

Market Research

- Hair market is expected to reach \$112.97 Billion by 2028, with growing hair care demand, especially among Millennials & Gen X ([Fortune Business Insights 2020](#))
- Post Covid-19 patients experience significant hair loss ([NYT 2020](#)), 57% of consumers care more about hair care post-COVID-19 ([Evonik 2020](#))
- The global home-use beauty devices market is projected to observe a 20.4% revenue boom in the coming years ([P&S Intelligence 2020](#))
- 75% of consumers are more likely to make a purchase from personalized recommendations like at-home devices, which can measure user conditions ([CBInsights 2021](#))

⇒ *Opportunities for L'Oréal to develop convenient at-home haircare devices for customers, targeting Gen Y and X*

L'Oréal Understanding

- Hair product lines: Hair care, color & styling
- Hair supported devices: Hair dryer & Colorsonic

⇒ *Lacks home hair care devices to support the hair care lines*

Our Focus in L'Oréal Business Scope

- **Field: Hair Group**
- Our innovation will help customers understand their hair heath better, from there recommend them a more personalized hair care routine, and provide cutting-edge technologies to help them enhance their hair care routine at home.

Sources: included in-text hyperlink

Target Customers Traits

Gen Y and X (25 - 57 years old)
Income: >B

L'OREAL 
BRANDSTORM
2022

Name



Cao Xuan Bach - 29 years old

Income

B - Marketing Executive

Motivation

"It seems like using regular hair care products isn't enough anymore that I need extra care from treatment devices, especially post COVID-19 recovery. However, I don't think that I'm fully certain with my hair's health to invest in one of the many advanced hair care devices out there. Thus, I wish that can understand my hair health better so that I can look for a more personalized hair care routine to enhance my hair health even at home.

"For me, using regular at-home hair care products is fine as I'm afraid I'm not certain with my own hair condition at the time enough to confidently make a decision towards investing in an expensive device for further hair care. Instead, I prefer going to the hair salon to receive suitable, best-fit special treatments"

Barriers



Hoang Thi Anh - 46 years old

A - Business Woman

"I'm willing to invest in more hair care products and devices if they are a good investment for the long-term. Nonetheless, there are so many devices nowadays, and buying different ones for different treatments is tiresome and not cost-effective. However, going to the hair salon often is quite inconvenient. Hence, I need a solution that is able to help me to take care of my hair conveniently at home but still achieve the same effect as going to a hair salon"

"I am not familiar with today's advanced technologies. There are so many hair care devices on today's market with different uses that I don't know which one to choose for my hair condition. Rather than that, using regular hair care products and going to the salon for special treatments from the experts might be more effective"

Insight

I need a convenient, all-in-one device that can provide me a next-level, personalized hair care routine and treatment at home

