



# Master Your Skin With L'Oréal

White Swan Consulting



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## At A Glance...



QUESTION

How can L'Oréal help grow the **Nordic male beauty market by 50% over the next five years**, and **what strategic initiatives** will ensure L'Oréal captures the largest share of this expansion?

## Master Your Skin



STRATEGY

### Scan

Deploy **skin diagnostics** in **pop-up and retail stores** to turn skincare into a trusted health check for men.

### Guide

Launch the **L'Oréal Skin app** to convert diagnostic insights into a **guided routine**.



IMPACT



**64%**  
Face care segment penetration



**38.7%**  
Male beauty market growth captured



**EUR 87 Mln**  
Total NPV over 5 years

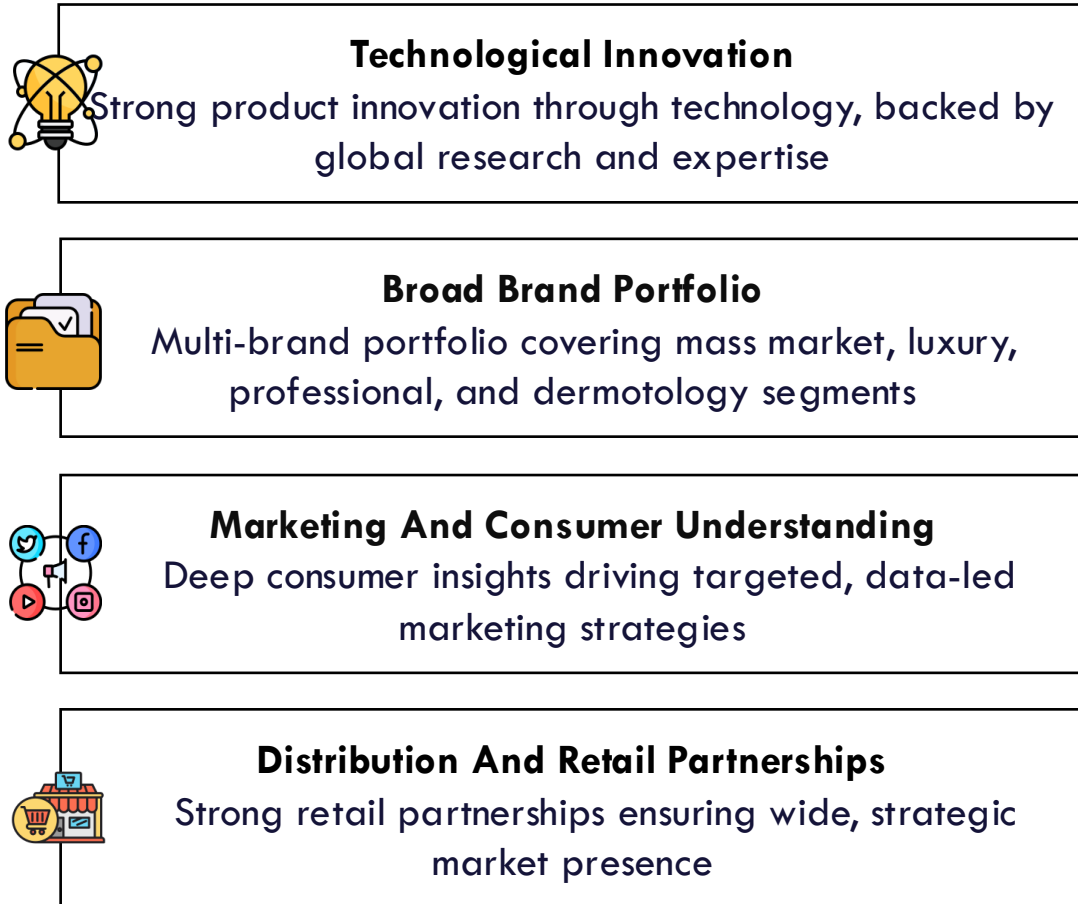
# ANALYSIS

Natalie



# L'Oréal's Strong Presence Is Constrained By Low Male Beauty Understanding

## Core Competencies



## Goal To Reach

Achieving sustainable growth within the Nordic Men's Beauty Market in the next five years!

## Key Considerations

**High Awareness and Accessibility:**  
L'Oréal is the biggest beauty brand in the Nordics, available to men all over the region

**Perception of Complexity and Unfamiliarity:**  
71% of men don't understand basic beauty concepts and terms<sup>1</sup>



# Future Growth Will Be Driven By Gen Z And Millennial Men

**Perception of Complexity and Unfamiliarity:** Space for L'Oréal to educate and ease the process for its male customers

## Gen Z Men<sup>1</sup>

Aged 14 to 29

**42%** are willing to **devote a large share of their income** to beauty products

up to **70%** show interest in learning about beauty

## Millennial Men<sup>2</sup>

Aged 30 to 45

**29%** are willing to **devote a large share of their income** to beauty products

saw a **230% increase** in interest for self-care services

## Gen X Men<sup>3</sup>

Aged 46 to 61

**20%** are willing to **devote a large share of their income** to beauty products

only **18%** are interested in beauty products

## Baby Boomer Men<sup>4</sup>

Aged 62 to 80

**15%** are willing to **devote a large share of their income** to beauty products

about **73%** reject the usage of beauty products

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**To unlock growth in the Nordic Men's Beauty Market, L'Oréal needs to focus on Gen Z and Millennial men!**

# Men's Skin Care And Shaving Offer The Strongest Strategic Fit

Segment Considerations		Strategic Fit					Total Score
L'Oréal's Segment Opportunities		Market Potential	Male Engagement	Technology Synergies	Increase in Basket Size	Personalised Offering	
 Men's Bath and Shower <sup>1</sup>	3/10 <i>Small market, little growth</i>	5/10 <i>Basic hygiene</i>	3/10 <i>Low innovation</i>	2/10 <i>Commodity good</i>	2/10 <i>Minimal differentiation</i>	3.0/10	
 Men's Deodorants <sup>2</sup>	5/10 <i>Mature category</i>	7/10 <i>Daily usage</i>	4/10 <i>Limited tech</i>	3/10 <i>Low expansion</i>	3/10 <i>Limited variants</i>	4.4/10	
 Men's Hair Care <sup>3</sup>	2/10 <i>Small niche</i>	2/10 <i>Low focus</i>	6/10 <i>Scalp potential</i>	5/10 <i>Styling add-ons</i>	6/10 <i>Scalp/styling needs</i>	4.2/10	
 Men's Fragrances <sup>4</sup>	10/10 <i>Largest market, strong growth</i>	10/10 <i>High adoption</i>	5/10 <i>Less tech-driven</i>	4/10 <i>Single-product driven</i>	4/10 <i>Preference-driven only</i>	6.6/10	
 Men's Shaving <sup>5</sup>	8/10 <i>Large market, stable growth</i>	9/10 <i>Habit-driven</i>	7/10 <i>Tech for formulation</i>	9/10 <i>Pre/Post layering</i>	8/10 <i>Skin/beard profiling</i>	8.2/10	
 Men's Skin Care <sup>6</sup>	7/10 <i>Strong growth</i>	6/10 <i>Under-penetrated</i>	10/10 <i>Center of core strength</i>	10/10 <i>Routine stacking</i>	9/10 <i>Different skin requirements</i>	8.4/10	

Insights

Recommendation

Implementation

Impact

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Insights

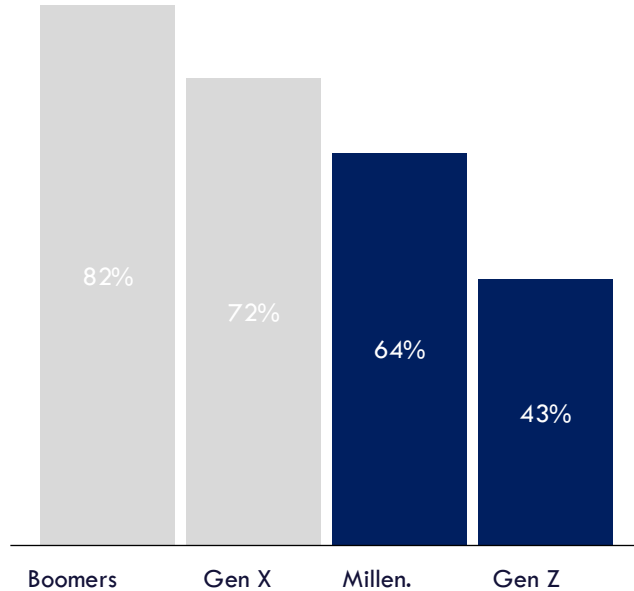
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# Men's Skin Care And Shaving Support Reaching Your Target Customer

Segment Penetration<sup>1</sup>



Because there is such a significant growth opportunity, L'Oréal has the chance to meet their customers' unaddressed needs!

Benefits Of The Face Care Segments

 Lowest Penetration	 Best Education Opportunity	 Science-Backed
With only about <b>43% in the Skin Care Segment</b> , and <b>64% in the Shaving Segment</b>	Through <b>personalised offerings</b> , these segments offer the best opportunities for <b>guiding ease of use (#1 driver)</b>	<b>68%</b> of Gen Z and Millennial men are looking for <b>clinically proven products<sup>2</sup></b>



Vincent

Gen Z (20 years old)

Cares about his health and aesthetics, but doesn't know anything about skincare

**Lack of knowledge about own skin**

34% of Gen Z and Millennial men don't know how to identify their own skin type<sup>1</sup>



**Need for scientific reasoning behind routine**

Gen Z and Millennial men customers look for **science-backed solutions** in their beauty purchases<sup>2</sup>



**Lack of knowledge about correct products**

68% of Gen Z men use facial skincare, but many report **uncertainty about what products their skin needs**<sup>3</sup>



**Low peer normalization & social engagement**

44% of men avoid **public skincare purchases** due to embarrassment of being spotted in beauty aisles



*L'Oréal makes men's skincare journeys easier!*

As **Ease-Of-Use** is men's number one importance factor, L'Oréal must offer a **simple, guided solution** to help their male customers!



# A Collection of Insights...

## Current Position

Leading beauty player in the Nordics with strong awareness, broad portfolio, and wide distribution, yet constrained by low male category understanding and perceived complexity.

## Key Targets

Unlock growth by prioritizing Gen Z and Millennial men and scaling high-fit categories such as Skin Care and Shaving.

## Strategy Evaluation

Differentiating through diagnostics, personalisation and community activation enables high-impact, scalable growth.

### Strategy Considerations



Reduce Complexity Through Education And Guidance



Scale Skin Care And Shaving As Core Growth Engines In The Men's Segment



Activate Gen Z And Millennials With Targeted, Data-led Engagement

# STRATEGY

Ema and Daumantas





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# A Strategy That Allows You To Reach Your Target Customer

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Deploy proprietary skin diagnostics in pop-ups and retail to turn skincare into a trusted, science-led health check for men.

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Convert diagnostic insights into a guided digital routine that drives clarity, repeat purchase, and long-term loyalty.

# Why L'Oréal's Previous Attempts At Skin Testing Have Failed

L'Oréal has tested AI-led personalization through the Skin Genius app, however the effect was not as successful as expected<sup>1</sup>.

## What Skin Genius Did



**AI facial scan** via smartphone camera



**Self-reported questionnaire & result reading**



**Digital product recommendations**

## Why This Doesn't Solve Men's Pain Points

### Camera-based AI lacks trust

Lighting/device variability makes users distrust cosmetic advice. Different pictures give customers different results.

### No tangible experience

No in-person validation, sensory interaction or physical proof. In Nordic cultures, trust and in-person interaction matter<sup>2</sup>.

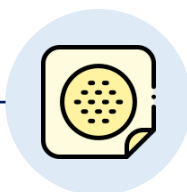
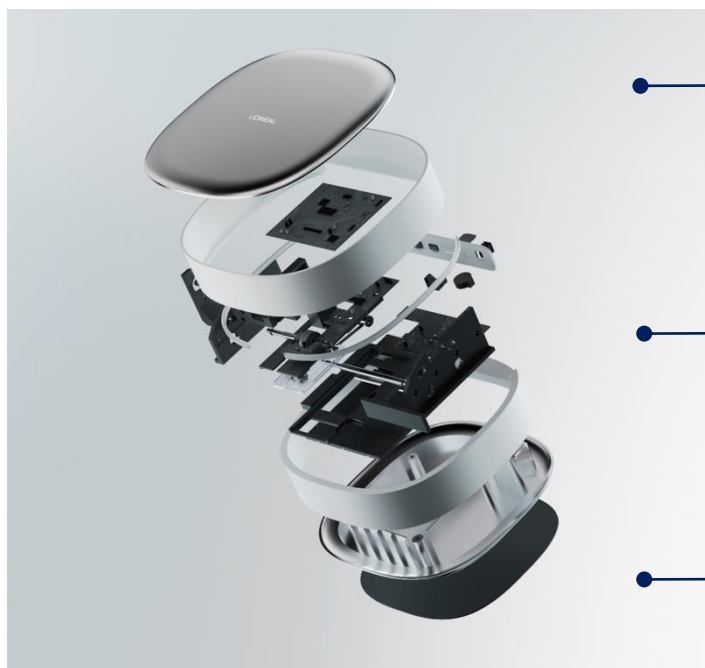
### Recommendations without explanation

Products were suggested, but no reasoning was clearly communicated. Men want to know *why and what it fixes*.

# L'Oréal Must Leverage Group Technology To Cater To Men's Needs

L'Oréal now must find a scientific yet in person solution to make skincare choices easier for men in the Nordics. Instead of looking outward, we looked right at your company – to *leverage your competencies in technological innovation.*

## L'Oreal Cell BioPrint



**A small adhesive patch collects skin surface biomarkers.**

The patch is then placed into a microfluidic chip device.



### OBJECTIVITY

Biological data replaces self-reporting and guesswork



**The system analyzes protein biomarkers:**

Skin aging processes, barrier function, inflammation potential, ingredient responsiveness, future skin risk factors.



### TRUST

Objective results, biomarker analysis builds institutional trust



**Results delivered in 5 minutes.**

From sample to final data - a significant leap forward from traditional skin analysis, which can take days.



### SIMPLICITY

Clear, actionable results & recommendations in minutes

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## L'Oreal Cell BioPrint



### How To Effectively Leverage The Cell BioPrint

#### AWARENESS

**Introduce** men to skin diagnostics through public, health-framed **pop-ups**, focused on the ease of use.

**43% of men prefer in-person shopping<sup>1</sup>** for beauty/skincare to test products before buying

#### INSTITUTIONALIZE RETAIL

Embed Cell BioPrint as a **permanent in-store service** across priority markets.

**Experiential technology boosts store dwell time by 25% and conversions by 40%<sup>2</sup>** drawing men who value functional demos over browsing.

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# L'Oréal Must Make The New Ease Of Skincare Accessible To Men Through Pop-Ups



After the skin test, men receive a **unique code** to log into **app** and view **results and personalized recommendations**

After results are done, men receive **personalized samples** to test products

## Key Messaging

**Physical Touchpoints With Tech**  
Leverages technology and wanted in-person interaction<sup>1</sup> to spark interest and reduce hesitation around skincare.

