

# Natura (NATU3)

## Data Expert: XP Beauty Pricing Monitor #22

Grupo Boticário hikes prices; Eudora goes neck to neck with Avon

In this edition of XP Beauty Pricing Monitor, our key findings were: i) O Boticário brands hiked prices while Natura kept them stable, though NATU still leads the way YTD; ii) Channel-wise, trends have shifted since last report, with Avon increasing prices at MELI, while O Boticário and Eudora have marginally decreased their prices in MELI and their own websites; iii) NATU is focusing on full-price sales; iv) Natura is promoting the skincare category and Avon invested on Lipstick Day through its Power Stay hero product while, in our view, Eudora launched a lipstick to directly compete with the latter; v) In Wave 2, key complaints are the new app's UX and lack of a physical magazine in Argentina and stockout issues in Mexico.

**Grupo Boticário catching up with price hikes.** Although Natura is still leading the way YTD (at +8%), O Boticário's brands hiked prices this month by +2% MoM on avg., mostly supported by perfumes and daily care, while NATU brands kept prices stable MoM. However, in our last tracker ([link](#)), NATU increased prices by ~3% while O Boticário didn't, so, in our view, the latter is simply catching up.

**Softer promotional efforts across brands.** We saw less promotional activity across mapped SKUs in magazines, with Avon and Natura still focusing on full-price sales. As for O Boticário's brands, we noted an avg. discount of ~20% off, though within limited SKUs. Moreover, MELI and brands' own e-commerce stood as the most promotional channels.

**Returning to a more balanced omni strategy.** When comparing brands' pricing strategy across channels, trends have shifted vs. our last check. Avon has increased prices in MELI following a more aggressive pricing approach previously, shifting prices to levels more aligned with consultants. Meanwhile, Eudora and O Boticário have lowered prices on digital channels (MELI/ecommerce). All in all, we see brands' pricing strategy as balanced, with consultants' prices below other channels.

**Specific categories being promoted.** NATU has a "Missão Beleza" campaign that fosters a specific category each cycle. Skincare is the highlight of the current cycle, while body care will be the focus in the upcoming one (Fig. 1-2). Additionally, Lipstick's Day (July 29<sup>th</sup>) was leveraged by the brands to promote the category through new launches and special promotions. Regarding the competition, it is worth noting that Eudora made a significant investment in a campaign for this occasion to promote a new liquid lipstick, directly competing with an Avon's hero product, Power Stay (Fig. 3-4). This could suggest that NATU is being successful in promoting such category in Avon. Also, NATU is intensifying communication to promote Emaná Pay, with one of "Missão Beleza's" prizes being a R\$500 bonus on those that have an active account.

**Keeping up with Wave 2 in Mexico and Argentina.** As mentioned in previous trackers, stockout issues persist in Mexico (Fig. 7). In Argentina, communications about the brands' integration have intensified, with initial instructions being shared. However, complaints around the absence of a physical magazine and the new app's UX have emerged (Fig. 8). Also, Argentina is following Mexico's strategy to divide orders' thresholds into three: (i) basic order; (ii) minimal order; and (iii) sum of beauties (Fig. 9).

Natura (NATU3)	BUY
Target Price (R\$/sh.)	15,0
Current Price (R\$/sh.)	8,9
Upside (%)	68,4%
Market Cap (R\$ mn)	12.357
# of shares (mn)	1.387
Free Float (%)	61,2%
ADTV (R\$ mn)	60

### Danniel Eiger, CFA

Retail  
danniel.eiger@xpi.com.br

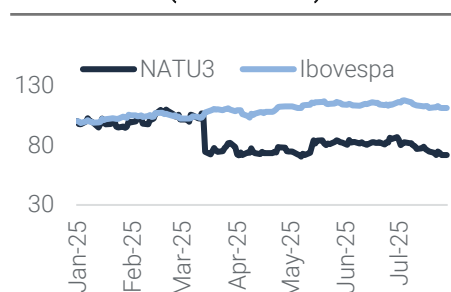
### Pedro Caravina

Retail  
pedro.caravina@xpi.com.br

### Laryssa Sumer

Retail  
laryssa.sumer@xpi.com.br

NATU vs. IBOV (100 = Jan/25)



