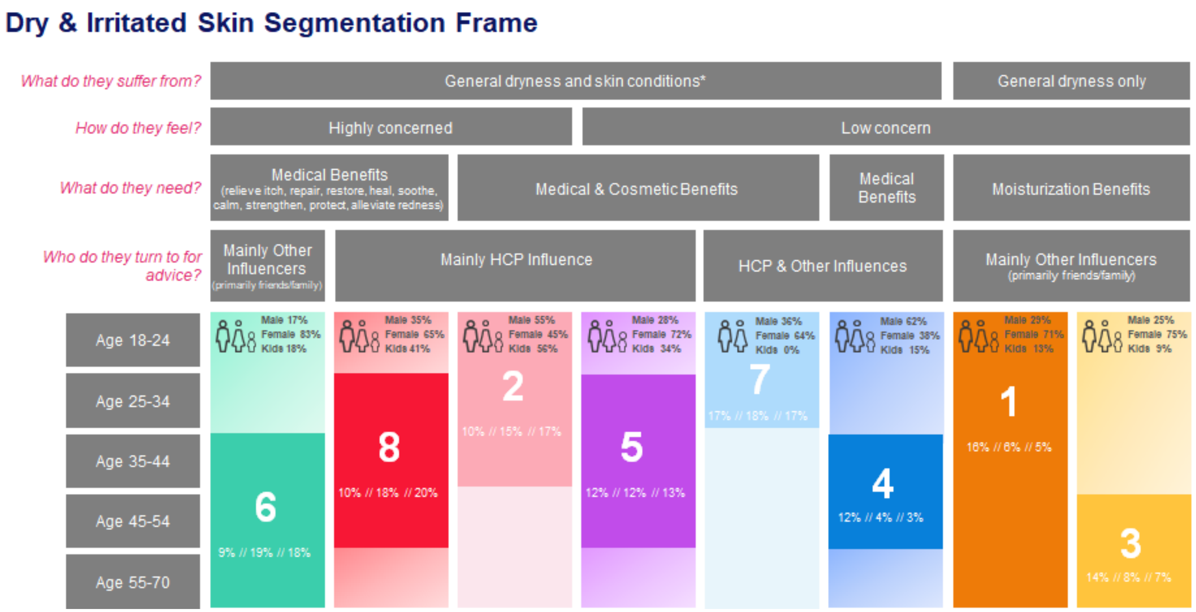
Bepanthen®

CONSUMER SHOPPER JOURNEY
DRY SKIN GERMANY

BAYER

The CSJ is built on the design target



Source: Kantar, Dry and Irritated Skin Segmentation, 2017

Segment 8 is the strategic focus for the brand

- Suffer from general dryness and other skin conditions
- Highly concerned
- Prepared to spend on health
- Pharmacy the channel of choice
- High HCP influence
- High Bepanthol usage

This is a very specific segment, with 10% of category users globally and 9% in Germany so further drill down to personas is not recommended, as these sub-segments would be niche and difficult to reach

