




BEAUTY BRAND INTERNATIONALIZATION STRATEGIES: CHALLENGES AND OPPORTUNITIES FOR NATURA IN THE GLOBAL MARKET

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ABSTRACT

The internationalization of beauty brands, especially those seeking growth and consolidation in the competitive global market, is a challenge that requires a strategic and careful approach to ensure long-term success. One of the main internationalization strategies is exports, which can be direct or indirect. The target audience, consumers' purchasing power, and consumption trends are also important points in the success of a brand. The advancement of e-commerce and the digital age allows easy access to consumers around the world, facilitating inclusion in the market.

Despite the challenges, the opportunities for growth and innovation are great, requiring strategic and adaptable approaches for success in the global marketplace. An example we have of this is the company Natura. In addition to its strong presence in Brazil, the brand has expanded its operations to several countries in Latin America, and more recently in Europe. The brand has gained prominence for its commitment to sustainability, the use of natural ingredients, and social responsibility.

Natura's success in internationalization depends on a combination of factors, such as adaptation to the local market, constant innovation, a solid digital strategy and strategic partnerships. If these variables are well balanced, the brand will be able to not only expand its presence but also consolidate its position as a leader in a highly competitive and ever-changing global market.

Keywords: Internationalization. Sustainability. E-commerce. Innovation. Adaptation. Logistics. Competitiveness. Digital Marketing. Responsibility.

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INTRODUCTION

The internationalization of beauty brands is a growing trend in the global market, driven by the increase in domestic markets and the search for new growth opportunities. Expansion into new markets implies the need to adapt to different cultural preferences, consumption habits, and customer expectations. An example of this is the growth in demand for sustainable and natural products, which is a global trend.

The development of an effective internationalization strategy must consider cultural and regional aspects, ensuring that products and brand communication are tailored in a way that is relevant to each target audience. The beauty industry is highly regulated in many countries, with specific requirements for ingredients, testing, labeling, and certifications. Entering a new market may require considerable adjustments to the product portfolio to meet these regulations. In some cases, the time it takes to comply with legal requirements may slow down market entry, while in others, it may be necessary to establish local partnerships or acquisitions as a way to minimize risk and speed up the process.

Logistics is also a key factor in the internationalization process. Establishing efficient supply chains, which ensure the availability of products in different markets without compromising quality, is critical. This includes not only transportation and distribution, but also inventory management and the ability to react quickly to changes in demand.

It is important to highlight the importance of a long-term vision in the international expansion strategy. Building a solid presence in a new market takes time, and businesses need to be prepared to invest significant resources in building a loyal customer base. Success in internationalization not only depends on conquering a market quickly, but also on establishing yourself as a trusted and desired brand over time.

In the case of Natura, its internationalization strategy aligns with its sustainable identity, exploring the potential of markets that value ethical practices and ecological products. The acquisition of other global brands has allowed Natura to accelerate its expansion, diversify its portfolio and access new audiences in different parts of the world. This approach combines organic and inorganic growth, leveraging synergies to cement its position in the global beauty industry.

Since its inception, Natura has stood out for its commitment to sustainability and the use of natural ingredients, characteristics that have become central to its brand identity. With increasing local competition and the saturation of the domestic market, internationalization was seen as a necessary strategy to maintain growth and strengthen its position in the cosmetics sector. Initially focused on the Brazilian market, the company grew



rapidly in Brazil and Latin America, using a direct sales model that proved effective in many regions.

THEORETICAL FOUNDATION

NATURA'S GLOBAL EXPANSION

The global beauty industry has expanded exponentially over the last few decades, due to new consumer habits, technological advancement, and the growing demand of the digital market. From this scenario, several beauty brands decided to seek new markets for their operations in order to win international customers and diversify their products and customers. Thus, internationalization is consolidated as an almost inevitable alternative to organizations that seek to grow in a sustainable and competitive way, according to Johanson and Vahlne (1977), "the internationalization of the company is a process that involves the gradual development of knowledge about foreign markets and a growing commitment to them. However, the internationalization of a beauty brand is not a simple process and involves a series of challenges. One of the main obstacles faced by companies looking to expand into global markets is the need to adapt to cultural differences and consumer preferences in each country. In the case of Natura, this meant adjusting its products and marketing communication for different audiences, while maintaining the brand's core values. According to Cateora, Gilly and Graham (2013), "international marketing involves adapting strategies and products to different markets around the world."