**Health, Not Beauty**  
Positions skincare as a scientific health check rather than a cosmetic ritual, keeping health easy and simple.

## Product Recommendations



*Push shaving as entry point to men, tailor pre/post shaving products to skin type.*



*Normalize skincare as a daily health behavior, with structured steps and benefits.*

**Key Takeaway:** Neutral, science-driven pop-ups transform skincare from a cosmetic purchase into a health behaviour, allowing L'Oréal to lead skin health education in the male beauty market.

# Scale Male Engagement Through Neutral, High-Foot Traffic Locations



Begin with **2 popups** in **each capital city** of the 4 countries for a duration of **6 months**



**Example: Mall of Scandinavia Stockholm**  
1.4M annual visitors, central mixed gender environment

## Implementation Steps



### Criteria for pop-up locations

High-traffic malls/streets, alignment with male shopping/commuting patterns



### Staff allocation

1 dermatologist (supporting testing) and 1 L'Oréal sales person (advising on app use) will run the pop-up

## Why Go For Neutral Locations?

### Neutral Public Access

Engages men in everyday high-traffic spaces, removing stigma and pressure from beauty stores or men-specific targets.

### Higher Daily Reach

Malls and transit hubs reach all men, not just eg. gym, sauna, sports game goers (20-25% gym penetration in Nordics)

### Curiosity-Driven Engagement

Gyms & sports venues are task-focused; retail atriums enable curiosity and voluntary interaction.

**65% of men prefer unisex beauty aisles<sup>1</sup>**

over dedicated "men's grooming" sections as neutral settings blend them in with general shoppers, reducing self-consciousness vs. isolated "guy spots" that draw attention.

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# L'Oréal Must Expand Skin Machines To Retailers Across The Nordics



## What steps should L'Oréal take to implement this?

## Benefits for L'Oréal

25

Year 1 - Implement machines in 25 stores around Nordic capitals



**10% annual basket size increase** due to personalized recommendations

75

Year 2 - Increase stores to 75 stores, rolling out in further in capitals + in Tier 2 cities



Position L'Oréal as the only **diagnostic-driven player** while **growing the male market** by converting non-users into buyers




L'oreal must **train 1 sales assistant per store** to assist the skin test machines




Reaching both **mass market and dermatological focus** through pharmacies

# Retailers Will Reap Many Benefits From New Skin Test Machines


## Why Would Retailers Want Skin Machines In Their Stores?



**Drives Incremental Traffic**  
The machines attract new footfall and create an experiential destination that differentiates the retailer from competitors

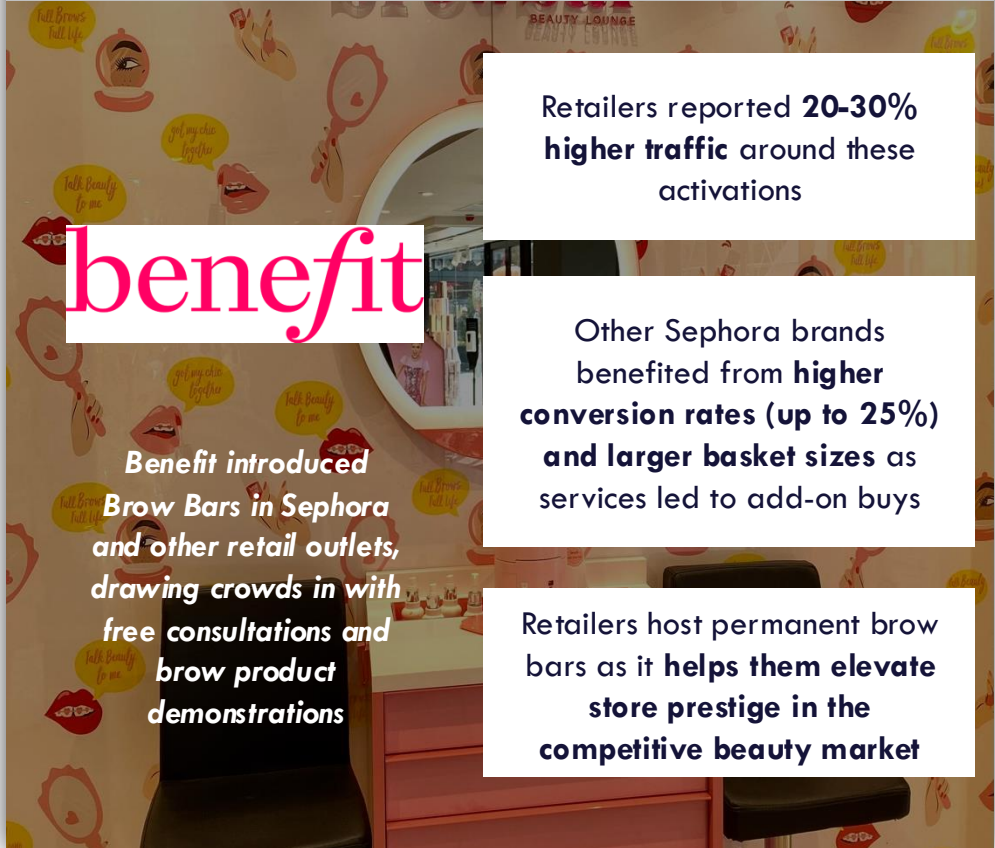


**Increases Conversion And Basket Size**  
Personalized recommendations reduce decision fatigue, increasing conversion rates and driving routine-based multi-product purchases



**Strengthens Customers Retention**  
App integration encourages repeat visits and replenishment purchases, supporting long-term category growth for the retailer

**Proof Of Concept**



**benefit**

*Benefit introduced Brow Bars in Sephora and other retail outlets, drawing crowds in with free consultations and brow product demonstrations*

Retailers reported **20-30% higher traffic** around these activations

Other Sephora brands benefited from **higher conversion rates (up to 25%) and larger basket sizes** as services led to add-on buys

Retailers host permanent brow bars as it **helps them elevate store prestige in the competitive beauty market**



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Vincent

Gen Z (20 years old)

Cares about his health and aesthetics, but doesn't know anything about skincare

Is knowledgeable about own skin

After completing the skin diagnostic, Vincent now has clear insight into his skin type and what impacts his skin.



Can see scientifically backed, objective skin data

Vincent has experienced the science and technology behind the skin tests first hand, increasing trust



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# L'Oréal Skin Turns Diagnostics Into Personalized Routines And Product Choices

A skin scan gives insightful diagnostics once, but men need **simple daily guidance** to act on it. The *L'Oréal Skin App* turns the skin scan into clear, actionable results.

**GOAL:**

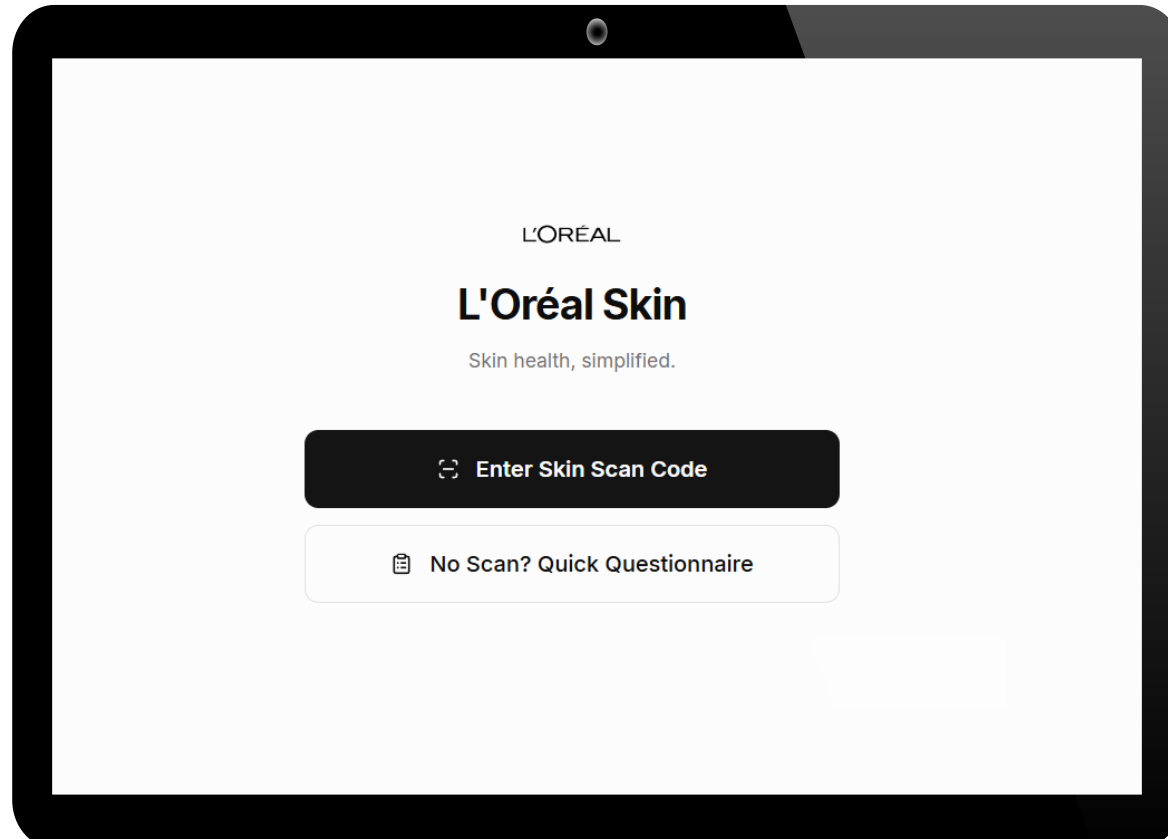
Tackle the **two pain points** of male consumers



**Lack of Product Knowledge**



**Skincare stigma & low peer normalization**



**CUSTOMER JOURNEY:**



**Step 1: Get Your Skin Health Check**



**Step 2: Understand Your Skin**



**Step 3: Get Your Personalized Skin Bundle**



**Step 4: Buy, Share, And Stay On Track**

**Scan The QR Code To Enter The App...**



**...And Become A Customer Of *L'Oréal Skin!***



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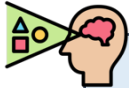
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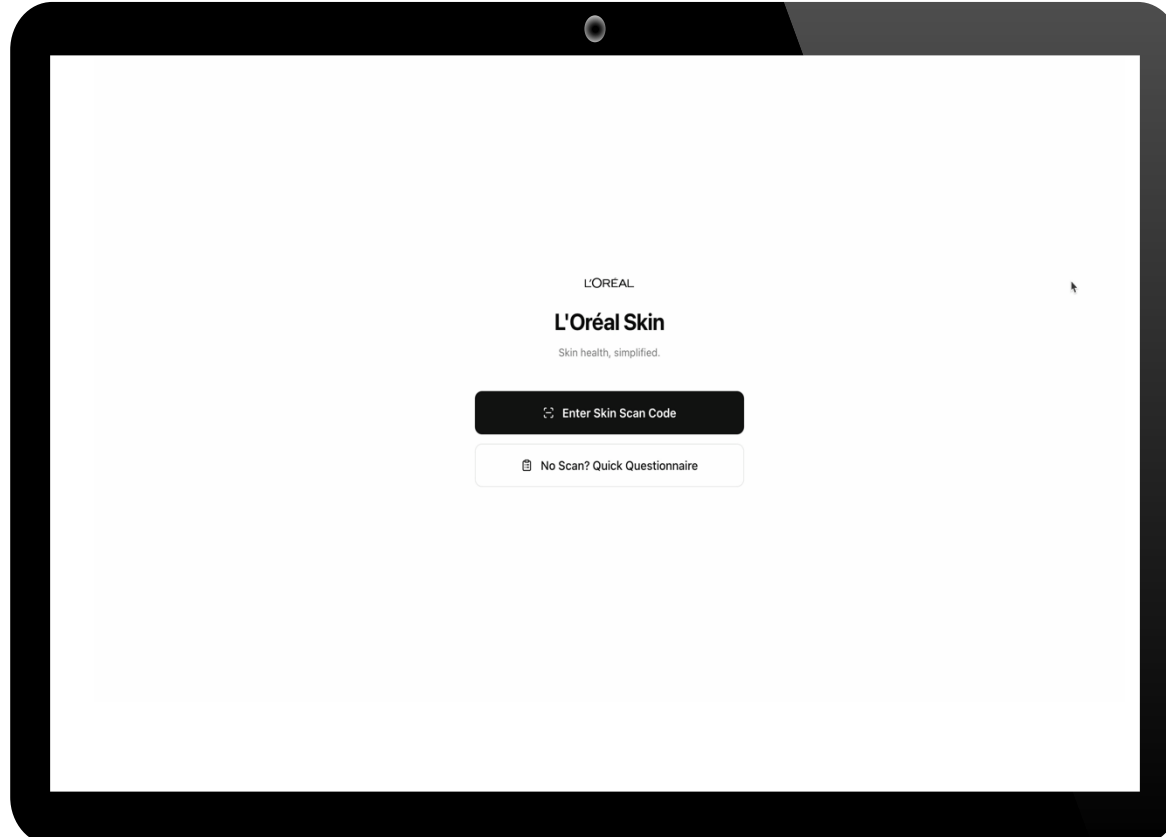
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## CUSTOMER JOURNEY:



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**Step 2: Understand Your Skin**



**Step 3: Get Your Personalized Skin Bundle**



**Step 4: Buy, Share, And Stay On Track**



# L'Oréal Skin Will Provide Information About Skin and Personalized Products

Pain Points Tackled:



Lack of knowledge about correct products

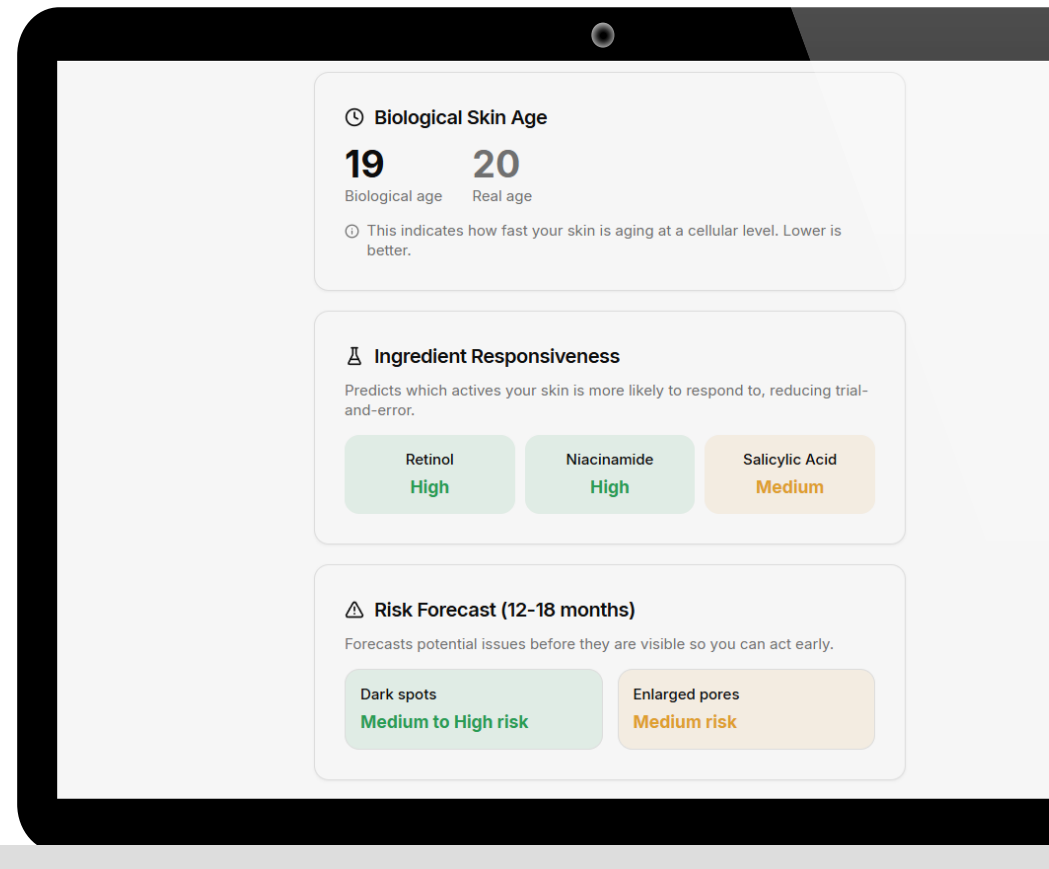


Low peer normalization & social engagement

## After submission, the portal shows:

### Skin Health Snapshot

Customer sees **Cell Bioprint results:**  
biological skin age, ingredient  
responsiveness, future risk forecast





# L'Oréal Skin Will Provide Information About Skin and Personalized Products

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Low peer normalization & social engagement

## After submission, the portal shows:

### Skin Health Snapshot

Customer sees **Cell Bioprint results:** biological skin age, ingredient responsiveness, future risk forecast

### Product Cards

For each product, user sees what it targets, why it's recommended, and what it does

## Key Benefits for Customer



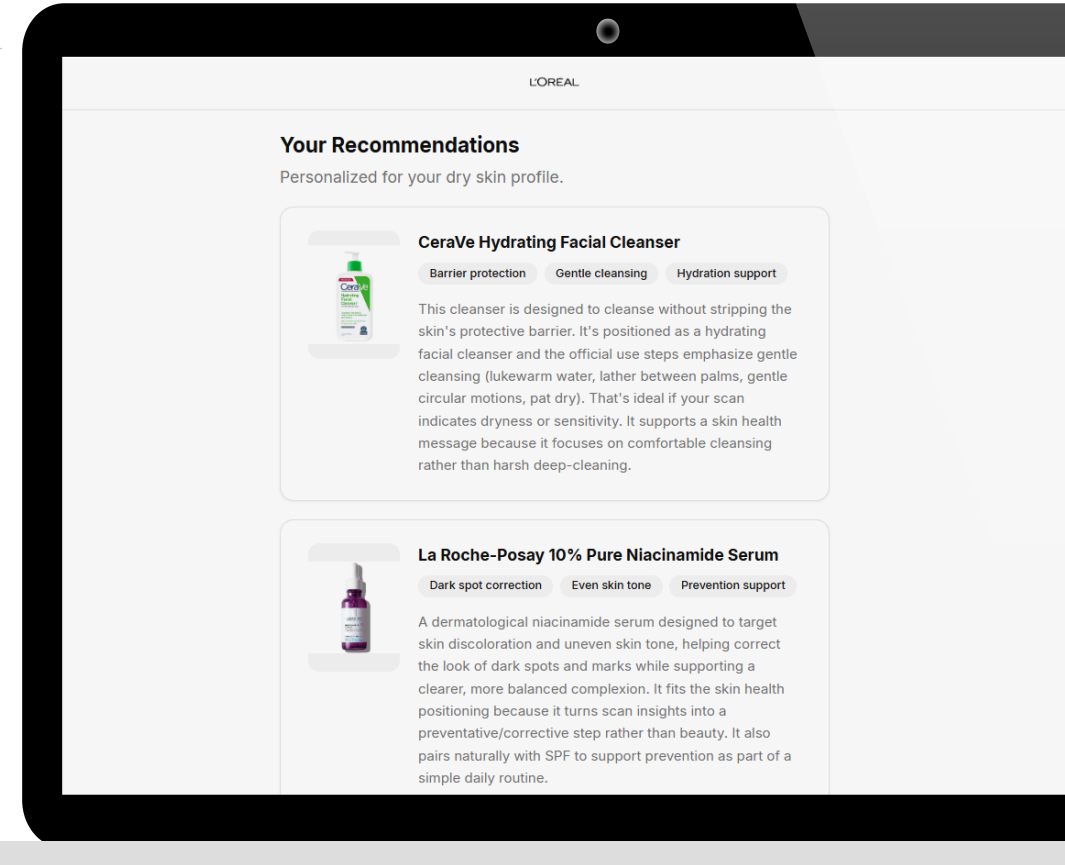
### Clear and Simple Recommendations

Clear rationale links each recommendation to the user's skin metrics and identified needs.



### Science-backed Recommendations Build Trust

Scan data increases trusted brand positioning.





# L'Oréal Skin Will Provide The Customers With A Personalized Guide

Pain Points Tackled:



Lack of knowledge about correct products



Low peer normalization & social engagement

**Key value proposition:** A personalized skin guide, translating skin results into a clear AM/PM routine.

**1** What to do with the product?

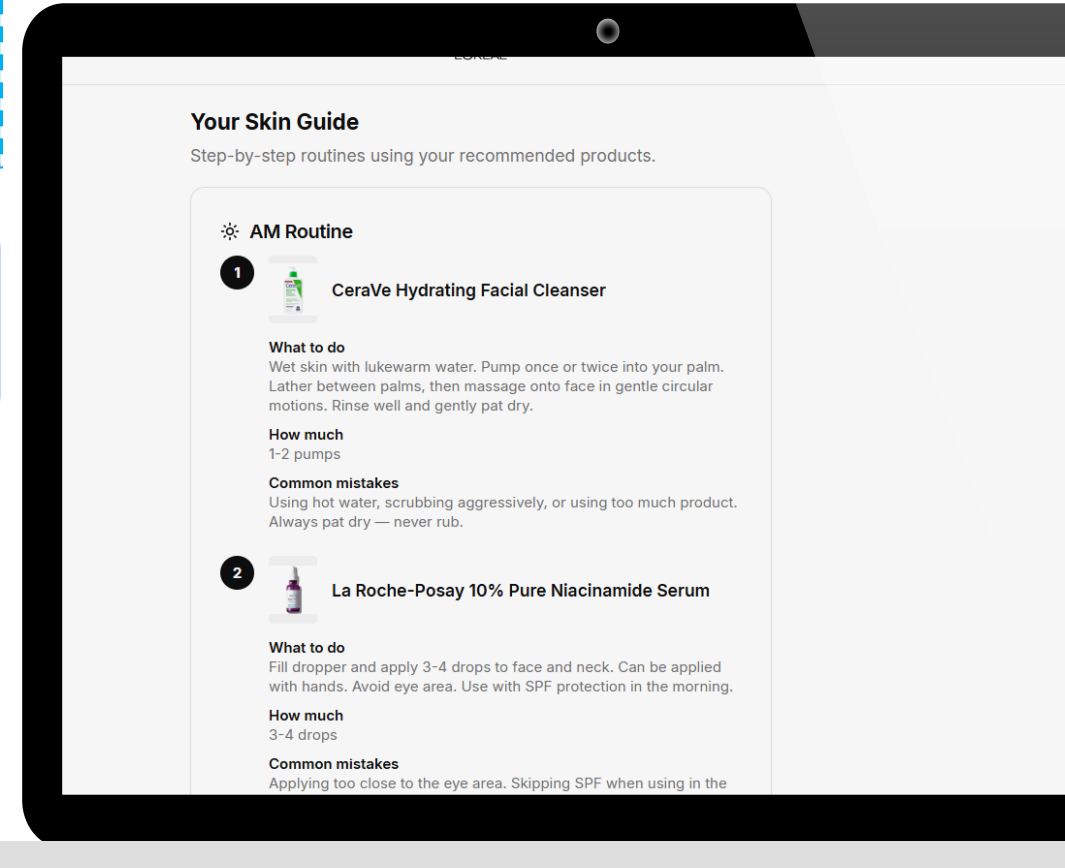
**2** How much of the product to use?

**3** What are the most common mistakes with the product?

## Key Benefits for Customer

**Higher Routine Adherence**  
Simple step-by-step guidance helps users stay consistent.

**Reduced Skin Irritation Risk**  
Clear guidance lowers the chance of overuse, incompatibilities, or misuse.





# L'Oréal Skin Will Promote Skin Scans Through An Organic Referral Loop

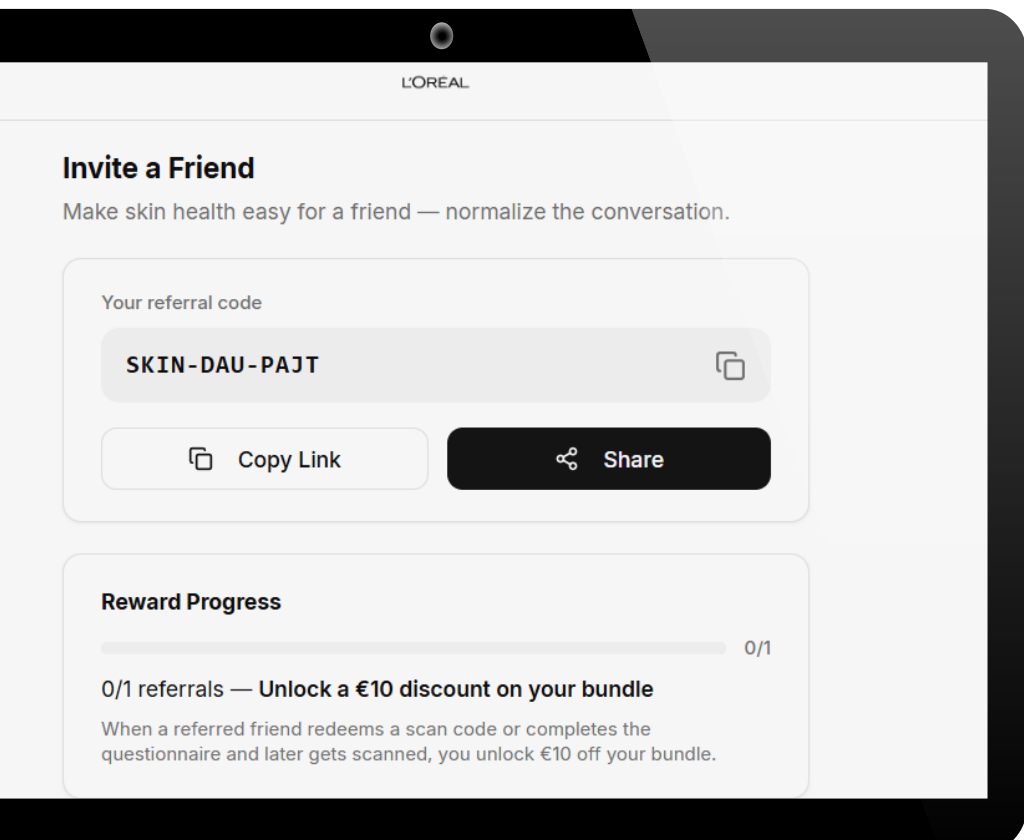
Pain Points Tackled:



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Low peer normalization & social engagement



## 1. Initial Sign-up

Vincent visits a pop-up, completes a Skin Health Check, signs up, and receives his personalized skin bundle.



## 2. Referral Program

Before purchasing, Vincent notices the in-app referral incentive to receive **€10 off** his bundle and shares his link with friends.



## 3. Referred Friends Repeat Loop

Each referred friend completes the same steps, purchasing the bundle and **driving organic member growth.**

### Why Referrals?

**Peer validation** normalizes skincare and reduces stigma, with **49% word-of-mouth** influence. This is why referrals are the best choice for skincare marketing catered towards men.



# L'Oréal Skin Will Incentivize The Customer To Re-scan Their Skin

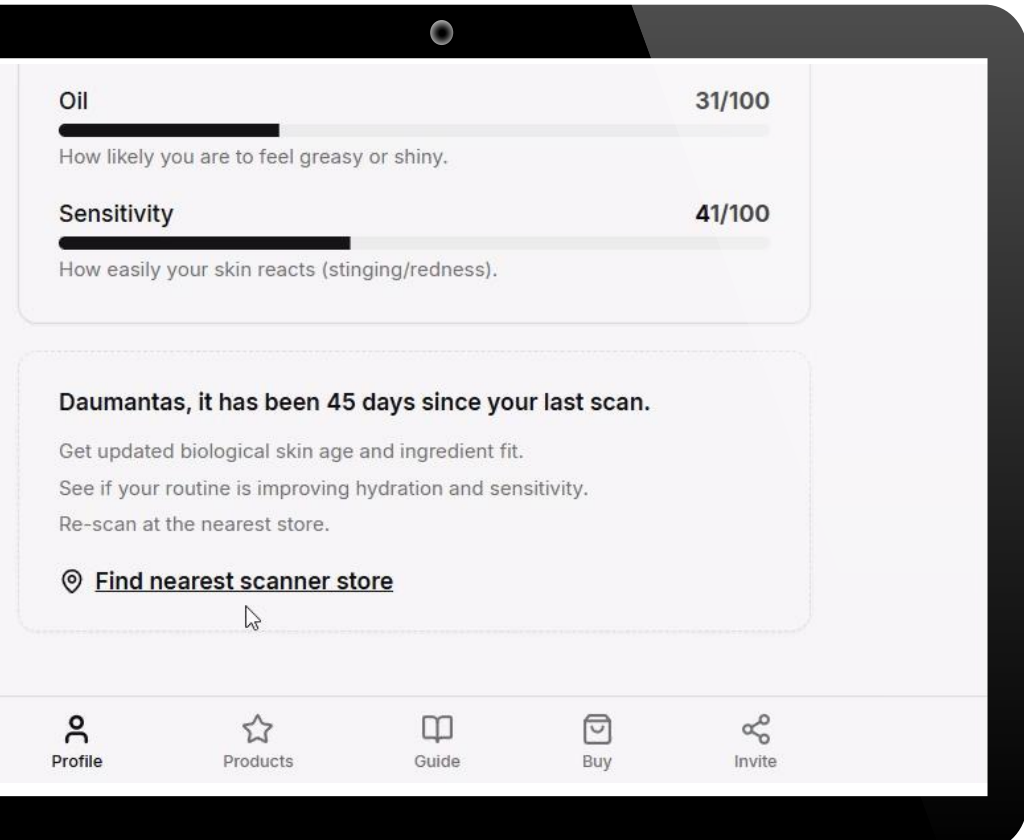
Pain Points Tackled:



Lack of knowledge about correct products



Low peer normalization & social engagement



## Why Re-scan?

Re-scans validate improvement, refresh the skin profile, and **adjust the routine** as skin changes with season, stress, and any other variable.