# XP Beauty Pricing Monitor

Boticário catching up; Mexico’s order model being replicated in Argentina

Chart 1: Average price increase by brand (% YTD)

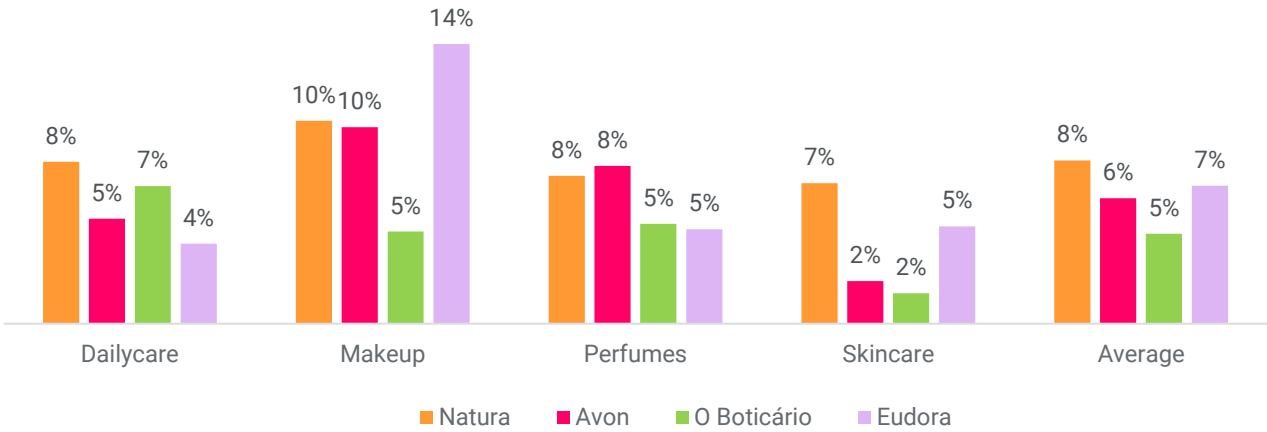


Chart 2: Average price increase by brand (% MoM)

