

# Leveraging Brand Assets

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Garnier is a French based mass-market brand of hair and skin care related products in the beauty and personal care industry. (Passport, 2013) The brand is estimated to be worth \$4.8 billion US (AAA rating) and the company's market capitalization is \$16.7 billion. (Brand Directory) Garnier is the second largest brand within the L'Oreal group and is sold in more than 64 countries. (L'Oreal Groupe)

Garnier's roots stem back from the city of Blois where it was formed by Alfred Amour Garnier in 1904. The company's mission is to democratize beauty for all. (L'Oreal Groupe) The company has stood true to this theme, its current slogan is "Take Care." (Garnier)

The company is perhaps best known for its history with hair-color in the 1960's but has since evolved into several specialized areas including sunscreens and face/body moisturizers. (L'Oreal Groupe)

The following core associations characterize the present-day Garnier brand identity:

- Fruit Sensation
- Natural / Herbal
- Innovative
- Easy-to-use / Approachable / For All
- Fresh / Bright / Intense / Radiant
- Effective – Proven Results
- Beauty through care
- Modern

## GARNIER BRAND PORTFOLIO STRATEGY

Garnier currently competes in mass-market value end of the hair and skin care categories for men and women. The company distributes through pharmacies and big-box retailers.

Each of these two categories can be further broken down into hair care, hair styling, hair colour, face care, body care and sun protection. *Appendix one* outlines the brand architecture for Garnier in Canada. Based on market research and an overall understanding of the areas within which it competes, Garnier has executed a successful sub-brand strategy for the largest segment of its portfolio. The exceptions to this rule are hair color and sun-protection both of which use an endorsed brand relationship.

Both sub-brands and endorsed brands provide something different to the market with each product putting forth an effective and unique value proposition. It must also be noted that Garnier is a subsidiary of L'Oreal Groupe and while L'Oreal is not mentioned on any product packaging, it can be argued that a form of shadow endorsement is implied, especially considering that L'Oreal re-introduced Garnier in 1986. (Kapferer, 2008)

### Sub-Brands

Garnier carries with it a unique theme throughout its entire sub-brand product offering. The theme centres around being very innovative but with fruit, natural and herbal ingredients. This extends all the way from the way it names its products to its packaging and marketing.

#### Hair Care and Hair Styling

Fructis is Garnier's shampoo and conditioner line that has since been extended into Fructis Style to include everything related to hair styling. With names such as Grapefruit Tonic and Mint Fresh it is clear

that the natural theme is carried through, but even products such as their Anti-Dandruff line carry pictures of cucumbers and water (Appendix 2). All of these are intended to offer a sense of natural ingredients to meet customer needs related to a variety of problems including dry and damaged hair, smoothing and volume enhancements to name a few. The Fructis line of products is a linchpin brand as it is considered to have set the vision for the future of what Garnier intends to stand for across its entire brand portfolio. It is also the brand that would be the entry product for most new Garnier customers. Fructis Style is a brand extension that includes several product collections (sub-sub brands) such as Style Body Boost, Crystal Resist Sprays and Volume Collections. These too are broken down by consumer need and include a wide-ranging set of requirements, from hold and control all the way to texture, volume and thickness. Again, the brand stays true to its theme by introducing fruit, natural and herbal elements throughout. These include elements such as the Hold & Flex Body Boost product which has bamboo extract as part of its ingredients structure. (Appendix 2)

### Face Care

Garnier's Face Care category comprises of several different sub-brands, one of which is Garnier Cleansers. This is the broadest category that encompasses acne prone skin, loss of radiance, natural and combination skin and oily skin elements. (Garnier) It also extends to uneven skin tone, wrinkles and even loss of firmness, which are considered to be more targeted areas. This is a Strategic Brand as it provides considerable future profits and is expected to remain the dominant brand in the face care portfolio. It also continues the green and natural theme of the Garnier brands with products such as Radiance Renewer Cleansing Gelee by advertising the products hydroxyl acid, salicylic acid and oranges with vitamin C (Appendix 2).

The Clean+ and Skin Naturals (both Fresh Lift and Pure) sub-brands diversify the Garnier brand and really drive the natural benefits of each product. With elements such as Jojoba, peppermint, grapefruit, lemon and pomegranate as some of the staples in the product offering, these sub-brands serve as a strategic brands by further defining the portfolio and establishing the natural perspective of the Garnier brand more than any other in the face cleansers category of the overall portfolio.