## How L'Oréal Skin Drives Re-scan Behavior

**L'Oréal Skin shows time since last scan, prompts progress updates, and directs users to nearby scanner retailers.**

## Mutual Benefits for the Customer & L'Oréal

### Customer

**Objective proof** that skin improves after using routine **reinforces customer satisfaction**

### L'Oréal

Re-scans drive new customers to beauty stores, providing **new opportunities to cross-sell products**



Vincent

Gen Z (20 years old)

Cares about his health and aesthetics, but doesn't know anything about skincare

Is knowledgeable about own skin

After completing the skin diagnostic, Vincent now has clear insight into his skin type and what impacts his skin.



Can see scientifically backed, objective skin data

Vincent has experienced the science and technology behind the skin tests first hand, increasing trust



Lack of knowledge about correct products

68% of Gen Z men use facial skincare, but many report uncertainty about what products their skin needs<sup>3</sup>

Low peer normalization & social engagement

44% of men avoid public skincare purchases due to embarrassment of being spotted in beauty aisles



L'Oréal makes men's skincare journeys easier!

In order to reach the target customer, L'Oreal must offer a simple, guided solution to help their male customers.



Vincent

Gen Z (20 years old)

Cares about his health and aesthetics, but doesn't know anything about skincare

Is knowledgeable about own skin

After completing the skin diagnostic, Vincent now has clear insight into his skin type and what impacts his skin.



Can see scientifically backed, objective skin data

Vincent has experienced the science and technology behind the skin tests first hand, increasing trust



Can confidently choose the right products

Scan-based recommendations explain why products fit Vincent's skin and how to use them daily



Feels supported and stays consistent

Word-of-mouth referrals and credible positioning reduce stigma and foster a supportive skincare community for Vincent.



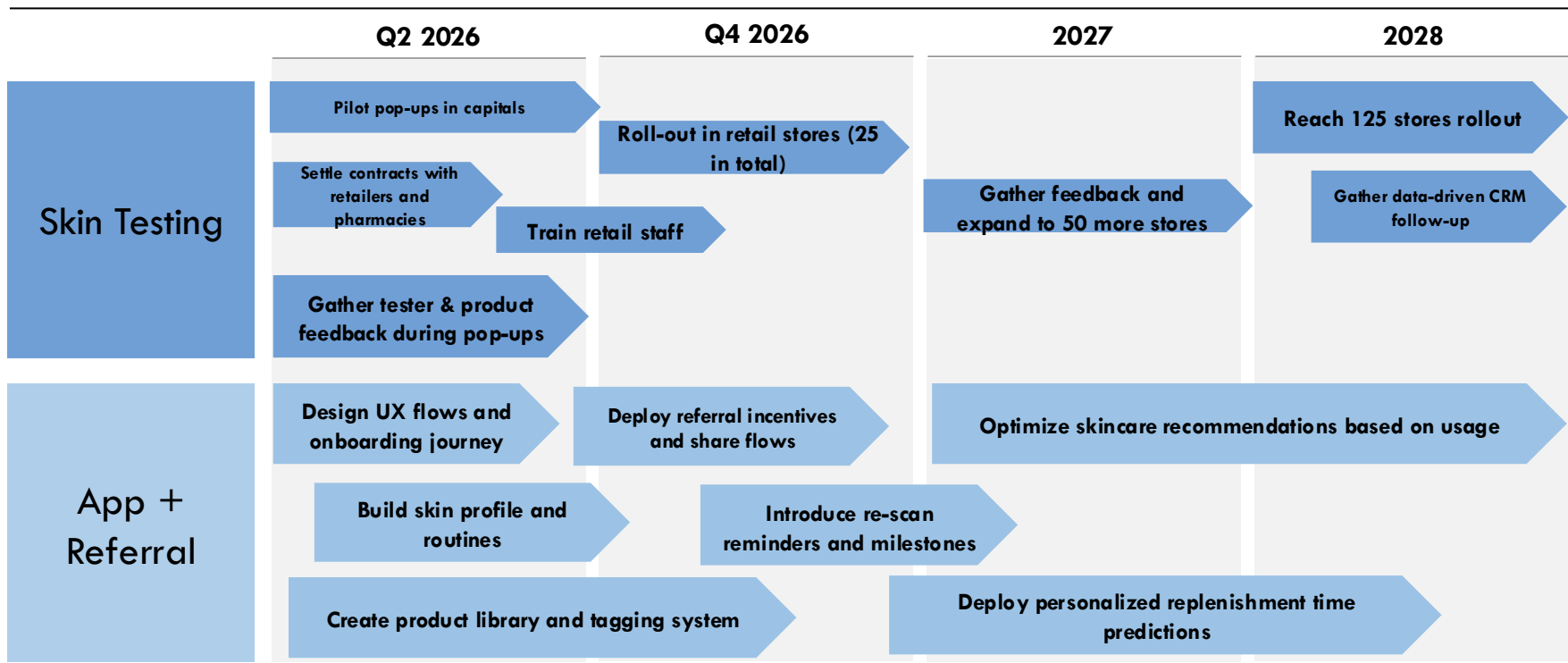
L'Oréal makes men's skincare journeys easier!

By making skin care **simple, trustworthy, and effortless** to follow, L'Oréal converts Vincent into an educated, **loyal repeat customer**.





# The „Master Your Skin“ Strategy Can Be Implemented In The Following Ways



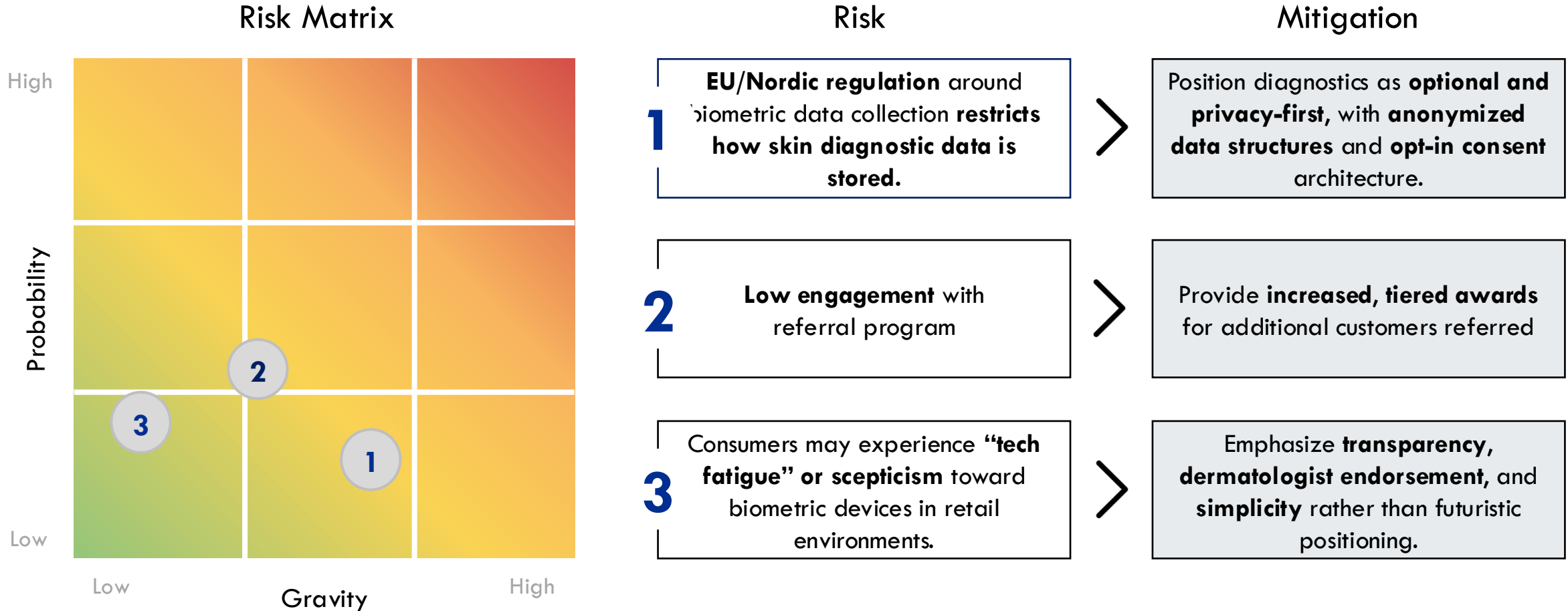
## Implementation Timeline



### Tomorrow's Action Points

-  Gain Proprietary Cell BioPrint Technology
-  Contact retail partners to determine terms for skin test rollout
-  Hire software engineers for app development
-  Develop QR code app download at scanner stations