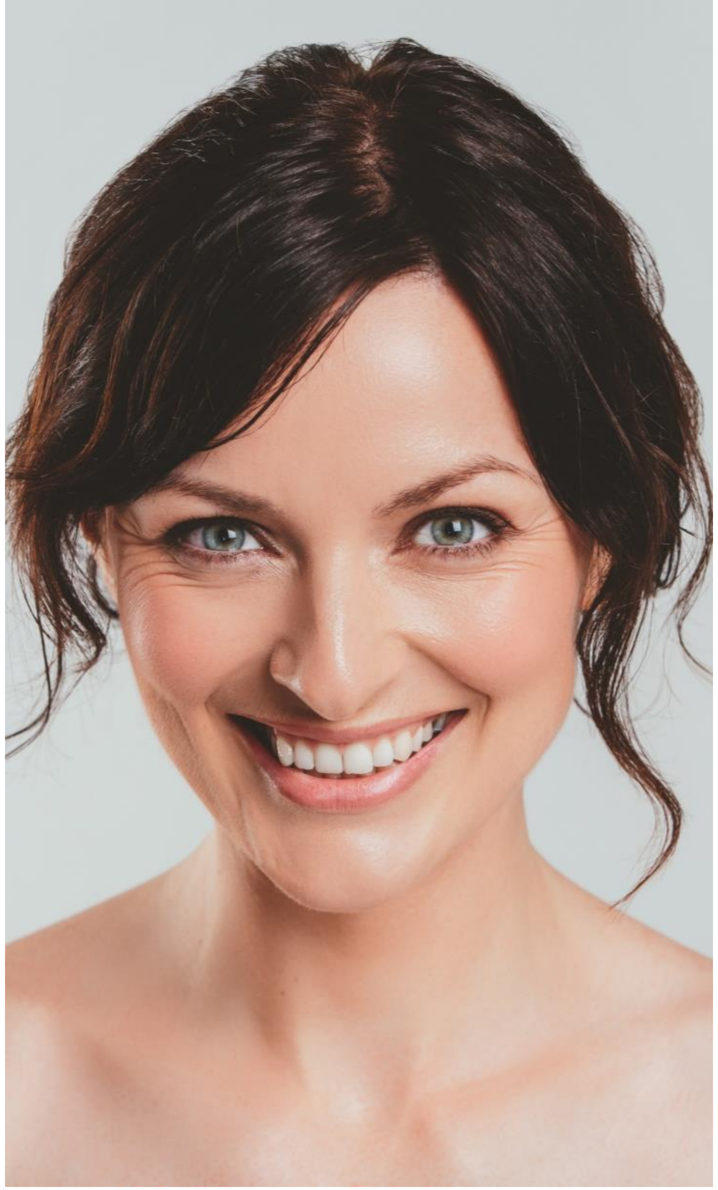
Segment 8 – Germany

% people	9%
% attainable volume by pharma brands	31%
% attainable revenue by pharma brands	33%

Index vs Global

<50	50-75	75-120	120-150	>150

RESTRICTED



Profile of consumer who take this journey:

Stefanie, 40 years old

Female with dry skin issues, looking for performance & control

WHO WE ARE:

- Female, 30+ y.o.
- Suffer from dry/very dry skin 83% (plus other skin conditions, e.g. eczema/atopic dermatitis 56%, skin allergy 65%)

WHAT DOES SHE FEEL

- Feels satisfied with her self-care efforts
- But when dry skin problem occurs, she is constantly aware and distracted by it. Feels insecure and unattractive

WHAT DOES SHE THINK

- "From diet, lifestyle and skincare – I choose to live life by the book to manage my skin – I'm the perfect patient"

85%	73%	76%
Having healthy skin is important to me	I do everything I can to keep my skin healthy	I consider skin health an important part of my overall health

WHAT DOES SHE SAY

- Websites/blogs offering peer-to-peer advice are an important source to get information
- I am less price sensitive
- I am open to try new products/innovations (41%)

WHAT DOES SHE DO

- Take a holistic, long-term and preventative approach to heath and wellness
- Seeks advice from HCP and pharmacists/PTA's help when the situation gets worse
- Skincare products are meticulously chosen and each with a specific purpose in mind
- Uses pharma brands regularly (besides mass market products)
- Uses multiple products (4.8 brands regularly used for face/body; less severe sufferer around 2)

WHAT ARE HER CONCERS

- Extremely concerned and in constant battle about skin dryness
- Avoiding exposure to products with chemicals.

WHAT ARE HER NEEDS

- She wants performance: products that effectively treat her skin with strong formulations and make her feel in control
- She looks for medical benefits, preventative care and quality ingredients –which she is willing to pay more for
- She wants brands that talk to her - because she is already well educated and informed on the topic

WHO INFLUENCES HER

- 68% HCP (Pharmacist 44% / Dermatologist 32%, GP 30%)
- 31% friends/family
- 29% Digital
- 29% Product Samples

WHERE DOES SHE SHOP

- 81% Pharmacy (incl. online pharmacy)
- 18% Mass Market

WHAT BRANDS DOES SHE USE

- Bepanthol 41%
- Eucerin UreaRepair 35%
- Eucerin pH5 25%
- Avene: 21%
- Cetaphil 10%
- Eubos 15%
- Vichy 15%
- Physiogel 12%
- LRP Lipikar 10%

Massmarket brands:

- Nivea 51%
- Dove 31%,
- Neutrogena 26%;

Profile of consumers who take this journey:

Stefanie, 40 years old

Female with dry skin issues, looking for performance & control

Has a Healthy Lifestyle

- Having healthy eating habits
- Visiting online health websites and searching on the web for tips and recommendations on healthy living

Always connected

- Surfing the internet several times a week
- Very high affinity for social media networks
- Watching TV (92% several times a week)