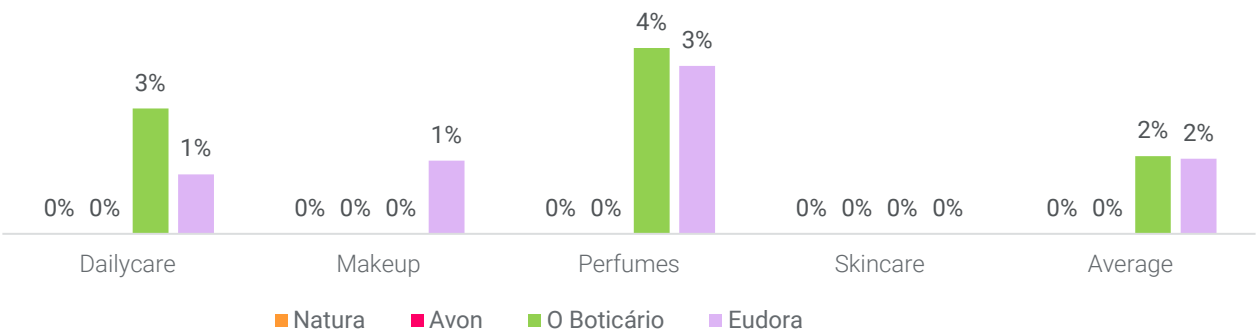
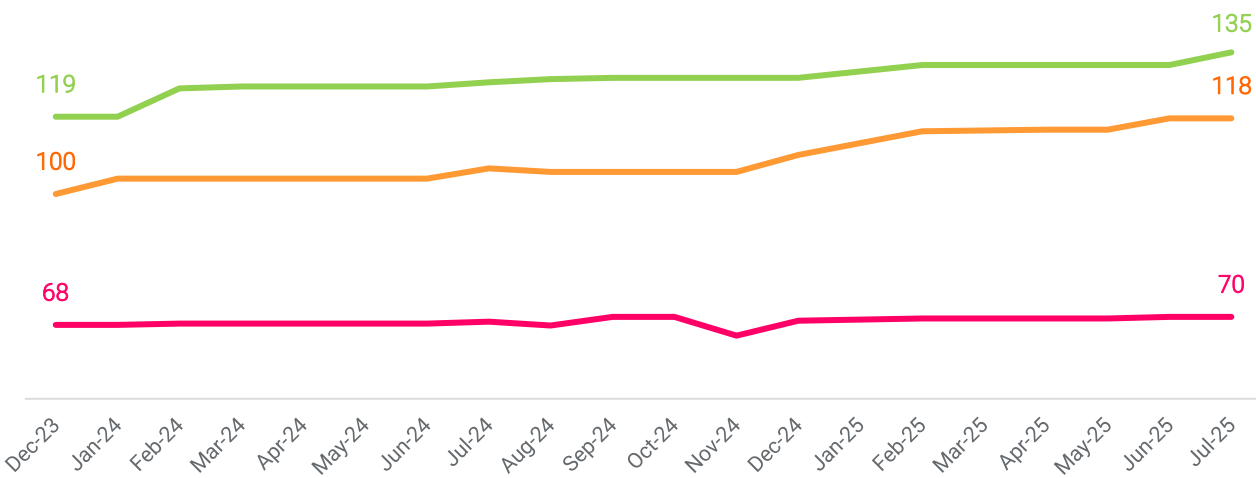


Chart 3: Shopping Basket Price Evolution per brand (Natura in Dec/23 =100)



# XP Beauty Pricing Monitor

Boticário catching up; Mexico’s order model being replicated in Argentina

Chart 4: Average price increase in Argentina (% YTD) – Natura

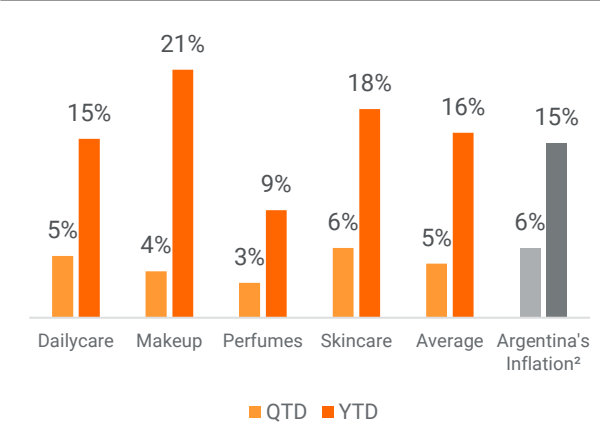


Chart 5: Average price increase in Argentina (% YTD) – Avon

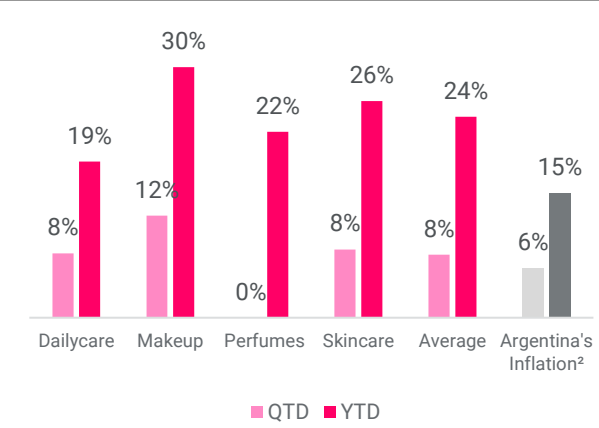


Chart 6: Avon’s pricing strategy (100= Magazine prices)