Natura is a Brazilian company founded in 1969, which has revolutionized the Brazilian market in sustainability and innovation. Since its inception, Natura has stood out for its commitment to sustainability and the use of natural ingredients inspired by Brazil, characteristics that have become central to its brand identity. The company's fragrances reflect the richness of Brazilian biodiversity, bringing aromas that mix natural ingredients, such as açaí for example, to a global audience. This export not only extends the brand's reach but also promotes Brazilian culture through the combination of authenticity and innovation, solidifying its presence on the international stage. Initially focused on the Brazilian market, the company grew rapidly in Brazil and Latin America, using a direct sales model that proved effective in many regions. However, with the increase in local competition, internationalization was seen as a necessary strategy to maintain growth and strengthen its position in the cosmetics sector.



ADAPTATION TO INTERNATIONAL REGULATIONS

Entering new markets requires a deep understanding of country-specific regulations and certifications. In the cosmetics industry, these regulations vary significantly, especially regarding product safety and animal testing. The European Union, for example, has strict rules on the use of certain ingredients, while countries like China have historically required animal testing for cosmetic products to be marketed on their territory. Natura, being a brand known for its ethical practices and B Corp certification, faced the challenge of maintaining its sustainable policies and its commitments to not conducting animal testing, while adapting to local regulations in markets such as China.

Another significant challenge is competition. The global beauty market is highly competitive, with giants such as L'Oréal, Estée Lauder, and Unilever dominating much of the industry. These companies often have a consolidated presence in several markets, making the entry of new players, such as Natura, even more challenging. Natura had to adopt differentiation strategies to compete, focusing on its commitment to sustainability, natural ingredients and a more humane and closer approach to its consumers, characteristics that are not always easy to replicate by larger brands. Douglas, Craig and Wind (2009) point out that "international marketing strategy requires a careful analysis of global markets and the development of appropriate tactics for implementation."

OVERCOMING LOGISTICAL BARRIERS

In logistical terms, internationalization presents another set of obstacles. Distributing cosmetic products in distant markets requires an efficient logistics infrastructure as well as a supply chain that meets the demands of different regions. Peng (2016) states that "global business requires a deep understanding of the dynamics of international markets and corporate strategies." Natura, which traditionally used the direct sales model through consultants, had to adapt its model to international markets, where this type of sales is not so common or well accepted. The company also had to develop new ways to distribute its products in countries where access to the end customer is done differently than in Brazil.

The advancement of e-commerce and digital marketing has opened up new growth possibilities for Natura. The company has invested heavily in digital channels, allowing it to reach consumers in markets where the physical presence of stores is limited. By digitizing its customers, Natura can maintain a close relationship with its customers, even in distant countries, while expanding its global presence. According to Hollensen (2015), "the relationship approach in marketing focuses on building and maintaining lasting relationships with customers."



The acquisition of Avon was a strategic move that further boosted Natura's internationalization. With this acquisition, Natura not only increased its presence in markets where Avon was already consolidated, but also gained access to new distribution networks and knowledge about different global markets. The merger of Avon and Natura's operations in Latin America has brought better use of resources and greater logistics efficiency.

GLOBAL IDENTITY AND INNOVATING FOR DIFFERENT MARKETS

For Natura to continue to succeed in its internationalization journey, some recommendations are important. One of them is the strengthening of the brand's global identity. While Natura has been able to maintain its core values during its expansion, more cohesive and consistent global communication could help reinforce its sustainable and ethical brand image, while fostering innovations that resonate with consumers from different cultures. Additionally, the company must continue to invest in its distribution and logistics channels to ensure that its products can efficiently reach all the markets in which it operates.