“Me” moments

- She loves using wellness offers
- Likes spending time in the garden
- Baking

Bepanthen®

DRY SKIN GERMANY

THE CONSUMER SHOPPER JOURNEY
DESIGN TARGET

	Pre Purchase Triggers	Pre-Purchase Search / Consider / Evaluate	Purchase Find / Choose / Buy	Post Purchase Use / Experience / Repeat
Doing	**Top Trigger:** Dry air 58%, seasonal weather 55%, Stress 50%, Age 46%, Sun 44% **Physical symptoms**: dry/very dry, flaky, itchy, rough skin Mild sufferers 26%: Have “wait and see” attitude, get active in acute phases of dryness Moderate/severe sufferers (74%): Consciously trying to monitor their health, even when they do not have a specific problem	For severe sufferers/people with skin conditions: - **Dermatologists** are regularly seen and consulted for advice/reco - **GPs** will often be consulted if an RX cream is needed • Often **active online (20-54 years)** and will use forums to converse and learn from other sufferers • They are also more likely to consult **product review** / manufacturer websites to understand what ingredients are in each product	• They value the interaction with the **pharmacist/PTA**. They'll show them their condition and ask them what they would recommend. • They most often shop in pharmacies (81%) and in mass market (18%) • 67% know exactly which brand they want to buy	Severe sufferers/people with skin conditions: • Use multiple products daily, several times a day, on different parts of their body • Use multiple brands for different areas of the body (41%), for different benefits (33%), for treating vs. preventing (33%), in different seasons (33%), for different times of the day (27%) • 88% use products specially formulated for their condition
Touchpoints	**They rely on their own knowledge**	**HCPs (Derms, GPs, Pharmacists)** (68%) **Friends/Family** (31%) **TV advertisement** (12%) **Online** (29%) *(bloggers, forums, product reviews, brand websites, search, retail website, articles, online ads)* **Product samples** (29%)	**Derms, GPs** **Pharmacists/ PTAs** **In-store promotion** (permanent displays, POS materials)	**Derms, GPs** **Friends/Family** **Product samples** **Online Reviews** **Pharmacists/ PTAs**
Gains	They understand their skin and seek to remain calm and in control at all times	BTL benefits from the equity spill over of BTN: gentle yet effective healing Gain additional information to enhance existing knowledge about curated routine, with fit-for-purpose products	Associated with helping the skin to regenerate Get the right product that provides effective relief and is gentle on the skin (free from)	BTL has a high loyalist base Bepanthol is pleasant to use Suitable for daily use Satisfaction with the effect they get after usage Assurance they've done all they can to achieve their healthiest skin
Pains	48% are in constant battle to keep their skin healthy Bepanthol is not top of mind No new news in the portfolio since years	Dissatisfied with current brands Lower activation efforts, online and offline, towards consumer (and HCP) vs. competition BTL currently has no up to date formulations that are “free from” /corresponding to market status-quo	Difficult to choose between brands. Most of them promise the same. They do not know which one will do the job Difficult to navigate in the cluttered shelf, finding the right product Bepanthol HCP reco rate is below market average Visibility on shelf is low due to low placement quality	Severe sufferers: Have a skincare routine that they follow daily, but dryness reoccurs Moderate sufferers: No continuous daily routine. They check if symptoms go away Bepanthen is considered too thick and difficult to absorb Bepanthol loyalist base suffers from “natural” decline. Switch behavior is low
Insights / Why	• Being careful & considerate about what to avoid (e.g. avoid exposure to products with chemicals, too much sun) • 78% believe their skin is not healthy	• 23% look for cosmetic benefits, such as moisturization, skin elasticity and 77% look for medical benefits, such as relief from itch, repair, strengthening and protection of the skin barrier, soothing, healing • 81% prefers brands with trusted scientific or medical endorsement	• They are most likely to shop in the pharmacy as they seek medical benefits. They will consult a pharmacist/PTA but follow up with research on the internet to satisfy their need for a well-rounded point of view • Willing to pay more to improve mainly health and then appearance	• 18% use skincare products to prevent only. 21% use products to treat and prevent. And 53% use products to treat only • 64% uses regularly mass market brands and 80% medicated brands • 4.9 (medicated and mass market) brands used on average
Implications for brand	• Provide information online on triggers of dry skin • Become part of their monitoring system (measuring triggers and levels of dryness)	• Include end result benefits on secondary claims • Through product superiority and strong scientific story, justify expensiveness over mass market brands	• Through product superiority and strong scientific story, strengthen further brand recommendation levels by HCPs (PTAs, Pharmacists) • Develop distinctive pack design, highlighting the medical benefits of the products, to improve stand out and navigation on shelf	• Ensure that new product range offers good sensorial experience, on top of high efficacy