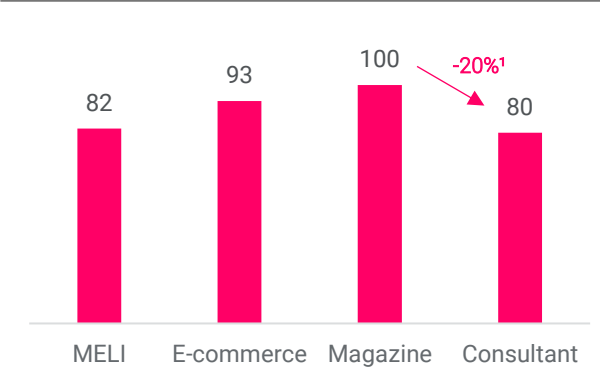


Chart 7: Natura’s pricing strategy (100= Magazine prices)

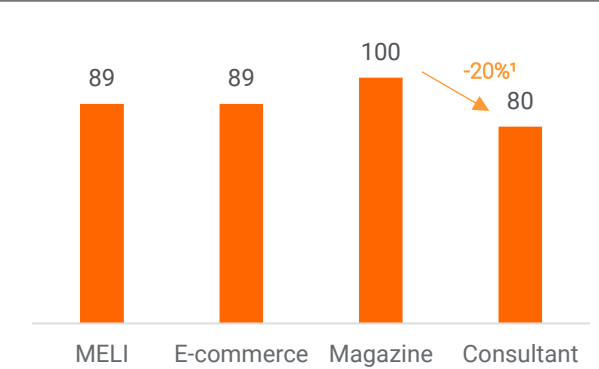


Chart 8: O Boticário pricing strategy (100= Magazine prices)

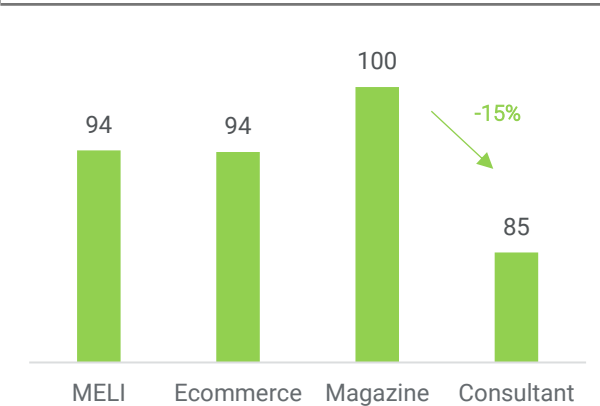
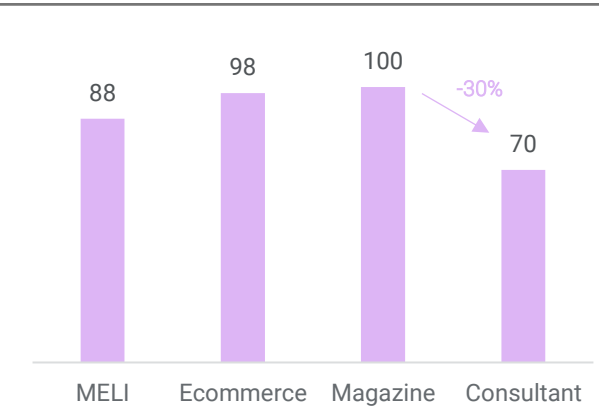


Chart 9: Eudora pricing strategy (100= Magazine prices)



XP Beauty Pricing Monitor

Boticário catching up; Mexico’s order model being replicated in Argentina

Fig. 1-2: Natura is fostering specific categories by cycle, with Skincare in this cycle and Bodycare for the next

Último ciclo para conquistar prêmios com produtos para o Rosto

Na Campanha Missão da Beleza você pode conquistar Vale-Pontos, Kit da Categoria e Caixa dos Sonhos com R\$ 500 de bônus no Emana Pay. No próximo ciclo começa a última missão dessa jornada!

MISSÃO

rostro

TUDO ISSO pode ser seu!