The sub-brand pure control is the only Garnier brand that is entirely targeted at both men and women. This makes it a silver bullet as it moves the parent brand towards mass acceptance. It is also the sub-brand that is furthest away from the "natural" look of the other Garnier brands. This was done intentionally to give the brand a more scientific look that would appeal to a broader demographic. These products are white and red, and thereby carry a more "clean" and scientific packaging (stark contrast to the bright pastel colors offered by other Garnier lines). (Appendix 2) Even with different packaging, the positioning of the product still stays true to the Garnier brand associations by emphasizing natural product ingredients such as blueberry and various naturally occurring acids.

The Nutritioniste sub-brand is the brand that has been the focus of the most recent and advanced product offerings. Garnier has used this brand to move up-market and fully establish Garnier as a market innovator. One example of this was the success achieved by the Skin Renew Anti-Puff Eye Roller which has won numerous awards by various magazines. (Garnier) Staying true to the Garnier brand, these products also include various references to caffeine and vitamins that tie the product back to the overall fruit, herb and natural ingredient theme. This sub-brand is a silver bullet for Garnier as it emphasizes the technological and innovative aspects of the company. It also provides the deepest and most focused product offering under the Garnier umbrella, by offering deep wrinkle creams, dark-spot removal and even overnight masks – products not traditionally offered by Garnier.

**Endorsed Brands****Hair Color**

The hair color portfolio consists of Belle Color, Nutrisse, HerbaShine and Olia Endorsed Brands. Each of these brands compete within the mass-market segment of the hair color industry. To obtain a certain degree of diversification, each of these are Endorsed brands. From the packaging and the various degrees to which they align to the overall Garnier image, it is apparent that each of these brands compete on their own reputation and value proposition. Belle Color occupies the value-end segment of the Garnier portfolio while, Nutrisse and HerbaShine are considered mid-level players and Olia is the new premium offering (within the mid-market segment). The Belle Color business is considered to be a cash cow for Garnier as the brand does not openly align to have a “natural” look and feel that other Garnier hair color brands possess. Based on a discussion with a sales associate at a local Shoppers Drug Mart, the Belle brand has a significant following of dedicated buyers but it does not appear to be a growing brand. Nutrisse and HerbaShine are both brands that really bring forth the true meaning of what Garnier stands for and are true strategic brands that emphasize their natural composition. The names are clearly linked name endorsements which emphasize fruit, natural and herbal associations. For Garnier, these two hair color brands are much closer to the standard sub-brand than the other two. It can easily be foreseen that Belle, may one day be removed from the product offering all together. Olia is really the Silver Bullet in the Garnier hair color portfolio as it uses a new oil-based technology to allow for a more permanent color while increasing the health of the hair. This innovative product has both a natural appeal while also conveying the innovative nature of the Garnier brand. Having Olia in their portfolio raises the entire brand value of Garnier and pushes the brand up-market like no-other product in any of the categories within which Garnier competes. It is also apparent from the packaging that the Garnier brand plays a token endorsement role for Olia. (Appendix 2)

**Sun Protection**

Looking at the Sun-Protection portfolio, it is clear that the Ombrelle brand was an acquisition that the company did not want alter in any significant form. At time of acquisition (1997), the brand was sold mostly through drug stores and was the second best selling brand of sun-care products in the Canadian marketplace. (L'Oreal, 1997) Ombrelle was purchased from a pharmaceutical company which does stay true to Garnier’s promise for innovation but the lack of fruit, herbal and natural essences don’t make the brand a complete fit. Additionally, the packaging (Appendix 2), naming and even the product benefits, are more aligned to traditional sunscreen products. The benefits most emphasized by Garnier in this category revolve around the recommendations made by dermatologists, a method not employed by the other Garnier brands.

**BRAND EXTENSIONS**

The growth imperative is what drives most companies towards establishing new products. (Conson, 2014) However, companies that are looking for higher margins or attempting to move out of unfavorable product categories may consider brand extensions. This is a far less risky proposition that maximizes the value a company can obtain from an existing brand that is already established in a marketplace. This alternative is less expensive and leverages the existing perceptions of a brand to build a fresh and new image that can, if leveraged properly, augment the image of the parent brand.