# The “Master Your Skin” Strategy Has Risks That Can Be Mitigated



# IMPACT

Vincent



# An Investment Of **EUR 132 Mln** Will Be Required Over The Next 5 Years

## Our Key Annual Cost Drivers



**EUR 1.6 Mln Skin analysis machines Y2**  
(EUR 16,000 price per machine)



**EUR 880k App development Y1** (4 dermatologists + 6 FT software engineers + AI costs)

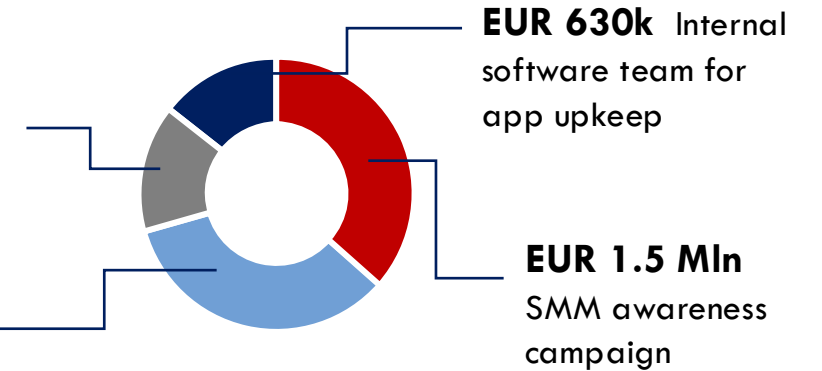


**EUR 1.5 Mln Awareness SMM campaign Y2**

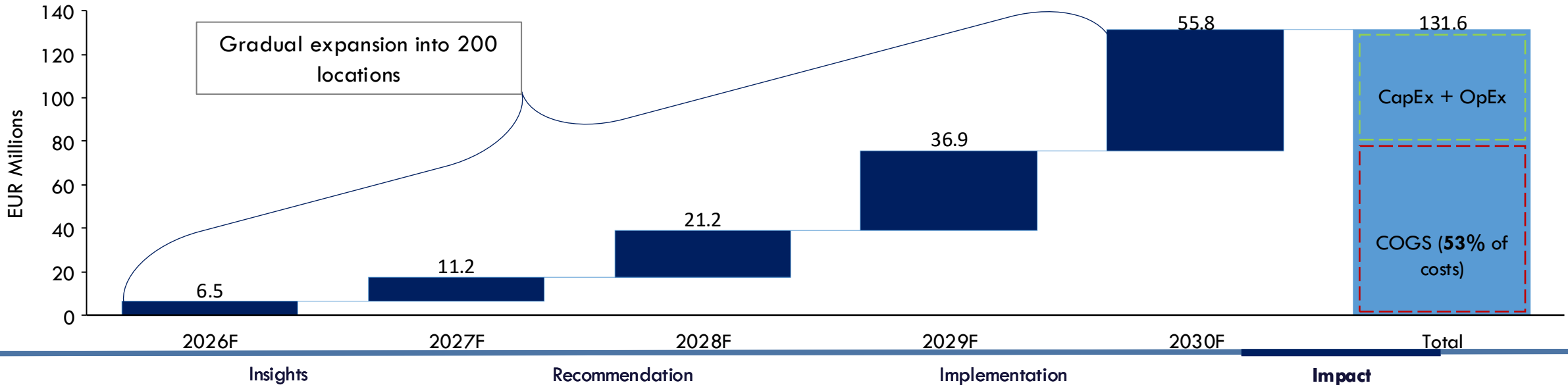
## Year 2 Cost Breakdown

**EUR 660k**  
Quality assurance  
internal team

**EUR 1.6 Mln**  
Skin analysis machine



## Investment Breakdown



## Our Strategy Reflects Success Through The Following KPIs

1

Men's face care segment penetration rate by 2030

64%

2

Men's shaving segment penetration rate by 2030

76%

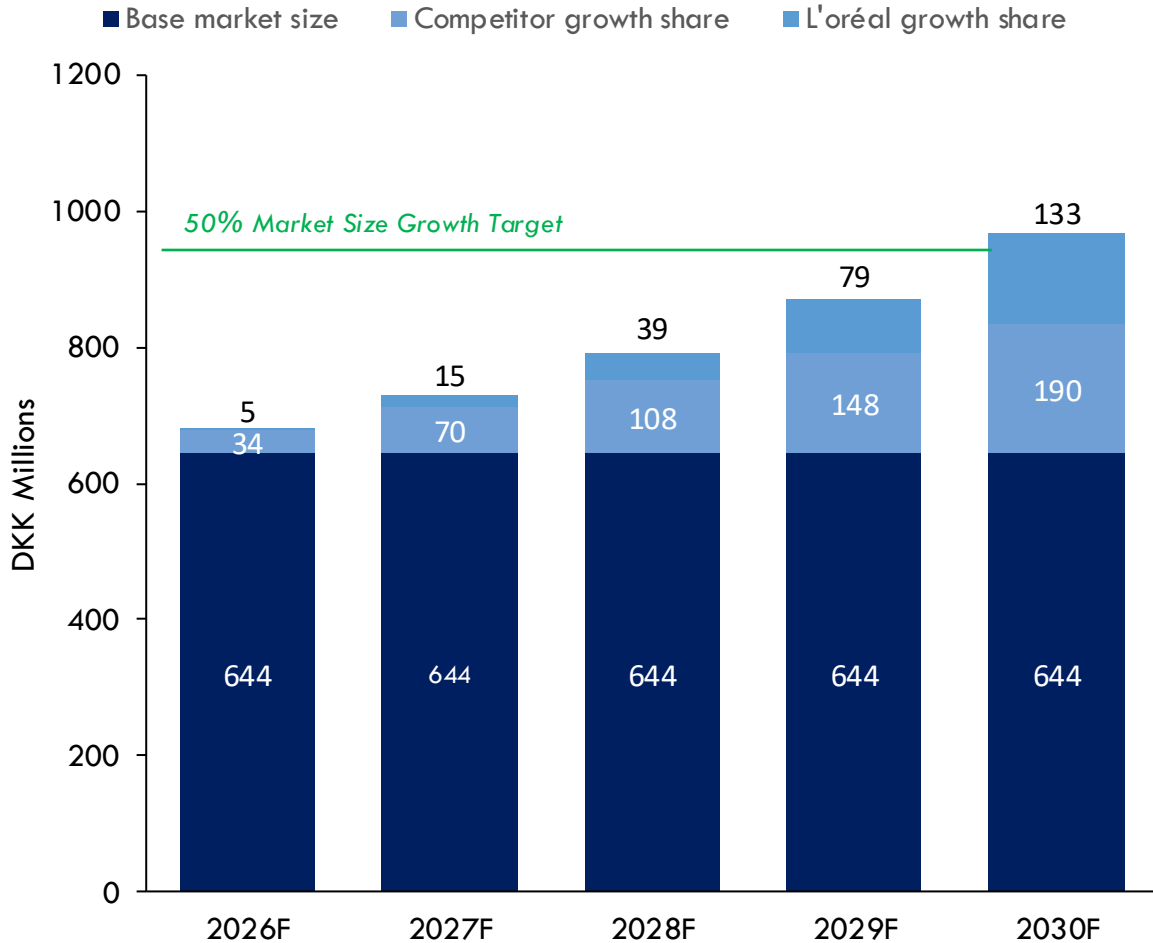
3

Men's grooming segment market growth captured

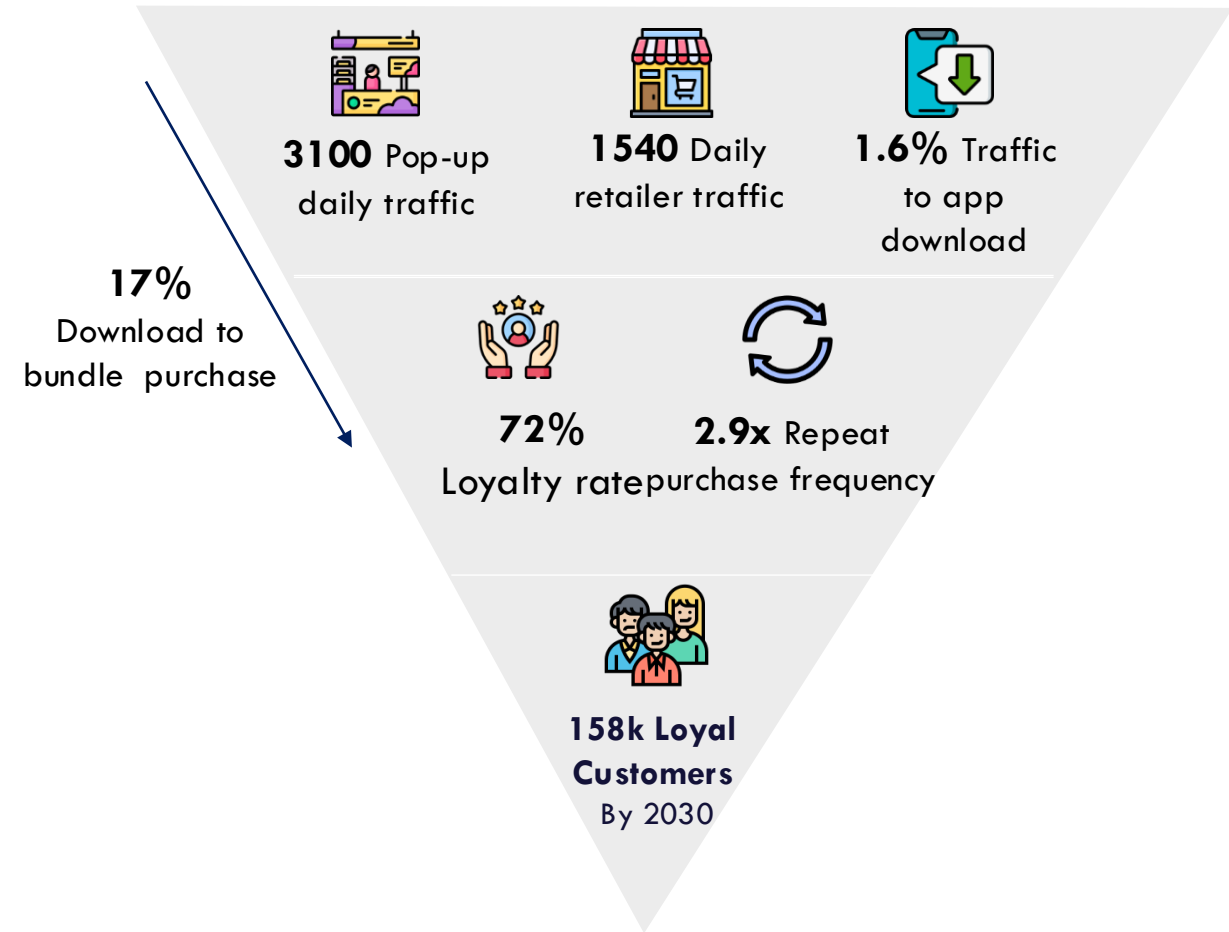
38.7%

# Leading To Incremental Revenues Of EUR 271 Mln Over The Next 5 Years

Nordic male beauty market size (2026F-2030F)

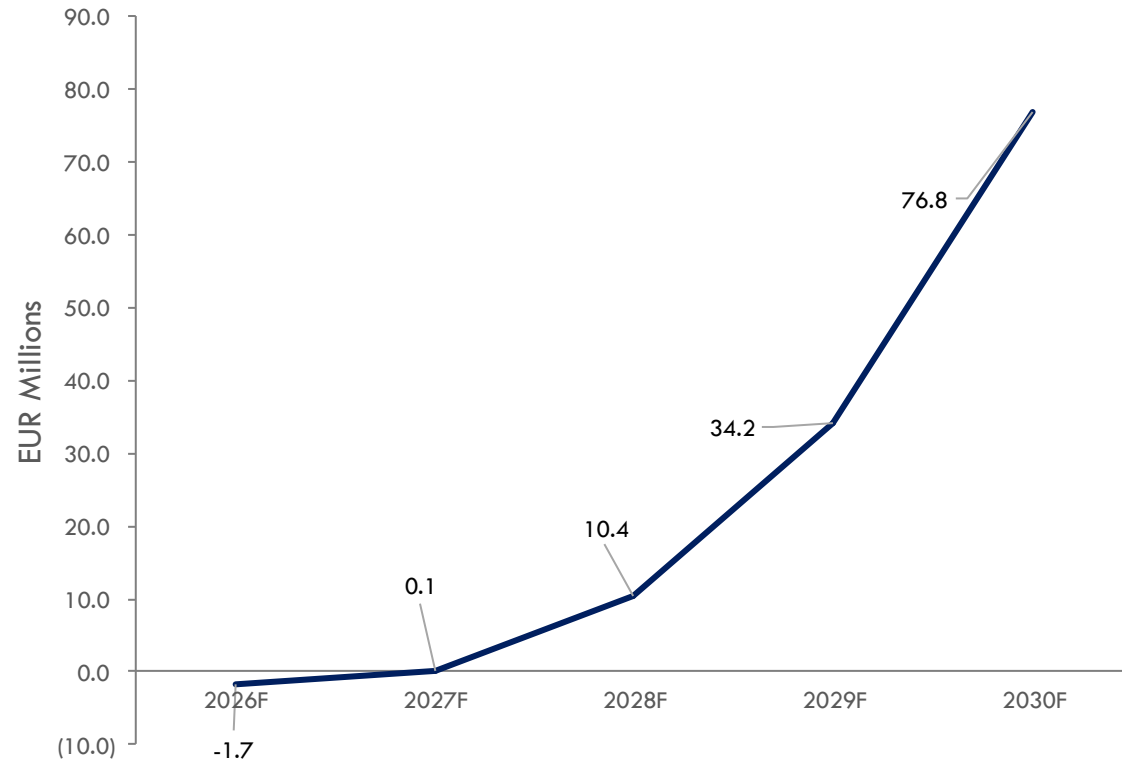


Our Key Assumptions

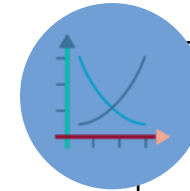


# Generating **EUR 87 Mln** In Net Present Value Over The Next 5 Years

Cumulative Discounted Free Cash Flow (EUR Mln)



Key Performance Indicators



Break-Even  
Point After  
**<2 years**



**74.2%**  
Gross profit margin



**EUR 87 Mln**  
Total NPV  
over 5 years

## At A Glance...



QUESTION

How can L'Oréal help grow the **Nordic male beauty market by 50% over the next five years**, and **what strategic initiatives** will ensure L'Oréal captures the largest share of this expansion?

## Master Your Skin



STRATEGY

### Scan

Deploy **skin diagnostics** in **pop-up and retail stores** to turn skincare into a trusted health check for men.

### Guide

Launch the **L'Oréal Skin app** to convert diagnostic insights into a **guided routine**.



IMPACT



**64%**  
Skin care segment  
penetration



**38.7%**  
Male beauty market  
growth captured



**EUR 87 Mln**  
Total NPV  
over 5 years

# APPENDIX



# The Meet Your Skin Strategy

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## Capital Expenditure

## Strategy Model - Cost Breakdown

1.	CapEx	Unit	2026F	2027F	2028F	2029F	2030F	Comments
1								
2	<b>Skin analysis machine purchasing costs</b>	EUR	<b>1,054,680</b>	<b>1,598,000</b>	<b>1,598,000</b>	<b>1,598,000</b>	<b>799,000</b>	
3	Cost per skin machine	EUR	15,980	15,980	15,980	15,980	15,980	See 5-source average
4	Number of additional machines purchased	#	66	100	100	100	50	Strategy
5	Number of retailers with machine integration	#	25	75	125	175	200	Strategy
6	Additional retailers requiring machines	#	25	50	50	50	25	Strategy
7	Number of pop-ups opened	#	8	-	-	-	-	Strategy
8	Number of machines per store/pop-up on average	#	2	2	2	2	2	Strategy
9								
10	<b>Pop-up build-out</b>	EUR	<b>232,800</b>					
11	Cost per pop-up	EUR	29,100					
12	Number of pop-ups opened	#	8					
13								
<b>Total CapEx</b>			<b>1,287,480</b>	<b>1,598,000</b>	<b>1,598,000</b>	<b>1,598,000</b>	<b>799,000</b>	<b>6,880,480</b>

## Operational Expenditure 1

2.	OpEx	Unit	2026F	2027F	2028F	2029F	2030F	Comments
1								
2	<b>Software development team</b>	<b>EUR</b>	<b>798,800.00</b>	<b>630,000.00</b>	<b>630,000.00</b>	<b>630,000.00</b>	<b>630,000.00</b>	
3	Number of FTE software	#	3	3	3	3	3	3 Strategy
4	Annual salary of FTE software	EUR	106,000	106,000	106,000	106,000	106,000	indeed
5	Number of FTE UI	#	3	3	3	3	3	3 Strategy
6	Annual salary of FTE UI	EUR	104,000	104,000	104,000	104,000	104,000	indeed
7	Number of user Experience (UX) psychology consultant	#	1	-	-	-	-	- Strategy
8	3-month salary of user Experience (UX) psychology	EUR	32,000	-	-	-	-	- indeed
9	Number of dermatologist consultants	#	4	-	-	-	-	- Strategy
10	Average salary per dermatologist consultant for 3-months	EUR	34,200	-	-	-	-	- indeed
11								
12	<b>Pop-up rent expenses</b>	<b>EUR</b>	<b>71,680</b>					
13	Average size per pop-up	M^2	20.00	-	-	-	-	- Strategy
14	Average rent per pop-up per M^2	EUR	448.00	-	-	-	-	- See 5-source average
15	Number of pop-ups	#	8.00	-	-	-	-	- Strategy
16								
17	<b>Internal team wages</b>	<b>EUR</b>	<b>976,000</b>	<b>660,000</b>	<b>1,100,000</b>	<b>1,540,000</b>	<b>1,760,000</b>	
18	Average semi-annual salary per dermatologist	EUR	62,500	-	-	-	-	- indeed
19	Number of dermatologists (1 per pop-up)	#	8	-	-	-	-	- strategy
20	Average semi-annual salary per pop-up employee	EUR	32,000	-	-	-	-	-
21	Number of pop-up employees (1 per pop-up)	#	8	-	-	-	-	-
22	Average annual salary of quality control manager	EUR	88,000	88,000	88,000	88,000	88,000	indeed
23	Number of store employees	#	3	8	13	18		20 strategy (1 per 10 partner store)

## Operational Expenditure 2

24								
25	<b>Cloud Hosting &amp; Infrastructure</b>	EUR	<b>12,474.00</b>	<b>117,810.00</b>	<b>184,800.00</b>	<b>242,550.00</b>	<b>258,720.00</b>	
26	Cost per thousand users	EUR	200.00	200.00	200.00	200.00	200.00	AWS
27	Number of users (in thousands)	#	62.37	589.05	924.00	1,212.75	1,293.60	From revenue calculation
28								
29	<b>AI/ML Personalization Engine</b>	EUR	<b>67,667.77</b>	<b>639,089.80</b>	<b>1,002,502.12</b>	<b>1,315,794.94</b>	<b>1,403,526.25</b>	
30	Price per million tokens	EUR	9	9	9	9	9	GPT 5 token price
31	Number of tokens (in millions)	#	7,519	71,010	111,389	146,199	155,947	Calculation
32	Average number of tokens per user	#	120,549	120,550	120,551	120,552	120,553	OpenAI Community
33	Number of users	#	62,370	589,050	924,000	1,212,750	1,293,600	Calculated in revenue
34								
35	<b>SMM awareness campaign</b>	EUR	<b>511,581</b>	<b>1,510,465</b>	<b>3,907,718</b>	<b>7,854,511</b>	<b>13,277,710</b>	
36	Percentage of revenue	%	10%	10%	10%	10%	10%	typically 30%
37	incremental revenue	EUR	5,115,806	15,104,649	39,077,177	78,545,106	132,777,097	
38								
39	<b>Machine maintenance</b>	EUR	<b>105,468</b>	<b>159,800</b>	<b>159,800</b>	<b>159,800</b>	<b>79,900</b>	
40	Percentage of initial purchase price as maintenance	%	10%	10%	10%	10%	10%	Assumption
41	Cumulative CapEx	EUR	1,054,680	1,598,000	1,598,000	1,598,000	799,000	Calculation
42								
43	<b>Forfeited revenues from refferal discounts</b>	EUR	<b>38,170</b>	<b>398,669</b>	<b>964,157</b>	<b>1,706,360</b>	<b>2,498,043</b>	
44	Refferal rate	%	50%	50%	50%	50%	50%	Assumption
45	Cost per refferal	EUR	10	10	10	10	10	Strategy
46	Number of loyal skin scans	#	7,634	79,734	192,831	341,272	499,609	Calculation
47								
48	<b>Other cost (including training &amp; onboarding)</b>	EUR	<b>1,287,480</b>	<b>1,598,000</b>	<b>1,598,000</b>	<b>1,598,000</b>	<b>799,000</b>	1x CapEx
49								
<b>Total OpEx</b>			<b>3,869,321</b>	<b>5,713,834</b>	<b>9,546,977</b>	<b>15,047,016</b>	<b>20,706,899</b>	<b>54,884,046</b>

