

# Hair Science

## Product Development

### **Hair Science - a case study in new product development**

Hair Science is a new range of Boots shampoo's, conditioners, 2 in 1's and styling products. It's a range of formulations which contain an active ingredient proven to protect hair against heat damage from heated styling aids. The unisex range includes 24 products aimed at 18 - 45 year olds and is available in stores from November 2003. This web unit looks at the new product development process.

**Businesses often have a system for creating new products, which has several stages from idea, to launch in stores. This is known as the product development process.**

## New Product Ideas

It's very difficult to invent totally new ideas for products. New products are often revised and improved versions of previous ideas, sometimes used in other products. In developing Hair Science, Boots took an active ingredient that had been used in Sun care products to protect against heat damage and applied the science to a haircare range.

## Market Research

Boots used market research to determine whether there was a place in the market and a demand for the new range. A new product will not succeed if customers don't want it! Focus groups organised by Boots revealed that heat damage protection was wanted in a haircare range, but was not offered at present. Boots also conducted in-store research, stopping customers shopping in the haircare section and asking them if there was anything they were looking for in a haircare range that wasn't currently available.

**Focus groups usually involve a researcher asking in-depth questions to about 8 consumers. The questions are open-ended and the researcher must interpret the group's answers.**

## Market Research (page 2)

Product development is often a trial and error process. Prototypes of the Hair Science products were made in the Boots laboratories in Nottingham. Initial tests were carried out on volunteers in D121 - the Boots product testing facility. A salon day was organised with volunteers, brand managers and technologists. The effectiveness of the products was tested against a leading competitor. Feedback from the volunteers was taken into account and formulations were adjusted until the products were 'perfect'. It took 9 months from idea to launch in-store.

**New product development often involves developing prototype products, testing with customers and making small changes until the product is finalised. This can be a long process.**



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## Design and Packaging

Boots wanted the packaging to be easily understandable and help communicate the brand's 'scientific' approach. This idea was given to a design agency which developed five proposals for the design and packaging. These proposals were shown to the different Boots departments involved in the project and their feedback, along with the original brief, helped the brand manager to select the final design.

**A brief is a written statement of the purpose of the new product and includes information about the target market.**

## Design and Packaging (page 2)

Costs also influence decisions on packaging. Research established that consumers didn't want to pay for unnecessary components of packaging. The Hair Science packaging is designed to look like test tubes - conveying the scientific idea. The packaging needed to look simple, but not basic or cheap.

## Design and Packaging (page 3)

The packaging differentiates the products in the range - the shampoo's have a flip top cap, but the conditioners have a pump due to the product being a thicker consistency, as well as helping customers to choose the correct product in the shower. There is benefit in being innovative, but customers can be reluctant to buy a radically new product if they are used to buying it in a certain way over many years.

**All products have a life cycle - development, introduction, growth, maturity, saturation and decline. That's why it's essential for businesses to keep a flow of new ideas to replace declining products.**

## Legal Issues

Brand and Product Development develops new products and is supported by a team of legal advisors. This is a team who deals solely with ensuring Boots' new products meet all the legal regulations placed on items for sale to the general public. Many formulations and combinations are subject to patents. Boots own a lot of patents themselves, as do large manufacturers such as Proctor & Gamble, L'Oreal, Garnier and Lever Faberge.

**A patent is an exclusive right to make or sell a new invention or process. It's a way businesses and people can protect their ideas from being stolen and copied by competitors.**

## Legal Issues (page 2)

Any warnings or instructions must also be included on the packaging, eg what to do if the product gets in your eyes. The list of ingredients must be shown. The quantity, e.g. 250ml, must be shown. The barcode must be a certain size for the till systems to read it. The Green Dot is a recycling symbol and appears on packaging which is suitable for recycling.



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## Advertising and Promotion

The range will be supported by in-store promotions such as Buy 1 Get 1 free and 3 for 2 offers. There may also be a campaign in health and beauty magazines with free products to every reader offers. The customer takes a coupon into a Boots store that stocks the range and claims their free product. Hair Science will continue to be promoted in store and through the Boots Advantage Card.

**Different promotional activities have to be managed to ensure the advertising campaign is co-ordinated, reaches its target market and achieves its aims.**

## Pricing

Retail prices are established by first looking at the market and deciding where the products should sit in the market eg should the product be considered as an indulgent purchase or a necessity item? Would they sit with the budget brands, or more towards the professional sector? Boots also investigates its competitors' pricing, so as not to over or under price items.

The number of promotions Boots plans to run also influences the product's price. Boots needs to make sure that the amount of profit the brand makes in a year is enough to support the number of products given away free during promotions. The retail price is decided based on a combination of the above factors.

**The position of the business in the market, its market share (its sales compared to competitors) and whether it dominates the market all influence the retail price of a business' products.**

## Future of Hair Science

The future of Hair Science is solely dependent on the success of the launch. If the brand is as successful as hoped, then Boots would investigate potential new products. There are already 24 products in the range, taking up significant amounts of shelf space in store, so this would have to be taken into account. Any new products would most probably have to replace those that are not performing as well. Boots is considering launching miniatures of the care lines (shampoo's and conditioners). Additions to the styling range may also be considered. This will be guided by trends in the market and innovative new formulations developed by Boots Haircare Specialists.