To be effective, parent brands, like Garnier must be well recognized and have positive associations in their consumer’s minds. Beyond just positive associations, Garnier must also stand for a sense of value and a perceived sense of advantage over the competition. Finally, Garnier will also need to understand several key factors including the level of fit and synergy between the brand itself and the suggested

extension. (Aaker & Keller, 1990) The benefits that the Garnier brand brings must therefore be transferrable and to a great extent relevant to the new category. (The Kellogg School of Management, 2005) Segmenting a category in a way that will provide long-term sustainable advantage over competition is what Garnier must continually do with each expansion. But even that is not enough as each extension also carries with it, the potential to hurt the overall perception of Garnier by confusing the customer or diluting the value of the brand by taking it into categories that are not related to skin or hair. Finally, any extensions must be considered within the broader portfolio of brands above Garnier. For example, the company would need to stay within the pharmacy and mass-retail category so as not to compete with existing brands owned by the L’Oreal group such as The Body Shop or Lancome.

With all of Garnier’s core associations taken into account, the brand would do well to move into a category that would allow the company to redirect and broaden the appeal of the brand. To do this effectively, the brand extension should fulfill an unmet need in the marketplace while employing the fruit sensation, natural and herbal elements that have become synonymous with Garnier.

### Shaving Creams and Gels

The first new category that should be considered as a means of brand expansion and growth is shaving creams and gel products for women. L’Oreal Paris (Men Expert) already offers shaving products for men which would make moving towards this product category an easy transition from a research and development point of view. It would also open entirely new avenues for shaving related products where Garnier’s award-winning innovation centre could be employed to really set the brand apart from the other mass-market brands including Gillette and Aveeno. This would not only open doors towards the men’s market (by possibly also making shaving creams specifically for men) but it may also open avenues for hair removal products that have not traditionally been explored by mass-market beauty companies. Interestingly, Nair, the leader in this industry has been introducing a more herbal positioning to its products. (Nair) Using the Garnier brand architecture (Appendix 1) and the Garnier naming policy (Appendix 3), the new shaving cream product would slot well into the Face Care, Pure Control sub-brand; Garnier, Pure Control Shaving Cream.

### Bath Soaps, Salts and Body Washes

The second and more preferred category that Garnier would do well to move into includes bath soaps, salts and body washes. This category has always focused on natural and herbal compounds and certainly implies a way of taking care, which is a natural fit for the company. With all of the experience associated to this category through the Body Shop (also owned by L’Oreal) and Garnier’s own experience with shampoos, it seems like a very natural transition. This would expand the reach of the brand by entering an entirely new category where in pharmacies and mass-market retailers where the Fructis or Garnier brands are well recognized and accepted. This would also benefit L’Oreal by exposing additional customers to these products, customers whose tastes may eventually move more up-scale towards the Body Shop product offerings. This would essentially carve out a new market space that has not traditionally been approached by mass-market brands and has been serviced by smaller companies such as Burt’s Bees and Balea. (Walmart) (Shoppers Drug Mart) Using the Garnier brand architecture (Appendix 1) and the Garnier naming policy (Appendix 3), the new bath soaps, salts and body washes products would slot well into the Body Care, Body Repair sub-brand; Garnier Body (Body Repair Bath Soap, Body Repair Bath Salt or Body Repair Body Wash).

The Garnier brand portfolio was strategically designed to ensure customer clarity and selecting either of these product expansions would move the brand towards new areas while still providing value to an underserved market. This would be done while still ensuring that the Garnier brand stays true to its strengths, its core associations and its slogan of “Take Care.”

Appendix 2



Figure 1 - Cucumber and Water



Figure 2 - Belle Brand



Figure 3 - Bamboo Extract



Figure 4 - Token Endorsement

**Radiance Renewer  
Cleansing Gelée**

This uniquely textured cleansing jelly transforms in contact with water to create a lush cushion foam on skin. Its formula enriched with vitamin C, and hydroxy acid gently and effectively removes dirt, oil and makeup without irritation.



**HYDROXY ACID** →  
A soft exfoliating agent, that increases cell turnover, brightening [...]



**SALICYLIC ACID** →  
Known as one of the most efficient antibacterial & exfoliating [...]



**VITAMIN C** →  
Vitamin C is well known for its antioxidant [...]

Figure 5 - Vitamin C (Orange)



Figure 6 - Ombrelle

**Exfo-Brusher**

Formulated with 2% salicylic acid, and Blueberry extract the Exfo-brusher gently and deeply cleanses your skin, removing imperfections, dead cells, and excess sebum.