## Strategy Revenues

Strategy - Incremental Revenue							Comments	
3.	Incremental Revenue	Unit	2026F	2027F	2028F	2029F		2030F
1								
2	Organic Nordic Men's Grooming Segment Size	EUR	678,342,600	714,294,758	752,152,380	792,016,456	833,993,328	Calculation
3	4-year historic CAGR for Grooming segment	%	5.3%	5.3%	5.3%	5.3%	5.3%	Case
4	Incremental organic market growth	EUR	34,142,600	70,094,758	107,952,380	147,816,456	189,793,328	Line 2 - 644,200,000
5	Required strategy incremental recurring revenue by 2030	EUR	132,306,672	-	-	-	-	
6								
7	<b>Revenue from pop-up store</b>	<b>EUR</b>	<b>3,847,522</b>	-	-	-	-	
8	App users	#	89,280	-	-	-	-	- Calculation
9	Average daily traffic per pop-up	#	3,100	-	-	-	-	- See 5-source average
10	Number of days pop-up event	#	180	-	-	-	-	- strategy (2026 Q2 & Q3)
11	Number of pop-ups opened	#	8	-	-	-	-	- Strategy (scandinavian capitals)
12	Traffic to machine trial conversion rate (download app)	%	2%	-	-	-	-	- See 5-source average
13	Download to bundle purchase conversion	%	17%	-	-	-	-	- See 5-source average
14	Number of loyal customers	#	15,178	-	-	-	-	- Calculation
15	Conversion to loyal customer post-purchase	%	26%	-	-	-	-	- See 5-source average
16	Average loyal purchase frequency per year	#	2.9	-	-	-	-	- See 5-source average
17	Wholesale Net Revenue per Bundle	EUR	65	-	-	-	-	- See 5-source average
18								
19	<b>Revenue from in-store retail and pharmacy placement</b>	<b>EUR</b>	<b>1,268,285</b>	<b>15,104,649</b>	<b>39,077,177</b>	<b>78,545,106</b>	<b>132,777,097</b>	
20	Additional App users	#	62,370	589,050	924,000	1,212,750	1,293,600	Calculation
21	Average daily targeted traffic	#	1,540	1,540	1,540	1,540	1,540	Calculation
22	Average daily traffic per store	#	2,800	2,800	2,800	2,800	2,800	See 5-source average
23	Percentage of traffic targeted	%	55%	55%	55%	55%	55%	+5% due to referral
24	Number of days store open	#	90	300	300	300	300	Strategy (Y1 only Q4)
25	Number of retailers/pharmacies with machine integration	#	25	75	125	175	200	500 total Matas + Kicks stores (strategy)
26	Traffic to machine trial conversion rate (download app)	%	1.8%	1.7%	1.6%	1.5%	1.4%	See 5-source average
27	Download to bundle purchase conversion	%	17%	17%	17%	17%	17%	See 5-source average
28	Number of loyal customers	#	7,634	72,100	113,098	148,441	158,337	Calculation
29	Cumulative number of loyal customer	#	7,634	79,734	192,831	341,272	499,609	Calculation
30	Conversion to loyal customer post-purchase	%	72%	72%	72%	72%	72%	Conservative (82% case)
31	Average loyal purchase frequency per year	#	2.9	3.2	3.5	3.9	4.2	See 5-source average (10% YoY increase)
32	Wholesale Net Revenue per Bundle	EUR	39	43	47	52	57	Calculation
33	AOV per retailer per bundle	EUR	72	81	92	104	117	See 5-source average (13% YoY increase)
34	Retailer margin	%	54%	54%	54%	54%	54%	Matas group reporting
35								
<b>Gross Total Incremental Revenue</b>			<b>5,115,806</b>	<b>15,104,649</b>	<b>39,077,177</b>	<b>78,545,106</b>	<b>132,777,097</b>	<b>270,619,835</b>
<b>Revenue Growth</b>				<b>195%</b>	<b>159%</b>	<b>101%</b>	<b>69%</b>	<b>131%</b>

## COGS

4.	COGS	Unit	2026F	2027F	2028F	2029F	2030F	Comments
1								
2	<b>Total COGS</b>	<b>EUR</b>	<b>1,319,878</b>	<b>3,897,000</b>	<b>10,081,912</b>	<b>20,264,637</b>	<b>34,256,491</b>	
3	COGS as a % of revenue	%	25.8%	25.8%	25.8%	25.8%	25.8%	Loreal annual report
4	Annual incremental revenue	EUR	5,115,806	15,104,649	39,077,177	78,545,106	132,777,097	
5								
	<b>Total COGS</b>		<b>1,319,878</b>	<b>3,897,000</b>	<b>10,081,912</b>	<b>20,264,637</b>	<b>34,256,491</b>	<b>69,819,917</b>
	<b>Total Costs (CapEx + OpEx + COGS)</b>		<b>6,476,679</b>	<b>11,208,833</b>	<b>21,226,888</b>	<b>36,909,653</b>	<b>55,762,390</b>	<b>131,584,444</b>

## Income Statement

Projected Income	2026F	2027F	2028F	2029F	2030F	Comments
Total Revenue	5,115,806	15,104,649	39,077,177	78,545,106	132,777,097	As calculated
- COGS	1,319,878	3,897,000	10,081,912	20,264,637	34,256,491	As calculated
<b>Gross Profit</b>	<b>3,795,928</b>	<b>11,207,650</b>	<b>28,995,265</b>	<b>58,280,469</b>	<b>98,520,606</b>	
- OpEx	3,869,321	5,713,834	9,546,977	15,047,016	20,706,899	As calculated
<b>EBITDA</b>	<b>- 73,393</b>	<b>5,493,816</b>	<b>19,448,288</b>	<b>43,233,453</b>	<b>77,813,707</b>	
- D&A	128,748	288,548	448,348	608,148	688,048	Estimated 10% of Capex
<b>EBIT</b>	<b>- 202,141</b>	<b>5,205,268</b>	<b>18,999,940</b>	<b>42,625,305</b>	<b>77,125,659</b>	
- Interest Expense	515,680	731,183	1,114,498	1,664,502	2,150,590	Estimated 10% of total cost
- Tax	- 107,673	671,113	2,682,816	6,144,121	11,246,260	15%
<b>Net Income</b>	<b>- 610,148</b>	<b>3,802,972</b>	<b>15,202,626</b>	<b>34,816,683</b>	<b>63,728,808</b>	116,940,942
<b>Net Income Growth</b>		<b>-723%</b>	<b>300%</b>	<b>129%</b>	<b>83%</b>	-53%
<b>WACC</b>	<b>7.1%</b>					
<b>NPV Net Income</b>	<b>86,809,351</b>					

## Unlevered Free Cash Flow Valuation

Unlevered Free Cash Flow Valuation	2026F	2027F	2028F	2029F	2030F	Comments
<b>NOPAT</b>	-171,820	4,424,478	16,149,949	36,231,509	65,556,810	Calculated (EBIT * (1-Tax rate))
+ D&A	128,748	288,548	448,348	608,148	688,048	As estimated above
+/- Change in NWC	-511,581	-998,884	-2,397,253	-3,946,793	-5,423,199	Estimated 10% of revenue
<b>OCF</b>	-554,652	3,714,142	14,201,045	32,892,864	60,821,659	
- CapEx	1,287,480	1,598,000	1,598,000	1,598,000	799,000	As calculated
<b>FCFF</b>	<b>-1,842,132</b>	<b>2,116,142</b>	<b>12,603,045</b>	<b>31,294,864</b>	<b>60,022,659</b>	<b>104,194,577</b>
<b>NPV FCFF</b>	<b>76,765,473</b>					

# 5-source average for assumptions 1

The average daily foot traffic of pop-up stores in Copenhagen, Oslo, Helsinki, Stockholm in high-traffic malls

Sector	Value	Source
Grand View Research	5,000	<a href="#">Grandviewresearch</a>
BNP Paribas Real Estate	3,600	<a href="#">Realestate.bnpparibas</a>
xNomad	3,550	<a href="#">Xnomad</a>
Finnish Council of Shopping Centers	2,000	<a href="#">Kauppakeskustyhdistys.fi</a>
NCSC Nordic	1,800	<a href="#">Ncscnordic</a>
<b>Average</b>	<b>3,190</b>	

Average cost of a skin analysis machine

Sector	Value	Source
Deloitte	14,500	<a href="#">Deloitte</a>
McKinsey	18,900	<a href="#">Mckinsey</a>
Statista	12,800	<a href="#">Statista</a>
PwC	16,200	<a href="#">Pwc</a>
BCG	17,500	<a href="#">Bcg</a>
<b>Average</b>	<b>15,980</b>	

average daily traffic of retail stores such as Matas, Kicks, and pharmacies, in Copenhagen, Aarhus, Oslo, Bergen, Helsinki, Tampere, Stockholm, Gothenburg.

Sector	Value	Source
Deloitte	2,800	<a href="#">Deloitte</a>
McKinsey	3,200	<a href="#">Mckinsey</a>
Statista	2,450	<a href="#">Statista</a>
PwC	2,600	<a href="#">Pwc.se</a>
BCG	2,950	<a href="#">Bcg</a>
<b>Average</b>	<b>2,800</b>	

average cost of building out a 20-square meter pop-up store

Sector	Value	Source
Deloitte	28,500	<a href="#">Deloitte</a>
McKinsey	32,000	<a href="#">Mckinsey</a>
Statista	24,800	<a href="#">Statista</a>
PwC	29,500	<a href="#">Pwc</a>
BCG	31,000	<a href="#">Bcg</a>
<b>Average</b>	<b>29,160</b>	

average cost of building out a 20-square meter pop-up store in Copenhagen, Oslo, Helsinki, Stockholm

Sector	Value	Source
Deloitte	28,500	<a href="#">Deloitte</a>
McKinsey	32,000	<a href="#">Mckinsey</a>
Statista	24,800	<a href="#">Statista</a>
PwC	29,500	<a href="#">Pwc.se</a>
BCG	31,000	<a href="#">Bcg</a>
<b>Average</b>	<b>29,160</b>	

average rent per square meter of building out a 20-square meter pop-up store in Copenhagen, Oslo, Helsinki, Stockholm

Sector	Value	Source
Deloitte	450	<a href="#">Deloitte</a>
McKinsey	520	<a href="#">Mckinsey</a>
Statista	380	<a href="#">Statista</a>
PwC	410	<a href="#">Pwc.dk</a>
BCG	480	<a href="#">Bcg</a>
<b>Average</b>	<b>448</b>	

Average cost per thousand users of an app in Cloud Hosting & Infrastructure expenses

Sector	Value	Source
Grand View Research	500	<a href="#">Grandviewresearch</a>
Statista	400	<a href="#">Statista</a>
AAG IT	300	<a href="#">Aag-it</a>
Melbicom	290	<a href="#">Melbicom</a>
This is Glance	85	<a href="#">Thisisglance</a>
<b>Average</b>	<b>315</b>	

conversion rate from visiting a retail store to testing a new skincare machine in the retail machine

Sector	Value	Source
Deloitte	18	<a href="#">Deloitte</a>
McKinsey	22	<a href="#">Mckinsey</a>
Statista	15	<a href="#">Statista</a>
PwC	19	<a href="#">Pwc</a>
BCG	21	<a href="#">Bcg</a>
<b>Average</b>	<b>19</b>	

conversion from an initial bundled purchase to becoming a loyal customer who repurchases from a skincare brand

Sector	Value	Source
Mageloyalty	29	<a href="#">Mageloyalty</a>
Bluecore	22	<a href="#">Bluecore</a>
Arbelle	28	<a href="#">Arbelle</a>
TryPropel	25	<a href="#">Trypropel</a>
Mobiloud	26	<a href="#">Mobiloud</a>
<b>Average</b>	<b>26</b>	

## 5-source average for assumptions 2

Loreal's average purchase frequency per year

Sector	Value	Source
McKinsey (Kiko Milano interview)	2.3	<a href="#">Mckinsey</a>
GAIN (L'Oréal case study)	3.4	<a href="#">Thisisgain</a>
AMW Group (L'Oréal Paris makeup)	3	<a href="#">Amworldgroup</a>
Yotpo (loyalty insights reference)	2.7	<a href="#">Yotpo</a>
Bluecore (beauty personalization context)	2.9	<a href="#">Bluecore</a>
<b>Average</b>	<b>2.9</b>	

AOV per retailer per bundle order

Sector	Value	Source
Grips Intelligence	137.5	<a href="#">Gripsintelligence</a>
ECDB	121.3	<a href="#">Ecdb</a>
L'Oréal Partner Shop	122	<a href="#">Uk.lorealpartnershop</a>
Salesforce	132.2	<a href="#">Salesforce</a>
GAIN	137.5	<a href="#">Thisisgain</a>
<b>Average</b>	<b>130</b>	

average conversion rate from downloading a skin-care app to purchasing from the app

Sector	Value	Source
UXCam	23	<a href="#">Uxcam</a>
Tapcart	13	<a href="#">Tapcart</a>
JMango360	27	<a href="#">Jmango360</a>
Airship (Ulta Beauty)	12	<a href="#">Airship</a>
Netcore Cloud	23	<a href="#">Netcorecloud</a>
<b>Average</b>	<b>20</b>	