DRY SKIN GERMANY

THE CONSUMER SHOPPER JOURNEY
DESIGN TARGET

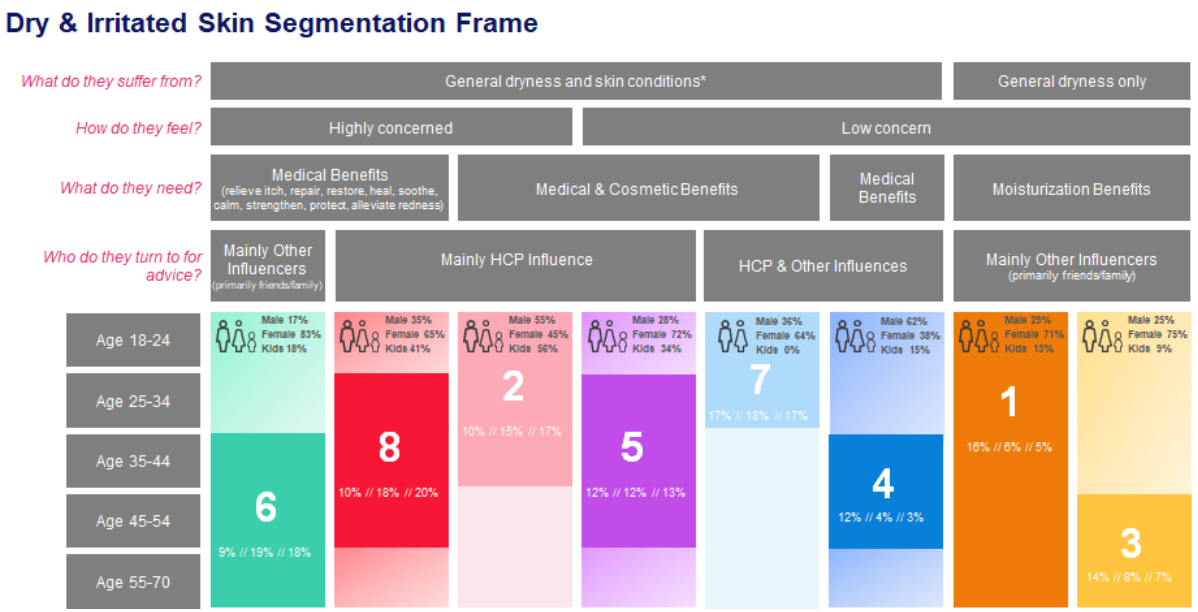
	Pre Purchase Triggers	Pre Purchase Search/Consider/Evaluate	Purchase Find/Choose/Buy	Post Purchase Use/Experience/Repeat
TV		7 When she watches TV, new skincare ads catch her attention. She is interested in new products that can serve better her needs		
Search	1 Searches information for her skin condition. She wants to be informed	4 Searches information about skincare products on internet, landing to brand websites and e-commerce platforms		
Online content		5 Visiting brand websites (Cetaphil, Eubos, Bepanthol, Laroche Posay, Olivenöl) and E-commerce sites (Apotheke, Amazon, Docmorris, Idealo, Mycare) checking product ingredients		
Online ads				
Social				11 Posting her product review online, sharing her experience
Doctor		2 Moderate/severe sufferer (also suffering from skin conditions) visits the Derm regularly, seeking for advice and recommendation		12 If she is not satisfied with the product bought, she gets Derm/PTA's advice in her next visit
Store		6 Often gets product samples, when she visits the pharmacy, so as to test and consider buying the next time	8 Looks for a pharmacist/PTA advice 9 Goes to pharmacy and looks for a product on the shelves	13 Often test products when she is at the pharmacy, so as to feel their sensorial aspect and consider buying the next time
Direct		3 Talks with friends and family, checking what they are using and if its effective		10 Talks with friends and family, sharing her experience

Bepanthen®

CONSUMER SHOPPER JOURNEY
DRY SKIN BRAZIL

Bepanthen®

The CSJ is built on the design target



Source: Kantar, Dry and Irritated Skin Segmentation, 2017

Segment 8 is the strategic focus for the brand

- Suffer from general dryness and other skin conditions
- Highly concerned
- Prepared to spend on health
- Pharmacy the channel of choice
- High HCP influence
- High Bepanthen usage
- High % kids with skin condition