Vale-pontos para trocar por produtos e vender com 100% de lucro.

Kit Cuidados<sup>(4)</sup> para as 10 maiores Consultoras da Gerência de Vendas em volume de pontos na categoria Rosto Natura e Avon.

Caixa dos Sonhos<sup>(5)</sup> para as 5 maiores Consultoras da Gerência de Vendas em volume de pontos somados em todas as categorias da Campanha Missão da Beleza. E agora, ela vem com R\$ 500 de bônus no Emana Pay<sup>(6)</sup>.

Garanta sua premiação!

Conclua até o fim do ciclo 13 o curso Como vender os produtos de Rosto Natura e Avon, que é pré-requisito para levar os prêmios. APP + Menu + Treinamentos e cursos + Treinamentos

Como participar

Faça pedidos e atinja seu desafio de pontos com produtos de Rosto Natura e Avon no ciclo 13.

Dica: conquiste + 2 vale-pontos atingindo seu desafio com itens para Rosto das duas marcas.

Confinar todos os detalhes da Campanha Missão da Beleza em

www.naturaeavonreconhecem.com.br/missaodabeleza

LEIA AS REGRAS

Chegou o Movimento Corpo com oportunidades imperdíveis!

Aproveite os ciclos 14 e 15 para crescer na categoria, aumentar seus lucros, acumular pontos e sair na frente na Campanha Missão da Beleza.

MISSÃO

corpo

Campanha Missão da Beleza<sup>(4)</sup>

Alcance seu desafio e conquiste vale-pontos e prêmios exclusivos

escola natura e avon

Faça o curso Como vender os produtos para o Corpo Natura e Avon e torne-se especialista no assunto.

Oportunidades Natura

LANÇAMENTO

163709 Polpa desodorante hidratante para o corpo ekos andiroba 400 ml

Veja aqui

Confira também a nova linha Natura Solar.

E mais! Promoção Kit Tododia Cereja e Avelã.

Conheça todos os itens

Garanta seu

Promoções imbatíveis Avon

LUCRE ATÉ R\$ 224

217728 Kit Avon Care Cuidados II

Confinar aqui

Tem também a imbatível de Avon Care protetor solar.

Inclua no pedido

LEIA AS REGRAS

Disponível enquanto durarem os estoques.

Fig. 3-4: Brands have been fostering the lipstick category with new launches and promotions

O Festival de Batom Natura e Avon já começou

Aproveite esse movimento para aumentar os pedidos e lucrar com o item mais vendido da maquiagem!

No dia 29 de julho celebramos o Dia Internacional do Batom, e o ciclo 12 traz ofertas imperdíveis de Natura Una e Faces e de Avon Ultra.

Mais cor, mais poder e mais lucro para você. Pode confiar!

Natura

Dia do BATOM

Batom color tint FPS 8

Menor preço do ano

Batom matte

Na compra de 2 batons, ganhe mais 1 a escolher

una

Batons matte intransferível, gloss labial e batom cristal com mais de 20% de desconto

Veja aqui as ofertas

Avon

ultra

Tem Imbatível nos batons da linha Avon Ultra Color, nos acabamentos que são lançamentos: brilhante, matte e cremoso; e também nos líquidos semimatte e gloss para você lucrar muito.

Garanta aqui seu estoque

Dicas de venda:

- Aplicadores e pincéis descartáveis ajudam a cliente testar cores e acabamentos.
- Sugira um batom para cada ocasião.
- Invista na sua pronta-entrega.
- Envie os links das Revistas Interativas da Natura e da Avon e venda para todo o Brasil.
- Faça os treinamentos de Maquiagem e acerte na indicação dos produtos.

Disponível enquanto durarem os estoques.

Dia do Batom

32 mil 185 1.296

eudora Hoje é Dia do Batom, e se tem uma marca que domina essa data, é Eudora.

Dos clássicos aos mais ousados, dos mattes inesquecíveis aos balais icônicos, temos o batom que sua boca merece!

