like one to also try the other. Since Rushing & Blushing values influencer reviews, the product specifications on their website includes a dedicated segment of 'featured articles' where beauty bloggers and influencers are using Garnier Skin active makeup wipes.

Place: Both brands place their products in drug stores like Rite Aid and big box stores like Target and Walmart. They often compete for the same eye level shelf space. Additionally, they usually place their makeup wipes in sections with their own brand makeup products. For example, in most drug stores, all Garnier makeup is placed together and all Neutrogena makeup is placed in another shelf space - including their respective makeup wipes. This is done to encourage purchase from customers that are loyal to and/or trust the brand. Both Neutrogena and Garnier makeup wipes are also available for online purchase through their websites and on Amazon where GenZ/ Millennial Rushing & Blushing Beatrice is likely to shop.

3. Promotional Tactics

Both Neutrogena and Garnier utilize a promotional mix to differentiate themselves in the red ocean market.

Neutrogena: **a). TV & social media Ads-** As described above, Neutrogena makes TV Ads that feature celebrities and scenarios that are relatable to the youth- Rushing & Blushing Beatrice in particular. These ads market the product saying "Help is only one wipe away" and promote their no rinse formula. Their social media also includes influencers using and reviewing their makeup wipes.

b) Price Promotions- Neutrogena's website offers a 10% discount on first order when customers subscribe to their Emails. They also run advertisements through these acquired email lists. The price promotions drive the Rushing and blushing segment to have a preference for Neutrogena Makeup Remover Cleansing Towelettes over competitors.

c). Innovative Packaging- Not only does Neutrogena offer its makeup wipes in single wrap packaging and standard packaging, but also creates goodwill through limited edition packaging for events like Pride. Liberal Rushing & Blushing Beatrice is likely to prefer Neutrogena over competitors knowing that they are Pride supporters and even run a "More than just a rainbow" program to raise money for nonprofits empowering LGBTQIA+ communities.

Garnier: **a). TV Ads-** Garnier runs TV ads that resonate with Rushing & Blushing Beatrices. They brand their makeup wipes as the goodness of micellar water in the convenience of a towelette in these advertisements.

b) Influencer Blog Features- Their website features several articles and blogs promoting their makeup wipes. Rushing & Blushing Beatrice is most likely to be the reader and be influenced by these beauty blogs.

c) Coupon Deals- Garnier promotes coupon deals through emails and their website. These limited time coupons offer 10-20% off for signing up to garnier's newsletter or referring a product to a friend.

4. Value Propositions

Both Neutrogena and Garnier recognize that their target persona demands the convenience of using the product on the go, safety and benefit of the wipes used on their skin, and turnaround time of cleansing their skin (since they expect to have to do it while they're on the go).

Neutrogena's value proposition is that with their individually wrapped packaging option "Help is only one wipe away" to save you from a makeup smudge disaster in a social setting. They emphasize the convenience to carry their single wrap wipes and claim to be #1 dermatologist recommended wipes. Cohesively, these claims directly target every need of their target persona- Rushing & Blushing Beatrice and their single wrap packaging gives them an edge against their competitors (since no-one else offers such packaging in the market yet).

Garnier is known to lay emphasis on natural products. Their Skin Active makeup remover wipes value proposition is that it's not just makeup wipe, but a whole skin care routine. The wipes are boosted with plant extracts and Vitamin E to leave the skin looking smoother and comforted in just one week. This differentiates them from competitors as their product being more than just a makeup remover. Their slogan is "remove makeup without rubbing, cleanse without rinsing, and refresh without residue" which also addresses all concerns of Rushing and Blushing Beatrice.

In conclusion, Neutrogena appeals more to the convenience demand of their target segment while Garnier appeals to their on the go skin-care wants.

5. Messaging and Positioning

Both firms recognize the following concerns faced by Rushing & Blushing Beatrices when purchasing makeup remover wipes:

1. Can I carry the wipes in my purse? (Convenience)

Johnson and Johnson addresses this concern by positioning Neutrogena's single wrap wipes as convenient for keeping in a work, travel, gym bag or even a party clutch. The wipe is promoted as "skin care on the go" which meets the exact demands of their target audience.