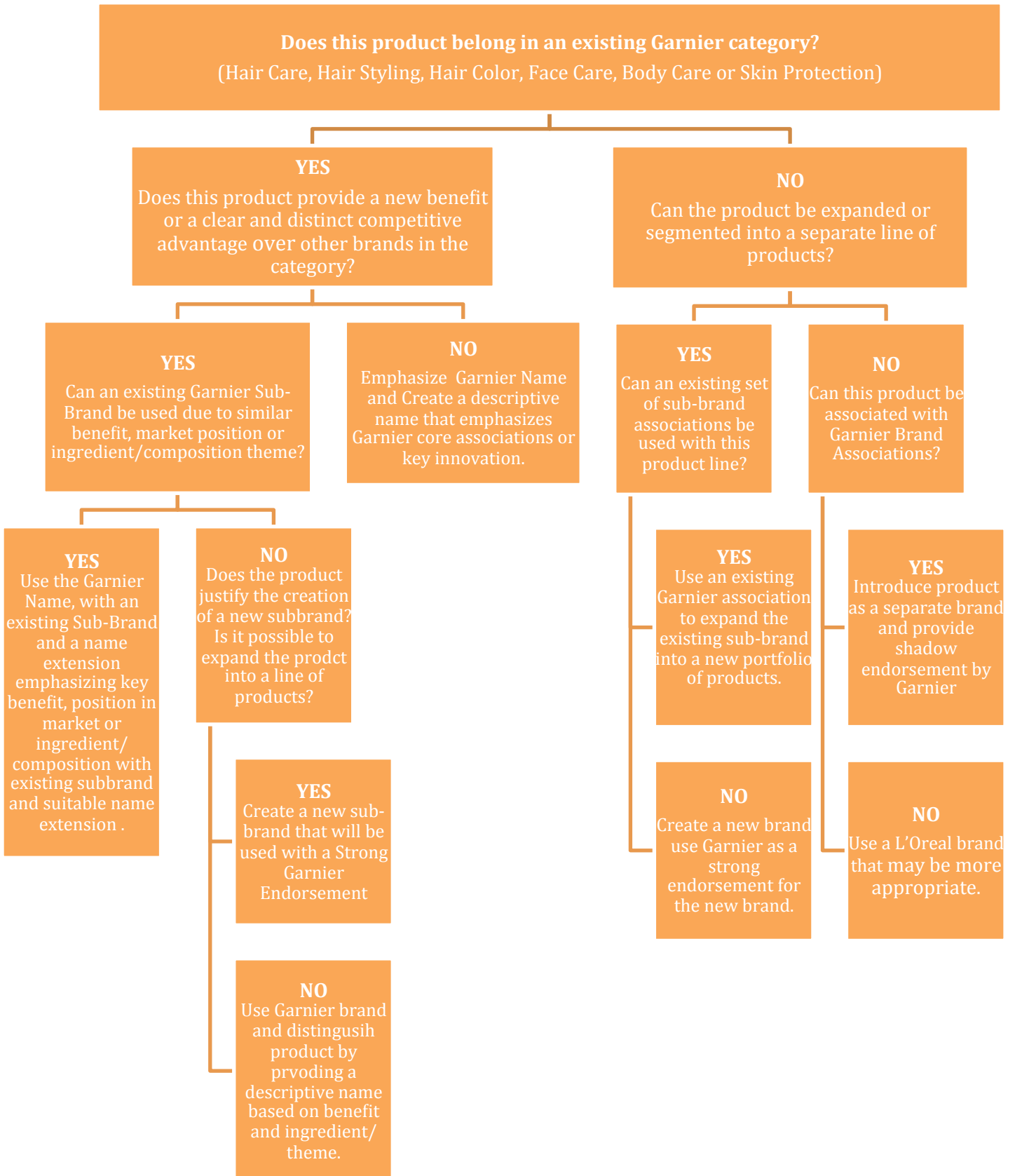
**BLUEBERRY EXTRACT** →  
A natural active well known for its regenerating [...]



**SALICYLIC ACID** →  
Known as one of the most efficient antibacterial & exfoliating [...]

Figure 7 - Blueberry Extract

**Appendix 3 – Garnier Brand Naming Policy**





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