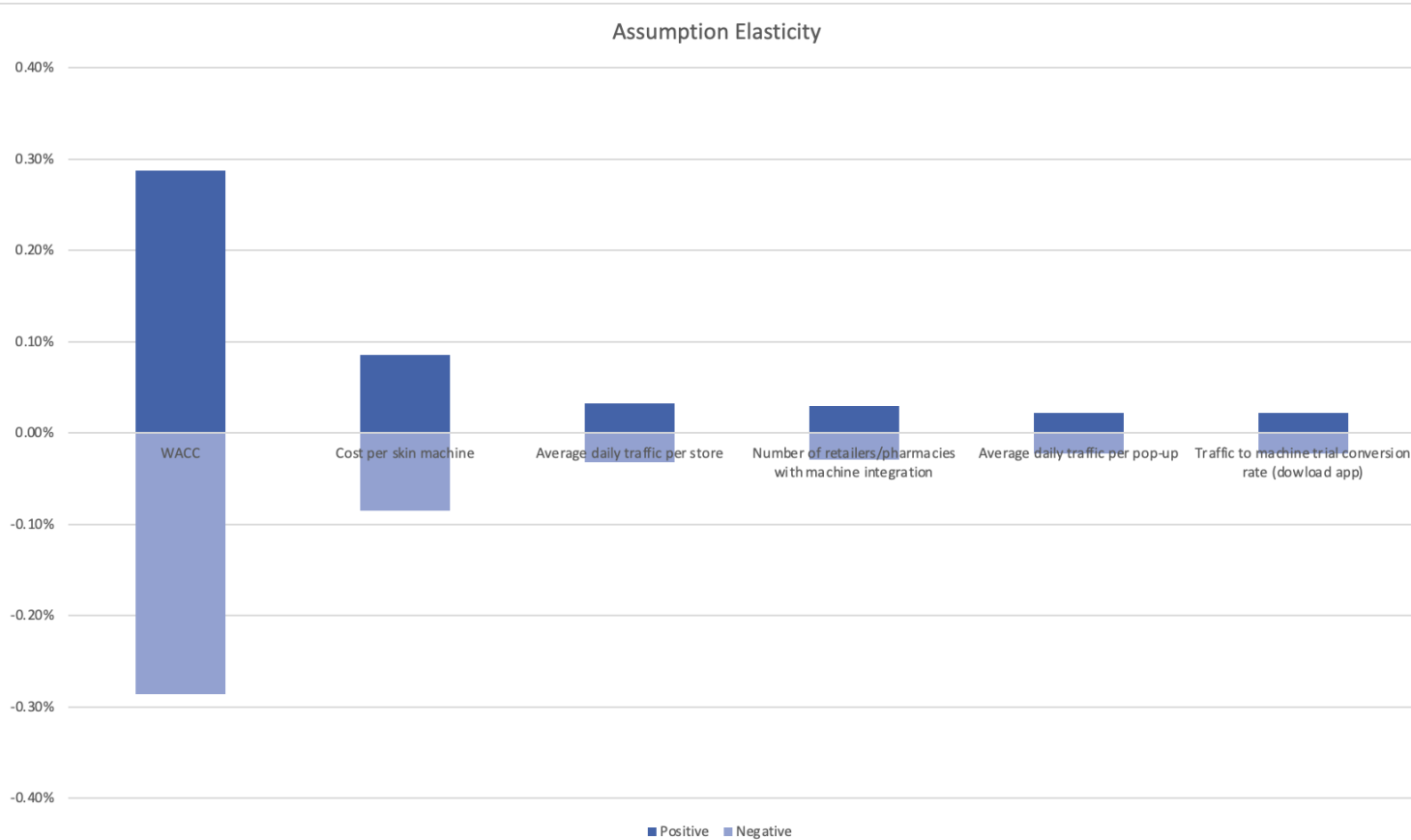
Average YoY increase in loyal customer purchase frequency due to skin-personalized bundle creation

Sector	Value	Source
Zigpoll	25	<a href="#">Zigpoll</a>
Alexander Jarvis	22	<a href="#">Alexanderjarvis</a>
Nudge	18	<a href="#">Nudgenow</a>
McKinsey	12	<a href="#">Mckinsey</a>
Rivo	15	<a href="#">Rivo</a>
<b>Average</b>	<b>18</b>	

average YoY increase in loyal customer AOV due to skin-personalized bundle creation

Sector	Value	Source
Envive AI	25	<a href="#">Envive</a>
Arbelle	22	<a href="#">Arbelle</a>
Recharge	11	<a href="#">Getrecharge</a>
Insider One	9	<a href="#">Insiderone</a>
Involve.me	8	<a href="#">Involve.me</a>
<b>Average</b>	<b>15</b>	

# Elasticity analysis



3. Ascending Order		
Assumption	Positive	Negative
WACC	0.287%	-0.286%
Cost per skin machine	0.086%	-0.086%
Average daily traffic per store	0.032%	-0.032%
Number of retailers/pharmacies with machine integration	0.030%	-0.030%
Average daily traffic per pop-up	0.022%	-0.022%
Traffic to machine trial conversion rate (download app)	0.022%	-0.022%
Download to bundle purchase conversion	0.022%	-0.022%
Wholesale Net Revenue per Bundle	0.022%	-0.022%
Average loyal purchase frequency per year	0.017%	-0.017%
Cost per pop-up	0.003%	-0.003%
Average rent per pop-up per M <sup>2</sup>	0.001%	-0.001%
Organic Market CAGR	0.000%	0.000%
Inflation Rate	0.000%	0.000%
Conversion to loyal customer post-purchase	0.000%	0.000%

## Sensitivity analysis on NPV Net income: WACC vs Cost per skin machine

## NPV Net Income

		Cost per skin machine												
		18980	18480	17980	17480	16980	16480	15980	15480	14980	14480	13980	13480	12980
WACC	0.101	75,772,319	75,986,786	76,201,252	76,415,719	76,630,185	76,844,652	77,059,118	77,273,585	77,488,051	77,702,517	77,916,984	78,131,450	78,345,917
	0.096	77,279,995	77,497,327	77,714,659	77,931,991	78,149,322	78,366,654	78,583,986	78,801,318	79,018,650	79,235,982	79,453,314	79,670,645	79,887,977
	0.091	78,825,779	79,046,036	79,266,292	79,486,549	79,706,805	79,927,062	80,147,318	80,367,575	80,587,831	80,808,088	81,028,344	81,248,601	81,468,857
	0.086	80,410,834	80,634,076	80,857,318	81,080,560	81,303,802	81,527,044	81,750,286	81,973,527	82,196,769	82,420,011	82,643,253	82,866,495	83,089,737
	0.081	82,036,362	82,262,652	82,488,942	82,715,232	82,941,522	83,167,812	83,394,102	83,620,391	83,846,681	84,072,971	84,299,261	84,525,551	84,751,841
	0.076	83,703,610	83,933,012	84,162,414	84,391,816	84,621,219	84,850,621	85,080,023	85,309,425	85,538,827	85,768,229	85,997,631	86,227,033	86,456,436
	0.071	85,413,870	85,646,450	85,879,030	86,111,610	86,344,191	86,576,771	86,809,351	87,041,931	87,274,512	87,507,092	87,739,672	87,972,252	88,204,832
	0.066	87,168,479	87,404,305	87,640,131	87,875,957	88,111,783	88,347,609	88,583,435	88,819,261	89,055,087	89,290,913	89,526,739	89,762,565	89,998,392
	0.061	88,968,824	89,207,965	89,447,107	89,686,248	89,925,390	90,164,531	90,403,673	90,642,815	90,881,956	91,121,098	91,360,239	91,599,381	91,838,522
	0.056	90,816,342	91,058,871	91,301,399	91,543,928	91,786,456	92,028,985	92,271,513	92,514,042	92,756,570	92,999,099	93,241,627	93,484,156	93,726,684
	0.051	92,712,523	92,958,512	93,204,501	93,450,490	93,696,479	93,942,468	94,188,458	94,434,447	94,680,436	94,926,425	95,172,414	95,418,403	95,664,392
	0.046	94,658,912	94,908,437	95,157,963	95,407,488	95,657,013	95,906,538	96,156,064	96,405,589	96,655,114	96,904,639	97,154,165	97,403,690	97,653,215
	0.041	96,657,111	96,910,250	97,163,389	97,416,528	97,669,668	97,922,807	98,175,946	98,429,085	98,682,224	98,935,363	99,188,503	99,441,642	99,694,781

# Break-even Analysis

Break-even analysis	Discount factor	Discounted FCFF	Cumulative Discounted FCFF
2026F	0.93	-1,720,011.34	-1,720,011.34
2027F	0.87	1,844,869.98	124,858.64
2028F	0.81	10,259,047.96	10,383,906.60
2029F	0.76	23,785,659.09	34,169,565.69
2030F	0.71	42,595,907.41	76,765,473.10

Break-even point: 1.93 years

## Men's Shaving Segment Penetration Rate Calculation (2026F-2030F)

<b>Loreal mens shaving segment penetration rate</b>	<b>%</b>	<b>64%</b>
Total skincare adressable market	#	8,775,000
Nordic population	#	27,000,000
Percentage male	%	50%
Percentage aged 16-65	%	65%
Percentage of unpenetrated men	%	36%
Number of untapped men	#	3,159,000
Percentage of men target by strategy	%	72%
Number of untapped men reachable	#	2,274,480
New penetrated customers (loyal + one-time)	#	1,793,209
Percentage of customers purchasing shaving	%	60%
<b>2030 penetration rate</b>	<b>%</b>	<b>76.3</b>

## Men's Skin Care Segment Penetration Rate Calculation (2026F-2030F)

<b>Loreal men's skin care penetration rate</b>	<b>%</b>	<b>42%</b>
Total skincare adressable market	#	8,775,000
Nordic population	#	27,000,000
Percentage male	%	50%
Percentage aged 16-65	%	65%
Percentage of unpenetrated men	%	58%
Number of untapped men	#	5,089,500
Percentage of men target by strategy	%	72%
Number of untapped men reachable	#	3,664,440
New penetrated customers (loyal + one-time)	#	1,793,209
<b>2030 penetration rate</b>	<b>%</b>	<b>62%</b>

# Men's grooming segment market growth explanation (all figures in EUR)

1 | 2030 Organic segment size

834 Mln

2 | 2030 Required market size for 50% growth target

966 Mln

3 | Strategy-led 2030 revenue to meet target

132 Mln

## L'oréal 7.1% WACC calculation

The WACC of L'Oreal SA (OR.PA) is 7.1%.

The Cost of Equity of L'Oreal SA (OR.PA) is 7.3%.

The Cost of Debt of L'Oreal SA (OR.PA) is 4.25%.

	Range	Selected
Cost of equity	6.1% - 8.5%	7.3%
Tax rate	23.9% - 24.3%	24.1%
Cost of debt	4.0% - 4.5%	4.25%
<b>WACC</b>	<b>6.0% - 8.3%</b>	<b>7.1%</b>

Category	Low	High
Long-term bond rate	3.0%	3.5%
Equity market risk premium	5.8%	6.8%
Adjusted beta	0.54	0.66
Additional risk adjustments	0.0%	0.5%
Cost of equity	6.1%	8.5%
Tax rate	23.9%	24.3%
Debt/Equity ratio ⓘ	0.04	0.04
Cost of debt	4.0%	4.5%
After-tax WACC	6.0%	8.3%
<b>Selected WACC</b>	<b>7.1%</b>	

# Science-Oriented Consumers Expect Trust And Omnichannel Convenience

L'Oréal needs to serve a **broad customer base** within the **dermatological beauty segment**, but how is your target customer characterized, and what does he care about?

## Target Customer Profile



**Science oriented:** 92% of skincare consumers indicate they look for scientific proof behind skincare claims<sup>1</sup>



**Inter-gender:** men's spending on dermatological care has increased by 10% more than women's<sup>2</sup>



**Health conscious:** 81% of dermatological beauty consumers actively reflect on their body's health<sup>3</sup>



**Urban individuals:** 77% of global beauty sales still happen in offline retail<sup>4</sup>

## Customer Needs

### Trust and Authenticity

Dermatologist-endorsed products see 30% higher purchase intent<sup>5</sup> **+30%**

### Omnichannel Experience

**54%**

of Nordic consumers prefer "touch and feel" experiences in stores when buying skincare<sup>6</sup>

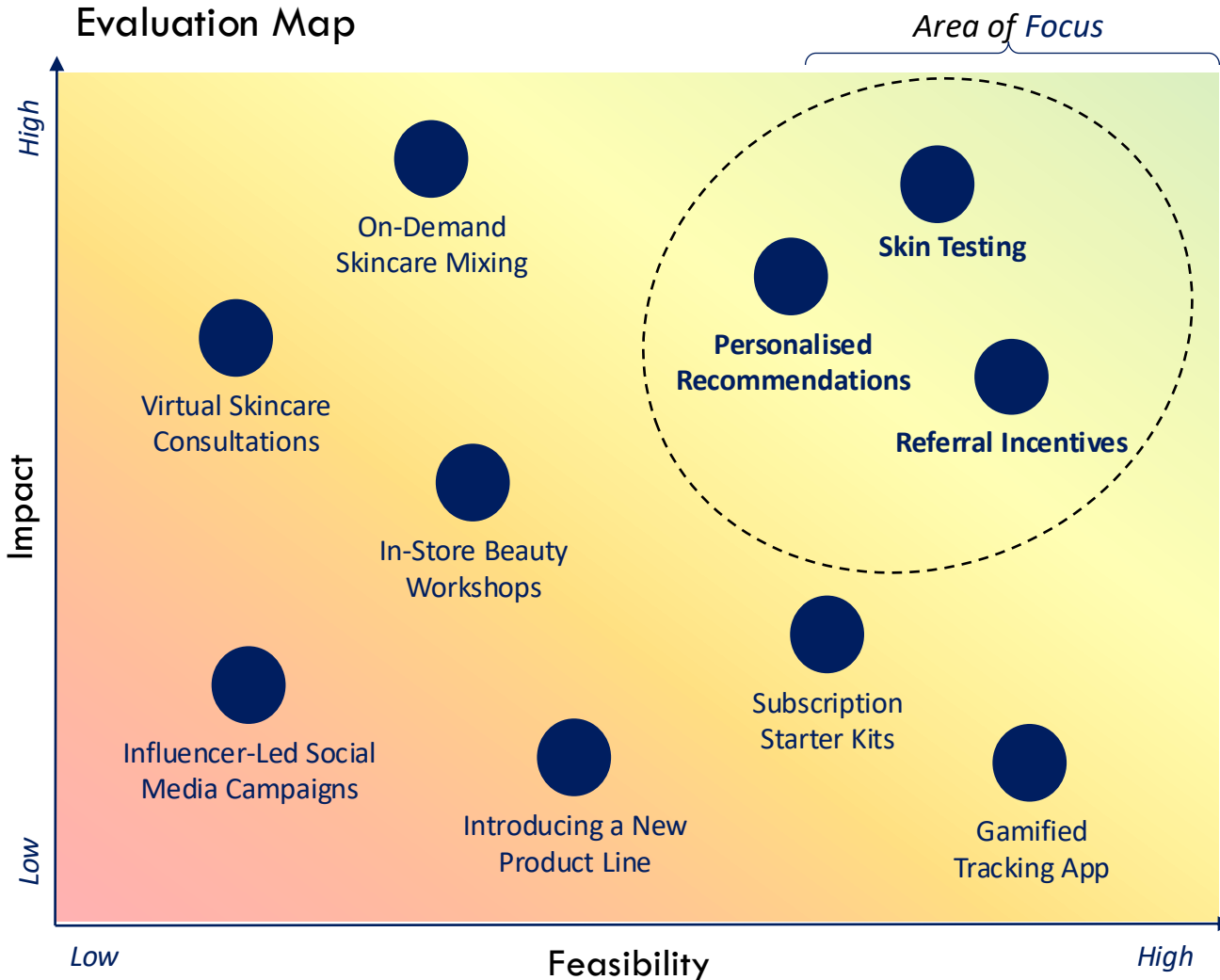
**80%**

of Nordic customers shop online monthly, loving seamless omnichannel experiences<sup>7</sup>

## Competitor Evaluation Rationale

<b>L'Oréal</b>	Only beauty conglomerate covering mass, luxe, dermo, professional hair & skincare globally; #1 worldwide in beauty revenue and broadest geographic footprint <sup>1</sup>
<b>Estée Lauder</b>	Strong prestige and skincare focus with global scale; less diversified across mass and professional segments <sup>2</sup>
<b>P&amp;G (Beauty Division)</b>	Large global revenue base and strong haircare/grooming brands; beauty is only part of broader FMCG portfolio <sup>3</sup>
<b>Unilever (Beauty &amp; Wellbeing)</b>	Significant global presence and scale; beauty not core focus and limited presence in luxury/dermo segments <sup>4</sup>
<b>Beiersdorf</b>	Strong dermatological skincare (e.g., Nivea) but narrow category scope and smaller global scale <sup>5</sup>
<b>Coty</b>	Heavy concentration in fragrances and cosmetics; limited diversification and lower overall beauty revenue <sup>6</sup>

# Strategy Evaluation Rationale 1



**On-Demand Skincare Mixing**

Supply chain complexity, inventory fragmentation, production redesign. Additionally, L'Oréal itself isn't even a retailer, so execution would prove complicated.



