

3020- Consumer Marketing
Application Assignment 1 (AA1)

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CeraVe Skincare

Business and Product Overview

Introduction

CeraVe is a skincare brand that specializes in moisturizers, cleansers, creams, and ointments. As the #1 dermatologist recommended skincare brand, CeraVe offers a complete line of skincare products that are developed with dermatologists. CeraVe facial moisturizer is the **nondurable product** focus for this project. The CeraVe brand is committed to providing effective and affordable skincare to customers. They pride themselves in their formulas, which contain three essential ceramides that help restore and maintain the skin's barrier (CeraVe, 2023). These ceramide formulas are what set CeraVe apart from its competitors.

Corporate Social Responsibility (CSR)

CeraVe is a brand that works closely with dermatologists and health professionals. As a result, CeraVe is a proud sponsor of the American Nurses Foundation and the Healthy Nurse, Healthy Nation initiative (CeraVe, 2023). On their website they write, "To show our support, we will be donating over 250,000 CeraVe products to hospitals and medical centers to offer skincare as a small comfort, knowing how selflessly the medical community is working to ease the discomfort of others." The company focuses on recognizing and giving back to the health professionals they work in collaboration with. In addition, CeraVe is involved in a multi-year partnership with The DAISY Foundation to recognize the compassion and dedication of nurses (Gale in Context, 2023). Jasteena Gill, Vice President of Marketing at CeraVe said, "We at CeraVe have the utmost appreciation for the tireless dedication and profound impact of nurses, and we remain committed to ensuring nurses receive not only gratitude, but support and resources as well... our partnership with The DAISY Foundation is an extension of our ongoing commitment to this mission, and over the next three years, we'll help them encourage patients and colleagues to thank and celebrate the nurses in their lives" (Gale in Context, 2023). These commitments are direct practices of **Corporate Social Responsibility**.

Direct and Indirect Competitors

Some of CeraVe's direct competitors in the facial moisturizer industry include Cetaphil, La Roche-Posay, Clinique, and NIVEA. These companies all share the similarity of making dermatologist-developed skincare products that hydrate and moisturize the skin while maintaining a budget friendly cost. Each of these companies fall into the same **market segment**, serving similar demographics, needs, and priorities.

Market segmentation is the separation of a market into groups based on the different demand curves (Babin & Harris, 2021).

An indirect competitor of CeraVe would be the brand Dove, a moisturizing skincare brand aimed towards the body. Although the two brands offer different products, CeraVe offering facial moisturization and cleansing and Dove offering body cleansing and hydration, they both have a similar **target market**: those seeking gentle skincare solutions for sensitive skin.

Target Market and Consumer Demographics

CeraVe appeals to a large demographic of consumers. Their products target consumers with skincare concerns looking for gentle solutions. CeraVe's target market encompasses individuals of various age and gender who seek gentle, effective, and dermatologist-recommended skincare products. Consumers looking to purchase CeraVe products have different needs, ranging from acne solutions to anti-aging solutions. Consumers receive both **utilitarian** and **hedonic value** from CeraVe products.

Basic Consumption Process

Need

A need is the first step in the **Basic Consumption Process** where a consumer realizes they need a product or service that satisfies them. For example, Consumer X may realize that they need a moisturizer for their face that doesn't agitate or create breakouts like their current moisturizer. Realizing a new facial moisturizer is needed, the consumer begins to search for a different brand of moisturizer.

Want

Aside from needing a new facial moisturizer that does not irritate and breakout their skin, Consumer X also is hyper aware of aging signs and wants to prevent any future wrinkles and age spots. Babin and Harris (2021) explain that "a want is a specific desire that spells out a way a consumer can go about addressing a recognized need" (pg. 5). With a want and need in mind, the consumer can narrow down their search. As for Consumer X, they know they **need** a facial moisturizer and they **want** to prevent aging, so they can narrow down their decision to an anti-aging product.

Exchange

After realizing their wants and needs, Consumer X is ready to purchase a new moisturizer. They head to their local CVS and **exchange** money for the CeraVe Skin Renewing Day Cream. To Consumer X, the moisturizing cream is at least worth the price of the product.

Costs and Benefits

CeraVe's **market strategy** is to provide affordable and accessible dermatologist-recommended products to consumers. For Consumer X, the \$25 moisturizer is worth the cost because the benefits of anti-aging, hydration, and sun protection are greater than the monetary value. There are also many other skincare brands that are much more expensive and less diverse.

Reaction/Value

After purchasing the CeraVe facial moisturizer, Customer X must determine the **value** they received from the product. Was it worth the cost? Does it work better than the previous brand's product?

References

CeraVe Announces Three-Year Partnership with The DAISY Foundation(TM) with Premiere of New Digital Short Spotlighting the Real Impact of Nurses. (2023, May 9). *PR Newswire*, NA.

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