OTC Brand/Product Concept Read Case Study

Emerging OTC skincare brand refines pre-launch product and brand strategy

BCE
Consulting

Background and Objectives

A pre-revenue skincare brand targeting the premium customer segment among active/outdoor enthusiasts asked BCE to help refine its product concept and brand positioning strategy in advance of its commercial launch. This included evaluating its packaging strategy (size, form factor), price position in the market, and overall messaging to differentiate from other brands in the category.

Approach

BCE began the engagement by benchmarking the client's product and brand concept against flagship incumbents in the premium segment of the outdoor-focused, all natural skincare market. We leveraged category expertise and open-source research to define key criteria against which to evaluate the client and key competitors. BCE used internal frameworks to analyze these characteristics and identify both tables stakes requirements and potential differentiators for our client's brand.

With these initial market/category hypotheses developed, BCE then conducted in-depth interviews with potential channel partners and end-consumers across the country. These discussions were designed to better understand potential unmet needs in the category, as well as opportunities and imperatives for differentiation from a product claims perspective. These conversations also drove deeper analysis on product form factor, including feedback on packaging concepts (biodegradable versus recyclable) and package volume.

Based on market feedback collected during initial research phases, BCE performed a quantitative pricing analysis using the Van Westendorp pricing framework to understand both the acceptable price range and the optimal price point for the client's product. BCE's survey was distributed to a representative sample of target customers across the country. This pricing analysis included A/B test to understand potential pricing power stemming from a "sustainable" and "environmentally friendly" messaging strategy versus no claim in this area.

Recommendations

BCE's comprehensive analysis of the client's target market drove recommendations across all aspects of the commercial launch of their brand and flagship product. Based on research among potential channel partners and end-consumers, BCE recommended two customer segments on which to focus their marketing and selling efforts along with two "halo" segments to monitor for future opportunity. Leveraging customer insights from our research, BCE also provided clear recommendation on messaging hierarchy, including "table stakes" benefits and key differentiators to drive distance from competitors. BCE also recommended a novel packaging strategy to help bring to life the sustainable mission of the brand also provide visual differentiation versus competitors. Finally, BCE identified the optimal price point for the client's product given both features/benefits and customer feedback on willingness to pay, and we highlighted three primary channel partners to support go-to-market.