Natura should also continue to invest in research and development to create products that meet the specific needs of different markets. Innovation based on local ingredients can be an effective strategy, allowing the brand to respect and value the biodiversity of the countries where it operates, while also creating a stronger connection with local consumers. Another important aspect is the training of local teams. Natura must continue to invest in the training of its employees in different markets, ensuring that its teams are prepared to face the specific challenges of each region and that they can act as ambassadors of the brand's values.

METHODOLOGY

Natura's global expansion reflects Natura's commitment to sustainability and Brazilian natural ingredients. However, this trajectory was marked by several challenges. Among them is the difficulty in adapting to various international regulations to the strong competition from companies from other giants in the sector, such as L'Oréal and Estée Lauder.

The transition to a digital sales model was a challenge, requiring new skills and adaptation to the age of technology, but Natura managed to find the balance, investing in digital channels and e-commerce, while maintaining the essence of its close relationship with the consumer. The acquisition of Avon was a bold strategy, bringing new energy and a more robust portfolio, but also an opportunity to grow more solidified in the global market.



To continue on this journey, Natura not only needs to continue innovating in research and development, but also strengthen the motivation and engagement of its team, which is essential to make the vision of a more sustainable future a reality. In addition, the brand goes beyond products: it talks about culture, biodiversity and the importance of taking care of the planet, creating a deep connection with its consumers. This is the key to positioning yourself as a genuine leader in the market, not only for your sales, but for the positive impact you generate on society.

RESULTS AND DISCUSSIONS

The internationalization of a brand is a process that requires strategic planning, adaptation to new cultures, and many significant changes in the company's operations in different regions. In the case of Natura, this transition was challenging, as the company focused on values such as sustainability, social responsibility, and the use of natural ingredients, which had to be translated into the market with different rules, expectations, and competition.

As a result, Natura's work is considered positive and stable in the world, because the company knows how to understand its strengths and develop them, expanding to other Latin American countries, and recently to Europe. This growth was driven by direct sales, a strategy that the company dominates in Brazil and other Latin American countries, thus maintaining a direct relationship with the consumer, promoting a close and reliable brand image.

However, as Natura expands into more mature markets such as Europe, its business practices must adapt, especially as the digitalization of consumption continues to grow. This includes significant investments in e-commerce and digital marketing, which allows the company to reach new customers without creating a large network of physical stores.

The acquisition of Avon by Natura can be considered an important step in accelerating the company's global expansion and a milestone in its international integration process. Avon is already strong in many international markets, giving Natura a solid foundation to develop its business more efficiently and with less risk. In addition, Avon brings to Natura expertise in direct marketing, a model that the Brazilian company used in the domestic market, but had to adapt to the international environment.

The effect of mergers is significant, not only in terms of market scope, but also in terms of operational agreements. But the integration of the two companies was not without challenges, such as preparing corporate cultures and developing an integrated marketing strategy that respects the core values of the two brands.



Despite these challenges, the merger is very beneficial for Natura, with a stronger and more diversified presence in international markets and a greater ability to compete with major international brands. Natura's ability to adapt to different markets is the factor that determines its international success. In each country where it operates, the company understands the importance of adapting its product, marketing and distribution strategies to reflect local needs and expectations. One of the key elements of this adaptation is the development of products that respect local cultural identity and biodiversity.

Digitalization and e-commerce are also areas where Natura has demonstrated innovative capabilities, as consumption increases, companies have invested heavily in online platforms to reach consumers in markets where there are few physical stores. Not only will this help Natura extend its reach, but the company will be able to maintain a close and personal relationship with its customers, no matter where they are.

Sustainability has been at the heart of Natura's strategy since its inception, and this commitment is one of the key factors driving its global expansion. Natura has managed to transform competitive advantage into a core business strategy, creating products and practices that respect the environment and contribute to society. One of the biggest challenges Natura faces is to ensure that its strategy is sustainable and reliable in all areas in which it operates, especially when entering new markets with different rules and expectations. This means that Natura must find a way to balance its global operations with local needs and expectations, without losing its core values.