E para marcar essa data, chegou o novo Matte Supreme: cor intensa, alta pigmentação, conforto extremo e longa duração. Porque no Dia do Batom, a gente não só celebra, a gente carimba: Falem Bem, Falem Matte.

Corre para garantir o seu no site, com uma revendedora ou em uma loja física e poste sua foto usando um batom Eudora no #DiadoBatomEudora. #FalemBemFalemMatte #MatteSupreme

Dia do Batom

LEVE 2, PAGUE 1

Escolha 2 itens da seleção e adicione na sacola para aplicar o desconto

xp research | Source: Companies and XP Research.

4



# XP Beauty Pricing Monitor

Boticário catching up; Mexico’s order model being replicated in Argentina

Fig. 5: Eudora also had a strong marketing campaign for the Lipstick Day...



Fig. 6: ... with its new launch directly competing with one of Avon’s hero products – Power Stay

eudora		AVON	
<div><p><b>Liquid Lipstick Matte Supreme</b></p><p>Full Price: R\$55.99</p><p>Discounted Price: R\$39.90</p></div>	<div><p><b>NEW</b></p></div>	<div><p><b>Liquid Lipstick Matte Avon Power Stay 16h</b></p><p>Full Price: R\$49.99</p><p>Discounted Price: R\$32.49</p></div>	<div></div>

Fig. 7: Feedback about Wave 2 on Mexico; Complaints about stockout remains

- @nellysanzavi9053 1 hour ago (edited)

4:07 pues ahora solo de dos:

  - lo que voy a comprar para nende
  - lo que voy a. Comprar para mi

Ya que siguen los agotados 😞

Aún así seguimos con Natura a pesar de todos los cambios que ya están dejando mucho a desear
- @jeanettegarcia6302 4 hours ago

Hola Héctor....

Todo siempre esta agotado 😞
- @andreaordonez4161 1 day ago (edited)

Hola Héctor... Oye a mí no me ha dado el kit de lanzamientos... Me aparece agotado...soy consultora zafiro
- @kenetcano4070 7 days ago

Pues en lo personal ojalá y ya halla unos productos que me han encargado desde que nos lleo el folleto de natura, los jabones y shampo para bebe y el néctar de maracuya ya hasta pena me da decirles a mis clientas que no hay esos productos

# XP Beauty Pricing Monitor

Boticário catching up; Mexico’s order model being replicated in Argentina

Fig. 8: In Argentina, complaints about the new app’s UX and the lack of the physical magazine emerges...

- @gamerpro5592 2 months ago

Llevo horas intentando meter pedido y no se puede la aplicación es malísima
- @L4B1CHO 2 months ago

Muy facil no es!! No me deja agregar productos, solo me dejó capturar algunos de avon y ya no me deja ni avon ni mucho menos de natura... no se que hacer... antes no tenia estos problemas con la anterior plataforma de avon..
- @monicagutierrez5879 3 weeks ago

Está buenísimo incorporar avon ..pero lo único que me gustaría es que vuelvan los catálogos en papel a los clientes les gusta más...con la revista on línea las clientas se quejan que les llenas la memoria del teléfono ...
- @gladysjaurena6836 1 month ago

Al sacar los folletos físicos en Avon a muchas vendedoras les han caído las ventas mientras que las de Natura sus clientes ya están acostumbradas al catálogo virtual...
- @silviaucedo6967 1 month ago

Manden folletos en papel por que virtual no funciona

Fig. 9: ... with orders’ thresholds replicated from Mexico’s integration.