Our solution

HAIRXTREME

by L'OREAL

Customers' Experience

TECHNOLOGICAL TRAIT

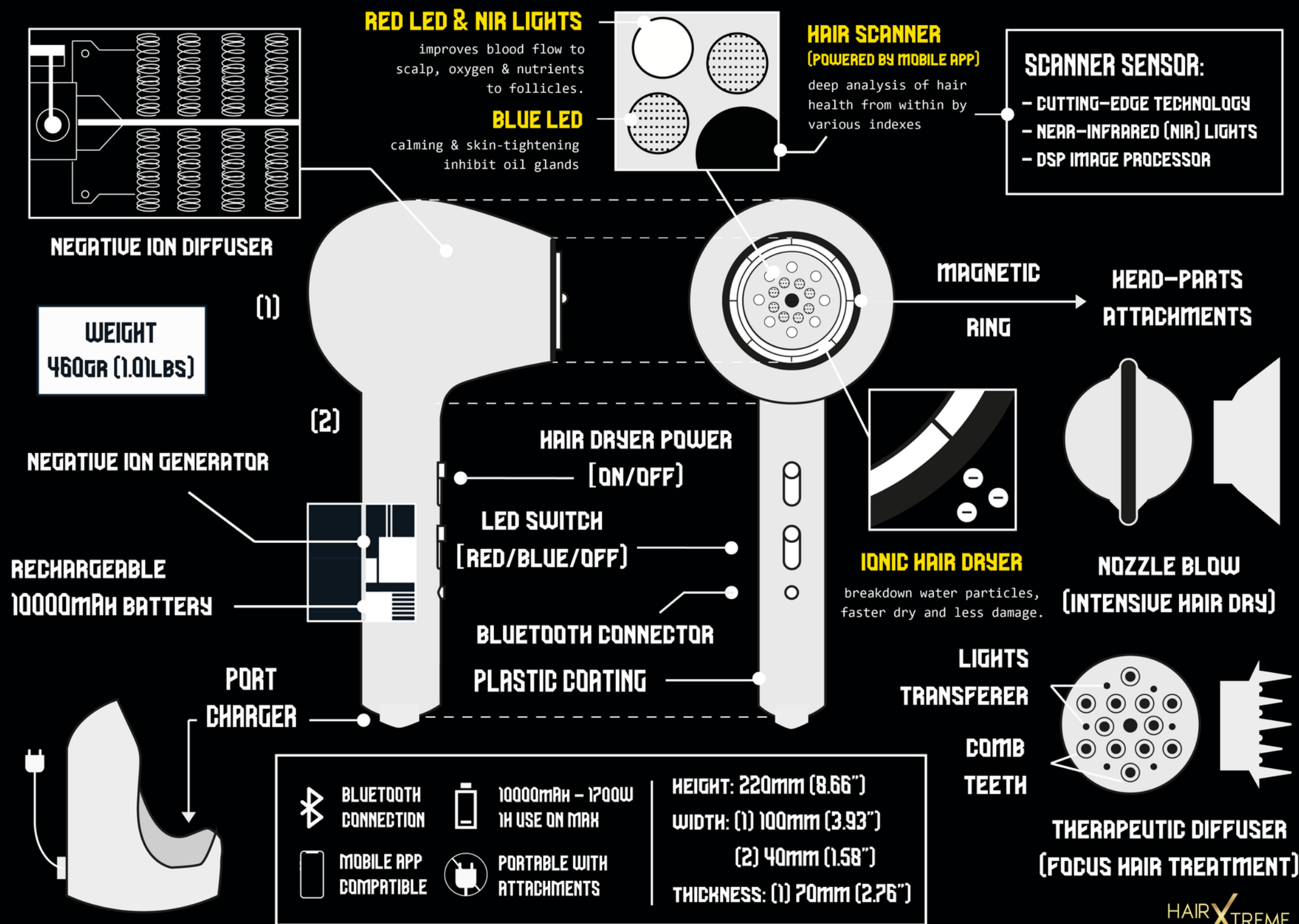
NIR and LED light waves treatment ([Healthline, 2019](#)); Ionic hair drying, thorough hair scan & analysis.
 Portable - rechargeable device;
 Mobile controllable via bluetooth.

SUSTAINABILITY

Avoid inefficient purchasing to serves different haircare needs.
 High durability and usage time.

INNOVATION

First all-in-one device that uses multiple technologies base for convenient hair care.
 Supported by IoT, [connected to personalized mobile app](#) for deeper analysis and treatment.



In-depth Scanner

- **Comprehensiveness:** Detailed scalp and hair analysis with scientific parameters.

Light Therapy x Ion Technology

Dual technologies - Triple effects:

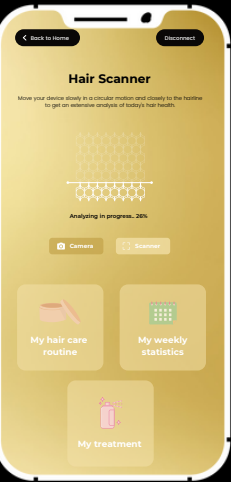
- **Inclusiveness:** A customized treatment and routine.
- **Innovation:** first-in-the-game product to care for both the scalp and the hair.
- **Effectiveness:** x10 times hair growth with scientist proof. ([Serena B., 2017](#)).