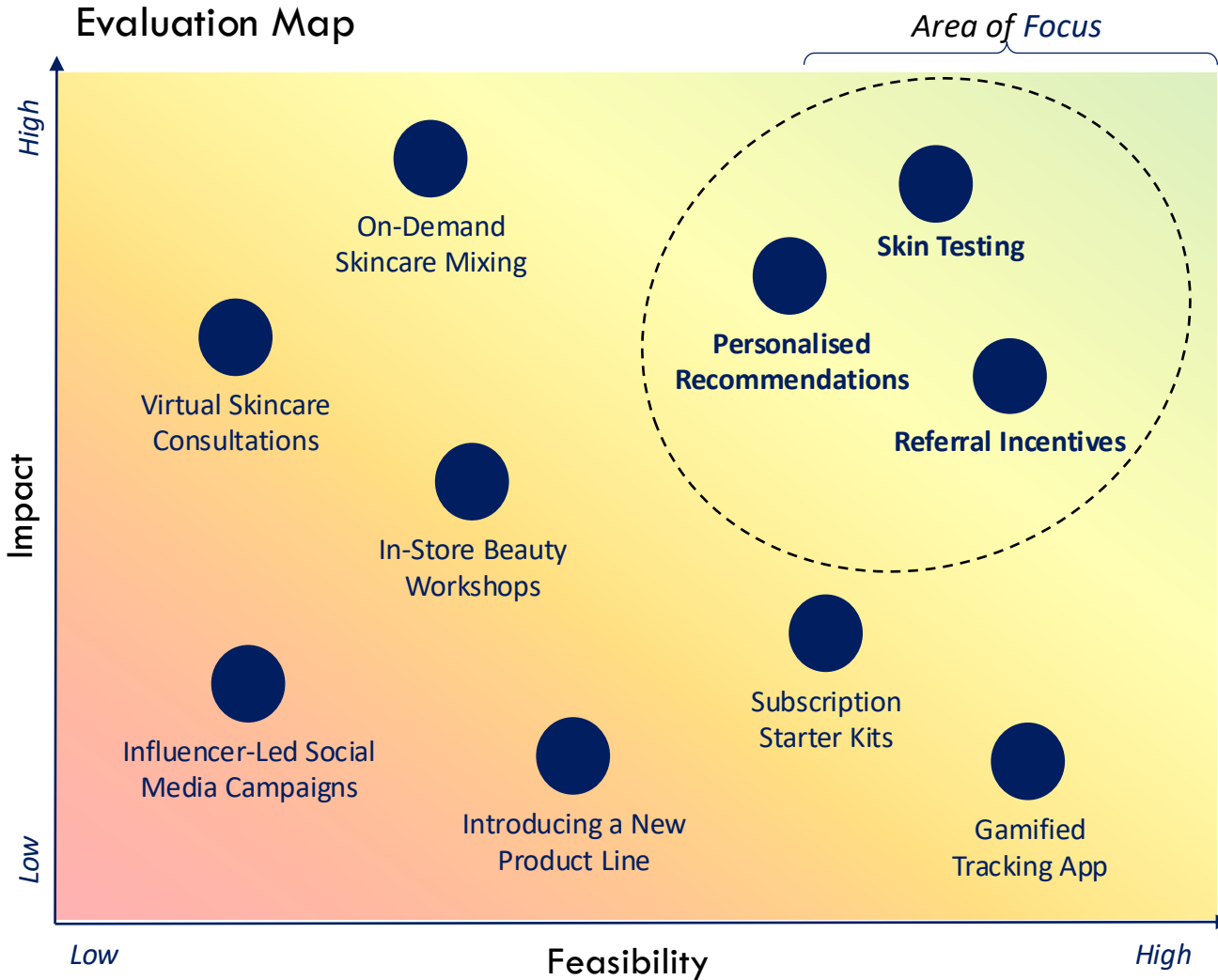
**Virtual Skincare Consultations**

Higher personnel or tech costs, scheduling friction, and lower scalability versus automated machine diagnostics.

**In-Store Beauty Workshops**

High operational effort, limited scalability, location-bound impact, and doesn't tackle the personalisation issue.

# Strategy Evaluation Rationale 2



## Influencer-Led Social Media Campaigns

Drives awareness but limited personalization and low long-term differentiation. Further, educational aspect isn't targeted.



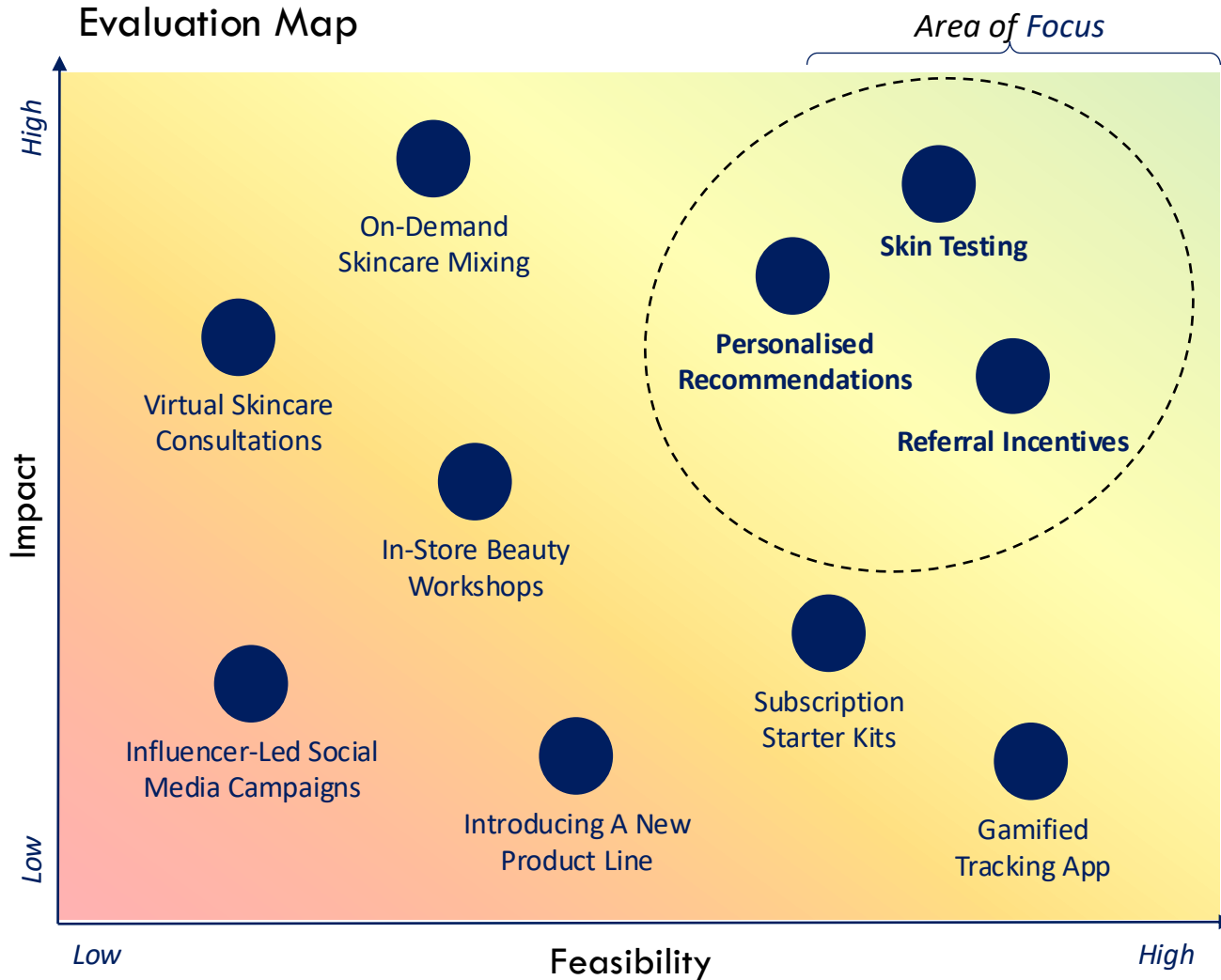
## Subscription Starter Kits

Doesn't adapt to individual needs and desire for personalisation, therefore not hitting the key pain points.

## Gamified Tracking App

Offers little incentive, leading to retention concerns. Doesn't tackle the customer pain points, leading to it simply remaining a feature.

# Strategy Evaluation Rationale 3



## Introducing A New Product Line

Introducing a new product line adds operational complexity and marketing cost while increasing customer choice overload, without addressing men's core barrier of low category understanding, making it a high-risk and comparatively less effective growth strategy.

# L'Oréal Skin Overview

## Why Digital Solution?

A digital solution provides each customer with a personalized solution and drives further connection with L'Oréal.



### **Nordics are already the most digital shoppers**

Over 80% of Nordic consumers shop online monthly.



### **Personalization directly drives repeat purchase**

**78%** say personalized communications make them more likely to repurchase.

## How Will the Digital Solution Look Like?



Skin Scan or quick questionnaire helps develop a **personalized profile** for each customer.



Skincare routines **developed by dermatologists** to reinforce trusted brand positioning.



Personalized **skincare bundles** purchasable in one click for each customer.

# Skin Genius



Vincent, being unaware of what skin type he has, wanted to try it out to see his experience



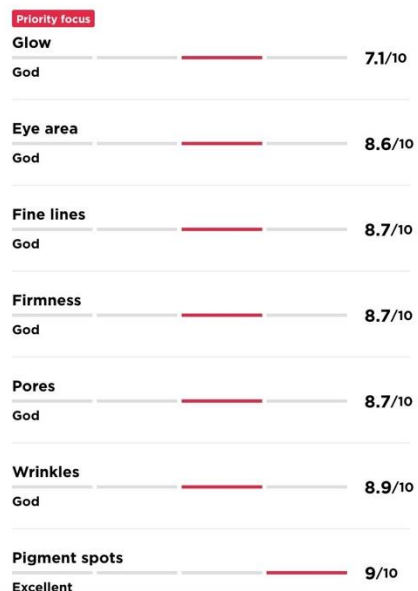
**Done**  
OK TO ANALYZE

**CONTINUE**

Take the picture again

## My Analysis

This analysis is data-driven and reveals your skin's strengths and areas for improvement so you can make informed decisions.



## YOUR CUSTOM ROUTINE

This routine is based on your focus area and skin type.

### Glow

Glow is related to the skin's ability to reflect light. It is therefore dependent on skin texture, skin tone and moisture level.

[Change focus area](#)

Morning

Evening

### Clean

**Magnesium Defence Hypoallergenic Face Wash**  
Magnesium Defense Hypoallergenic cleansing gel for men with sensitive skin.



Buy now

## Neutral Spots

Social identity research shows that people are more willing to adopt new behaviors in **neutral environments**, where they don't feel evaluated according to stereotypes.

For men:

Gyms, barbers, sauna culture → *identity environments*. Real adoption happens in *neutral, everyday spaces*

**Stigma Backfires in Hyper-Masculine Zones:** Masculine environments highlight norms; neutral ones normalize behavior (Source: *Harvard Business Review*).

### Gym & “Male-Only” Spaces Reach Only a Subset of Men (Source: *Deep Market Insights*)

Nordic gym/fitness clubs are a meaningful but **niche segment** within the male population; they do not capture *all men*— and market penetration is not universal.

The Nordic gym membership market is a specialized segment of the broader population (~USD 190 M industry in 2024).

Sports and barbershop visits are **non-routine and context-specific** — men go to them for fitness or grooming, not general errands, reducing casual exposure.

# Competitive Advantage

## 1. Proprietary Technology Advantage

Cell BioPrint is **owned and developed within L'Oréal's R&D ecosystem** — competitors cannot instantly replicate molecular-level diagnostics.

### Why it matters:

Creates a defensible, science-led differentiation beyond traditional marketing.

## 2. First-Party Data Ownership

Diagnostics capture biological and behavioral data directly through L'Oréal's ecosystem (machine → app → CRM).

### Why it matters:

Builds a long-term personalization advantage competitors without diagnostics cannot match.

## 3. Omnichannel Scale Across Nordics

Rollout across mass retail (Matas, KICKS) and pharmacies (Apotek1, Stockmann) combines reach + credibility.

### Why it matters:

Competitors may innovate, but few can match L'Oréal's scale + dermo credibility simultaneously.

## Shift To Shaving As Entry

### Anchor in Existing Behavior

Reframe the diagnostic around shaving performance — irritation, redness, and barrier damage.

### Shift Messaging to Skin Recovery

Position recommendations as post-shave repair and protection, not cosmetic enhancement.

### Lead with Functional Products

Prioritize pre- and post-shave solutions before expanding into full skincare routines.

### Use Shaving as the Gateway

Convert irritation management into daily barrier care and long-term routine adoption.



## Alternative Pop-Up Locations

### DK Copenhagen

**Field's (Ørestad)** – Denmark's largest mall

**Fisketorvet** – High weekend + family footfall

**Magasin du Nord (Kongens Nytorv)** – Premium department positioning

**Strøget pedestrian street (activation zone)** – Dense retail flow

### SE Stockholm (Beyond Mall of Scandinavia)

**Westfield Täby Centrum** – Large suburban mall with mixed demographics

**Gallerian (Hamngatan)** – Central retail corridor near offices

**NK Stockholm (entrance atrium)** – Premium credibility positioning

### NO Oslo

**Oslo City Mall** – Connected to central station

**Sandvika Storsenter** – Large regional shopping center

### FI Helsinki

**Kamppi Center** – Transit hub + retail

**Forum Shopping Centre** – Central mixed-use mall

**Stockmann Helsinki (atrium)** – High-trust prestige setting

**Tripla Mall (Pasila)** – Modern high-footfall location



# L'Oréal Should Launch A SMM Campaign To Raise Awareness Of Skin Scans

## Cultural Hook

Partner with a Nordic sports star to normalize skincare as “health instead of beauty”. **Who:** a current Nordic athlete with Gen Z reach (country-specific ambassador per market).

## Credibility Layer

Co-create content with board-certified dermatologists: “scan results explained” in 30-second clips.

## EXAMPLE:

Over 80% of Nordic consumers shop online monthly.

## Blueprint Validation