Loreal's Garnier Skinactive Makeup Removing Cleansing Towelette positions its product as the goodness of the trusted Garnier micellar water in towelette form for on the go use. It's micellar water has retailed for longer than its make up wipes and are also sought by Rushing & Blushing Beatrices so the

association creates a positive impact. They also promote their packaging as “magnet like resealable” making it ideal for travel use.

Neutrogena puts special emphasis on the convenience of their single wipe packaging in their promotions to differentiate themselves from their competitors.

2. Will it irritate my skin or make it break out? (Safety)

Neutrogena Makeup Remover Cleansing Towelettes are marketed as alcohol-free as well as ophthalmologist, dermatologist, and allergy-tested wipes. They claim to be gentle enough to use around the sensitive eye area, even for those who wear contacts. They are also marketed as soft wipes that wipe away bacteria, dirt, oil, grime, and impurities. These claims are printed on the packaging, listed under product description on Neutrogena’s website and emphasized in advertisements.

Garnier Skinactive Makeup Removing Cleansing Towelette addresses the same concern by listing that the wipes are fragrance, alcohol, and dye free on the packaging. The wipes contain plant extract and Vitamin E just like the micellar water to soothe skin and leave skin feeling softer, smoother and comforted in a week’s use. The wipes also claim to be specially formulated with silk fibers for an extra soft clean.

3. How time consuming is the process? (Turn-around time)

Johnson and Johnson’s Neutrogena’s approach is to tackle this concern with the following positioning emphasized in ad campaigns and packaging text: the pre-moistened facial cleansing wipes dissolve all traces of dirt, oil and makeup—even stubborn waterproof mascara-- in just a minute and a half. They leave skin clean and fresh-looking with no heavy residue, so there's no need to rinse

Loreal’s Garnier addresses the concerns in a similar fashion with the following claims: The micelles in these makeup removing wipes capture and lift away dirt, oil and makeup without harsh rubbing in under 2 minutes. The formula is not only no rinse, but leaves skin hydrated so there is no need to moisturize.

6. Summary

In conclusion, Garnier’s Skin Active makeup cleansing wipes pose heavy competition to Neutrogena’s makeup remover cleansing wipes. Both companies target the same target consumer segment- Rushing & Blushing Beatrice who is an 18-28 year old social butterfly with a keen interest in makeup- both wearing it and watching influencers use it. The two products are similar in nature but Neutrogena makeup wipes differentiate themselves with innovative packaging such as single wrap packaging and limited edition packaging to appeal to its target customers' need for convenience. Garnier encashes on its reputation for natural cosmetic products and promotes its wipes as not just makeup wipes but also a skin care product. Both companies utilize TV ads, influencer and social media endorsements, and price promotions as promotional tactics.

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Appendix

Figure 1: Customer Segmentation Model:

Professional & Conventional	Rushing & Blushing (Target)
<ul style="list-style-type: none"> - Male/Female - 26-40 years old - Professional Make-up Artist - Prefer products for all skin types - Seek premium products for clients 	<ul style="list-style-type: none"> - Female - 18-28 years old - Single (and ready to mingle) - Casually wears makeup on a daily basis - Seeks convenience and value
Teen & Keen	Connected & Addicted
<ul style="list-style-type: none"> - Female - 13-20 years old - New user to make-up - Exploring and experimenting with different brands 	<ul style="list-style-type: none"> - Male/ Female - Gen Z or Millennial - Youtuber/ Blogger - Try several products to make review videos and makeup tutorials

Figure 2: Persona of target audience:



Rushing & Blushing Beatrice

Geographic	Demographic
<ul style="list-style-type: none"> - In one of the 70 countries that Neutrogena Products are sold. - Within 5 mile radius of a drug store 	<ul style="list-style-type: none"> - Female - 18-28 years old - Single (and ready to mingle) - Has a college degree or is currently pursuing one
Psychological	Behavioral
<ul style="list-style-type: none"> - Seeks convenience - Invests in self-grooming - Appreciates quality products at competitive value - Values good reviews and endorsements - Liberal Beliefs 	<ul style="list-style-type: none"> - Casually wears makeup on a daily basis - Actively dating - Working/ Full time student - Purchases drugstore makeup - Follows a skin care routine - Watches make-up/ skin care tutorials - Makes smudges/ Imperfect in makeup application

Figure 3: Tactical Competitive Analysis

		Customer Preference	
Attribute or Feature	Attribute Rank (in order of customer wants)	Neutrogena Makeup Remover Cleansing Towelette	Garnier Soothing Makeup Removing Cleansing Towelette
Non-irritating to skin	1	✓	
No residue after use	2	✓	
Time taken to dissolve makeup	3	✓	
Texture of wipe	4		✓
Removes Waterproof makeup	5	✓	
Moisture and Hydration	6		✓

Figure 4: Competitive Gap Analysis

		Neutrogena Makeup Remover Cleansing Towelette		Garnier Soothing Makeup Removing Cleansing Towelette	
Purchase Attribute	Customer Importance Rating	Customer Satisfaction Rating	Importance - Satisfaction (Sum)	Customer Satisfaction Rating	Importance - Satisfaction (Sum)
Moisture and Hydration	6	6	0	8	-2
Time taken to dissolve makeup	9	9	0	7	2
Removes Waterproof makeup	7	10	-3	6	1
No residue after use	10	10	0	7	3
Texture of wipe	7	6	1	9	-2
Non-irritating to skin	10	10	0	5	5

Note: All ratings are on a scale of 0-10

De-coder:

Areas of High Differentiation	Areas of Overinvestment and Low Reward	Areas of Indifference	Areas of High Risk
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Figure 5: Product Life Cycle

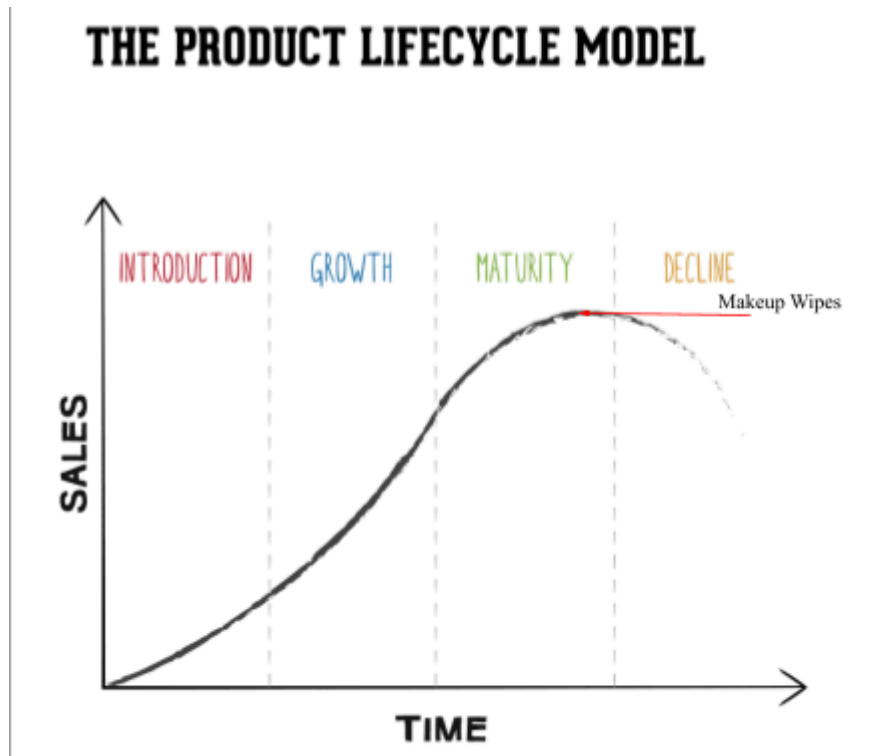


Figure 6: SWOT Analysis Model:

<p><u>Strengths</u></p> <ul style="list-style-type: none"> • Single wrap packaging enhances customer convenience • Fastest makeup dissolving formula • Customer awareness and celebrity endorsements 	<p><u>Weakness</u></p> <ul style="list-style-type: none"> • Premium price range and price sensitive target audience (Needs constant value justification) • Better texture wipes available through competitors
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Extensive retail chain reach (in over 70 countries) due to parent company-Johnson and Johnson • Premium shelf space reach 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • Product life cycle on onset of decline (Maturity stage) • Saturated Market (Red ocean) with cut throat competition • Similarity in product formulas leaves little room for differentiation (High importance of messaging and positioning)

Figure 7: 4Ps

Element of Marketing Mix	What's Working?	What's Not Working?
Product	<ul style="list-style-type: none"> -The packaging options with the single wipes and regular size directly addresses needs of Neutrogena's on-the-go customers i.e Rushing & Blushing Beatrice -Fast alcohol free makeup dissolving formula 	<ul style="list-style-type: none"> -The single packaging increases costs which are passed on to the consumer - Competition provides better textured wipes with more tensile strength
Price	Mid range priced	Competitors provide cheaper pricing for similar product
Place	<ul style="list-style-type: none"> -Over 70 countries -Drugstores: increased accessibility to target customers - Premium shelf space placement 	- Faces heavy competition for shelf placement
Promotion	<ul style="list-style-type: none"> -10% off on website orders - Heavy advertising with celebrity endorsements (Kim Kardashian, Lucy Hale, and Ariana Grande) -Positioned as premium product 	- Saturated market makes constant and consistent emphasis on messaging and positioning important

Figure 8 : Client Messaging and Positioning

Client	Johnson & Johnson: Neutrogena Makeup Remover Cleansing Towelette		
Target Audience	Rushing & Blushing Beatrice		
Pain Points	Can I carry the wipes in my purse? (Convenience)	Will it irritate my skin or make it break out? (Safety)	How time consuming is the process? (Turn around)
Value Statement 1	Small packaging is convenient to keep in your favorite work, travel, gym bag or party clutch	Alcohol-free as well as ophthalmologist, dermatologist and allergy-tested	They leave skin clean and fresh-looking with no heavy residue, so there's no need to rinse
Value Statement 2	Great to instantly refresh skin on the go	Gentle enough to use around the sensitive eye area, even if you wear contacts	pre-moistened facial cleansing wipes dissolve all traces of dirt, oil and makeup—even stubborn waterproof mascara-- in just a minute and a half
Value Statement 3	Neutral fragrance for fresh feel	Wipes away bacteria, dirt, oil, grime, and impurities	

Figure 8.1: Competitor Messaging and Positioning

Competitor	Loreal: Garnier Skinactive Makeup Removing Cleansing Towelette		
Target Audience	Rushing & Blushing Beatrice		
Pain Points	Can I carry the wipes in my purse? (Convenience)	Will it irritate my skin or make it break out? (Safety)	How time consuming is the process? (Turn around)
Value Statement 1	The goodness of the trusted Garnier micellar water in towelette form for on the go use.	Wipes are specially formulated with silk fibers for an extra soft clean. Skin is softer, smoother and comforted in 1 week's use.	the micelles in these makeup removing wipes capture and lift away dirt, oil and makeup without harsh rubbing in under 2 minutes
Value Statement 2	Magnet like resealable packaging makes it ideal to use during travel	Plant Extract and Vitamin E to soothe and comfort skin	No rinse formula leaves your skin feeling hydrated, so there is no need to moisturize
Value Statement 3		No fragrance, alcohol, or dye	

Figure 9: Links Used

1. <https://www.neutrogena.com>
2. <https://www.garnierusa.com>
3. <https://www.insider.com/the-best-face-makeup-remover-2019-5>
4. <https://www.ispot.tv/ad/Ic1Q/neutrogena-makeup-remover-cleansing-towelettes-kerry-washington-fights-stubborn-mascara-smudges>