Why is it innovative?

- Cost efficiency: one product - multiple uses
- User-friendly & Compact design
- The ultimate solution to all hair problems

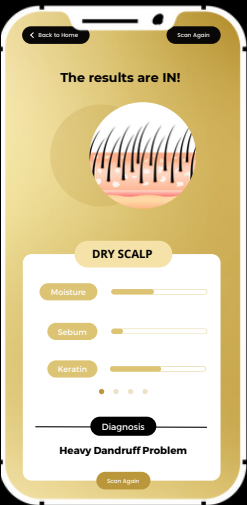
App Development

- The device is connected with the app by means of bluetooth connection ⇒ convenient, do not rely on wifi and cellular data.
- Users input their basic information: name, age, working hours, sleeping hours, hobbies.



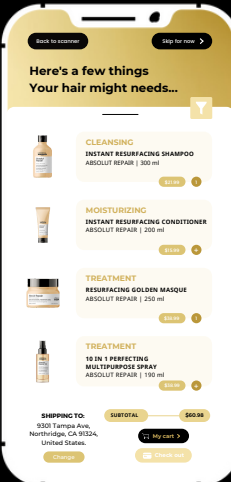
STEP 1: Scanning & Checking scalp, hair condition

Users put the scanner of the device on their scalp, close to the hairline and move the machine in a circular motion for 2-3 minutes.



STEP 2: Result viewing

The app will present the result of users' scalp and hair conditions and detect their main problem.



STEP 3: Recommend customized treatment & haircare products

The application will recommend customized light therapy and hair care products for users. They can easily purchase such products by clicking the plus button.

Sources: included in-text hyperlink

Objectives & Scalibility

- Launch HairXtreme in 5 countries with the highest interest in haircare within the first 3 years
- From B2C to B2B: Expand HairXtreme Premium line with enhanced functions for salon use & develop L'Oréal Professionnel App that connect with the product to provide more intensive care services at hair salons

Channel Strategies

At home

- Order from big e-commerce sites
- Experience safe hair dry with hairXtreme ionic technology
- Scan & receive personalized LED lights treatment and haircare routines

In-store

- Scan & receive personalized LED lights treatment and L'Oréal hair care products recommendation

Benefits to L'Oréal

- Increase hair line products **conversion rate**
- Enhance customer experience & CRM system
- Enhance R&D process based on hairXtreme scanning results

Benefits to Customers

CONSIDERATION

Make accurate online & offline haircare purchase

Time Saving

PURCHASE

Experience advanced hair care services at home. Have customized products suggestion

Convenient

AFTER PURCHASE

Save from going to hair salon for haircare treatment

Cost-effective

Budget & KPIs

Product part	Cost per product	Total	Estimated price
LEDs Treatment (Red/Blue/NIR)	\$14.4	\$110.29	\$269
Hair Scanner (NIR sensor, DSP image processor)	\$45.47		
Ionic hair dryer (Ion generator, Ion diffuser, other components)	\$17.48		
General product (Manufacture cost, Outer cover, Attachments)	\$12.79		
Charger & Battery (Port Charger, Build-in Battery)	\$20.15		

Mobile App	Developing Cost	Total
App development (App interface & Algorithms)	\$90,000	\$102,000
Market Research	\$7,000	
Beta testing	\$5,000	
Other fixed costs	Cost	Total
Administrative Salaries	\$50,000	\$85,000
Marketing Expense	\$35,000	

Annual Revenue	50,000 units sold = \$13,450,000
Expected Profit	\$7,748,500
Expected ROI	136%