This is a very specific segment, with 10% of category users globally and 6% in Brazil so further drill down to personas is not recommended, as these sub-segments would be very niche and difficult to reach

Segment 8 - Brazil

% people	6%
% attainable volume by pharma brands	25%
% attainable revenue by pharma brands	26%

n

Andriana, 34 years old
Young female with dry skin issues, looking for performance & control

WHO WE ARE:
- Female, most between 25-44
- Suffer from all conditions, i.e. skin dryness, allergy, eczema, contact dermatitis, psoriasis and rosacea

WHAT DOES SHE FEEL
- Feels satisfied with her self-care efforts
- But when dry skin problem occurs, she is constantly aware and distracted by it. Feels insecure and unattractive

WHAT DOES SHE THINK
- "From diet, lifestyle and skincare – I choose to live life by the book to manage my skin – I'm the perfect patient"

86%	83%	82%
Having healthy skin is important to me	Even if I don't have a specific problem, I consciously monitor my health	I consider skin health an important part of my overall health

WHAT DOES SHE SAY
- Websites/blogs offering peer-to-peer advice are a key source to get information
- I am not price sensitive
- I am dissatisfied with current products

WHAT DOES SHE DO
- Take a holistic, long-term and preventative approach to heath and wellness
- Seeks advice from HCP and pharmacists' help when the situation gets worse
- Skincare products are meticulously chosen and each with a specific purpose in mind
- Uses pharma brands regularly
- Uses multiple products to address her many symptoms

WHAT ARE HER CONCERS
- Extremely concerned and in constant battle about skin dryness
- Avoiding exposure to products with chemicals.

WHAT ARE HER NEEDS
- She wants performance: products that effectively treat her skin with strong formulations and make her feel in control
- She looks for medical benefits, preventative care and quality ingredients –which she is willing to pay more for
- She wants brands that talk to her - because she is already well educated and informed on the topic

WHO INFLUENCES HER
- 66% HCP
- 44% Digital
- 31% Product Samples

WHERE DOES SHE SHOP
- 82% Pharmacy
- 17% Mass Market

WHAT BRANDS DOES SHE USE
- 65% Nivea
- 61% Dove
- 58% Bepantol
- 40% Neutrogena
- 27% Vichy

BAYER

__Profile of consumers who take this journey:__

Andriana, 34 years old

Young female with dry skin issues, looking for performance & control

Has a Healthy Lifestyle

- Playing sports or exercising once a week
- Having a healthy eating habits
- Buying organic food
- Visiting online health websites and searching on the web for tips and recommendations on healthy living

Nowhere like Home!

- She would rather spend a quiet night at home rather than go out
- She enjoys inviting people at home

Wants to see the world

- She loves to travel and visit exotic places
- It's important to keep learning throughout her life
- She is rather adventurous, trying new things