CONCLUSION

Natura's internationalization, as analyzed in this study, reflects a success story that combines well-defined strategies with strong values and an unwavering commitment to sustainability. The trajectory of the Brazilian brand to the international market is characterized by careful adaptation to the needs of each region, without losing the identity of a sustainable and ethical brand. With this, from the use of natural products from Brazilian biodiversity to the promotion of sustainable businesses, Natura has established an authentic image transmitted to consumers around the world. This approach not only strengthens customer loyalty but also reinforces its position as a progressive brand that is sensitive to social change. The company has invested in initiatives that promote female empowerment and income generation, especially in vulnerable communities, which reinforces its positive and ethical impact.

The acquisition of Avon played an important role in international relations, providing Natura not only with a larger distribution network, but also with a deep understanding of



markets where the company had no control. This has allowed Natura to grow rapidly, allowing it to compete with global giants such as L'Oréal and Estée Lauder. However, this expansion presents significant challenges, such as adapting to strict international regulations and the need to adapt management and distribution strategies to support different markets. Overcoming these obstacles is proof that the company has the capacity to innovate and change without compromising its core values.

In the field of innovation, Natura constantly seeks to integrate new scientific knowledge and global trends into its product line, while keeping biodiversity and natural assets as central elements. Partnerships with research institutions and universities have been essential for the creation of solutions that combine effectiveness and sustainability, keeping the brand ahead of market demands.

Natura is committed to making sustainability a pillar of technology, which sets it apart from many of its competitors around the world. Through the digitalization of processes, the company expanded its presence in online markets, with emphasis on e-commerce strategies and partnerships with digital influencers. This evolution allows for more direct communication with consumers, as well as greater personalization of experiences, strengthening the emotional connection between the brand and its customers. This goal has created a marketplace that attracts consumers who prioritize the environmental and social impact of their choices. However, Natura's constant challenge will be to maintain this as the company expands its business, ensuring that its sustainability strategy remains reliable and scalable.

In terms of corporate social responsibility, Natura continues to expand its actions to reduce carbon emissions and promote ethical practices throughout its value chain. Reverse logistics programs, such as the use of recyclable packaging and refill initiatives, exemplify its commitment to the circular economy and waste reduction. Based on this track record of success and adaptation, Natura is well-positioned to tap into new emerging markets where the demand for sustainable and ethical products is on the rise. Strategies that include co-creating with local communities and strengthening your network of representatives can ensure not only brand expansion, but also the creation of shared value on a global scale.

In the international context, Natura has been striving to deeply understand the local cultures where it operates, ensuring that its approach is sensitive to cultural differences. This includes adjusting advertising campaigns, tailoring products to regional preferences, and establishing strategic partnerships that help build a more genuine connection with consumers. This ability to operate globally with a local touch has been one of the company's competitive differentials.



The expansion of the brand's portfolio with lines aimed at young people, such as vegan and self-care products, also demonstrates Natura's ability to keep up with the growing demands of a market in constant transformation. In addition, its concern with transparency, by clearly communicating the origin of ingredients and the impacts of its products, strengthens its relationship of trust with the consumer. The company has implemented policies that ensure ethical practices at all levels of the organization, from production to distribution. This solid governance ensures not only the company's financial sustainability, but also its reputation as an ethical and responsible brand.

Based on this track record of success and adaptation, Natura is well-positioned to tap into new emerging markets where the demand for sustainable and ethical products is on the rise. Strategies that include co-creating with local communities and strengthening your network of representatives can ensure not only brand expansion, but also the creation of shared value on a global scale. Therefore, in order to move forward, Natura must continue to invest in research and development, strengthen its digital presence and adapt its services to local needs and maintain a coherent global image. Its global success is directly related to its ability to innovate without compromising its principles, which has made it a symbol of stability and evolution in the cosmetics industry. Natura's continued growth will depend on its ability to remain loyal and adapt to the markets in which it operates, meaning that the company's promising future will depend on its ability to balance sustainable growth with the preservation of its core values. By continuing to be a pioneer in sustainability and innovation, Natura will not only be able to consolidate its position as a leader in the cosmetics sector, but also inspire positive change across the industry, shaping a more conscious and responsible future.



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