Bepanthen®

DRY SKIN BRAZIL

THE CONSUMER SHOPPER JOURNEY
DESIGN TARGET

	Pre-Purchase Triggers	Pre-Purchase Search / Consider / Evaluate	Purchase Find / Choose / Buy	Post Purchase Use / Experience / Repeat
Doing	**Top Trigger:** Allergens, environmental changes, usage of air conditioning, cold air, diet, stress and genetics **Physical symptoms**: cracked & flaky skin, inflamed red skin, rough & raised, itchy and burning. At its worse bleeding, with open wounds Consciously trying to monitor their health, even when they do not have a specific problem. Take care of their skin by preventing problems before they happen (using more mass market over medicated brands)	• **Visiting dermatologists** regularly and look for the benefit of the personalized advice. • Talking to their **friends and family** regarding the skin condition/need and how to solve it. • **Active online and seek out a wealth of information**, including treatment, diet and lifestyle information • They look past the 'good reviews' to determine for themselves whether or not a product is suitable	• Majority visits pharmacies, 90% have bought category at physical stores • 62% decide the brand before going to the store • They shop best-fit products rather than brands	• Use multiple products daily, several times a day, on different parts of their body • When symptoms go away, they switch back to cheaper brands
Touchpoints	They rely on their own knowledge	HCPs (Derms (66%) Friends/Family (37%) TV advertisement (16%) Online (32%) (Health websites, forums, online stores and review sites) Product samples (31%)	Derma consultant Pharmacists In-store promotion (permanent displays, POS materials) Product samples	Derms Friends/Family Product samples Online Reviews Pharmacists
Gains	They understand their skin and seek to remain calm and in control at all times	Bepantol has high search volume Suitable for use on babies & pregnant women reassures consumers Gain additional information to enhance existing knowledge about curated routine, with fit-for-purpose products	Associated to quality, efficacy, healing and credibility, broad results, multi-use, prevention/treatment for all skin conditions Get the right product that helps treat dry skin and makes skin feel healthier	Bepathol is in the top3 most used brand BPL ranks 1st in satisfactio n among most used brands Use Bepantol Derma as a form of treatment for areas of very dry skin Satisfaction with the effect they get after usage Assurance they've done all they can to achieve their healthiest skin
Pains	75% are in constant battle to keep their skin healthy Major knock to confidence, feel ugly, unattractive	Dissatisfied with current brands Bepantol does not have product range to meet consumers' specific needs Low recommendation rate for BPL Derma by Derms (13%)	Difficult to choose between brands. Most of them promise the same. They do not know which one will do the job. Difficult to navigate in the cluttered shelf, finding the right product Low shelf presence	Have a skincare routine that I follow daily, but dryness reoccurs Texture is the key weakness for Bepanthen. Difficult to spread, too "gluey, sticky, oily, shiny; cannot use during the day". "A nice fragrance is missing", smells like medicine
Insights / Why	• Being careful & considerate about what to avoid (e.g. avoid certain foods, too much sun) • 71% have moderate to severe dryness • 64% believe their skin is unhealthy	• 42% look for cosmetic benefits, such as moisturization, skin elasticity and 58% look for medical benefits, such as skin heal and repair, itch relief and alleviation of skin redness • 85% prefers brands with trusted scientific or medical endorsement	• They are most likely to shop in the pharmacy as they seek medical benefits. They will consult a pharmacist but follow up with research on the internet to satisfy their need for a well-rounded point of view • 82% shop most often in pharmacy, 17% in mass market, 1% online • Willing to pay more to improve mainly health and then appearance, for preventative care and quality ingredients	• 18% use skincare products to prevent only. 34% use products to treat and prevent. And 39% use products to treat only • 93% uses regularly cosmetic brands and 73% medicated brands • 6.8 (medicated and mass market) brands used on average for different areas of the body, different benefits, different times of the day
Implications for brand	• Provide information online on triggers of dry skin • Become part of their monitoring system (measuring triggers and levels of dryness)	• Create awareness that BPL has a dry skin range that can be used daily to treat or prevent dryness • Include end result benefits on secondary claims	• Launch a dry skin product range that meet consumers' needs • Develop HCP strategy to increase recommendation level for BPL • Strengthen POS presence through staging the product on shelf • Build strong relationships with derma consultants to increase recommendation rate (by training and rewarding derma consultants, leveraging HCP reco)	• Convince consumers with dry and sensitive skin that BPL can provide long lasting solution • Develop a dry skin product range with good sensorial experience, on top of high efficacy and drive trial

DRY SKIN BRAZIL

THE CONSUMER SHOPPER JOURNEY
DESIGN TARGET

	Pre Purchase Triggers	Pre Purchase Search/Consider/Evaluate	Purchase Find/Choose/Buy	Post Purchase Use/Experience/Repeat
TV		7 When she watches TV, new skincare ads catch my attention. She is interested in new products that can serve better her needs		
Search	1 Searches information for her skin condition. She wants to be informed	5 Searches information about skincare product on internet (dermaclub.com.br)		
Online content		4 Seeks out a wealth of information, including diet and lifestyle information (lojaadcos.com.br, minutosaudavel.com.br)		
Online ads				
Social				14 Posting her product review online, sharing her experience
Doctor		2 Visits the Dermatologist regularly, seeking for personalized advice and getting product samples		13 If she is not satisfied with the product bought, she gets Derm's advice in her next visit
Store		6 Often gets product samples, when she visits the pharmacy, so as to test and consider buying the next time 3	8 Looks for a pharmacist advice 9 Goes to pharmacy and looks for a product on the shelves 10 Goes to pharmacy and reaches out to derma consultant for advice	12 Often test products when she is at the pharmacy, so as to feel their sensorial aspect and consider buying the next time
Direct		Talks with friends and family, checking what they are using and if its effective		11 Talks with friends and family, sharing her experience