# Disclaimer

- 1) This report was prepared by XP Investimentos CCTVM S.A. ("XP Investimentos or XP") according to the requirements provided in CVM Resolution 20/2021 and aims to provide information that can help the investors make their own investment decisions, and does not constitute any kind of offer or purchase request and/or sale of any product. The information contained in this report is considered valid on the date of disclosure and has been obtained from public sources. XP Investimentos is not liable for any decisions made by the customer based on this report.
- 2) This report was prepared considering the product risk classification in order to generate allocation results for each investor profile.
- 3) All of the views expressed in this research report accurately reflect the research analyst's personal views regarding any and all of the subject securities or issuers. No part of analyst(s) compensation was, is or will be, directly or indirectly related to the specific recommendations or views expressed in this research report.
- 4) The signatory of this report declare that the recommendations reflect solely and exclusively their personal analyses and opinions, which have been produced independently, including in relation to XP Investimentos and which are subject to modifications without notice due to changes in market conditions, and that their remuneration are indirectly affected by revenue from business and financial transactions carried out by XP Investimentos.
- 5) The analyst responsible for the content of this report and the compliance with CVM Resolution 20/2021 is indicated above, and, in the event of an indication of another analyst in the report, the person responsible will be the first accredited analyst to be mentioned in Report.
- 6) XP Investimentos' analysts are obligated to comply with all the rules laid down in the APIMEC Brasil's conduct code for the securities analyst and XP Investimentos' analyst of securities conduct policy.
- 7) Customer service is carried out by XP Investimentos employees or by investments advisors who perform their activities through XP, in accordance with CVM Resolution 178/2023, which are registered in the national association of brokers and distributors of securities ("ANCORD"). The investments advisors may not provide consulting, administration or management of customer net worth, and must act as an intermediary and request prior authorization from the client for the realization of any operation in the capital market.
- 8) For the purpose of verifying the adequacy of the investor's profile to the investment services and products offered by XP Investimentos, we use the methodology of adequacy of products by portfolio, in accordance with the ANBIMA Rules and Procedures of Suitability No. 01 and the ANBIMA Code of Regulation for Distribution of Investment Products. This methodology consists of assigning a maximum risk score for each investor profile (conservative, moderate and aggressive), as well as a risk score for each of the products offered by XP Investimentos, so that all customers can have access to all products, provided that within the amounts and limits of the risk score defined for their profile. Before applying to the products and/or contracting the services subject to this material, it is important that you verify that your current risk score includes the application in the products and/or the contracting of the services in question, as well as whether there are limitations of volume, concentration and/or quantity for the desired application. You can consult this information directly at the time of transmission of your order or by consulting the overall risk of your wallet on the portfolio screen (Risk View). If your current risk score does not support the desired application/contract, or if there are limitations in relation to the amount and/or financial volume for said application/contracting, this means that, based on the current composition of your portfolio, this application/contract is not appropriate to your profile. If you have questions about the process of suiting the products offered by XP Investimentos to your investor profile, please refer to the FAQ. Market conditions, climate change and the macroeconomic scenario can affect investment performance.
- 9) The profitability of financial products may present variations and their price or value may increase or decrease in a short period of time. Past performance is not necessarily indicative of future results. Performance disclosed is not net of any applicable taxes. The information present in this material is based on simulations and the actual results may be significantly different.
- 10) This report is intended exclusively for to the XP Investimentos' network, including XP's investments advisors and XP's customers, and may also be released on XP's website. It is prohibited to reproduce or redistribute this report to any person, in whole or in part, whatever the purpose, without the prior express consent of XP Investimentos.
- 11) XP Investimentos' ombudsman has the mission to serve as a contact channel whenever customers who do not feel satisfied with the solutions given by the company to their problems. The contact can be made via telephone 0800 722 3710 if you are in Brazil or via ombudsman form if you are in other localities: <https://institucional.xpi.com.br/ouvidoria.aspx/>.
- 12) The cost of the transactions billing policies are defined in the operational cost tables which are made available on XP Investimentos website: [www.xpi.com.br](http://www.xpi.com.br).
- 13) XP Investimentos is exempt from any liability for any damages, direct or indirect, that come from the use of this report or its contents.
- 14) Technical analysis and fundamental analysis follow different methodologies. Technical analysis is performed following concepts such as trends, support, resistance, candles, volume, and moving averages, amongst others. Fundamental analysis uses as information the results disseminated by the issuing companies and their projections. In this way, the opinions of fundamental analysts, who seek the best returns given the market conditions, the macroeconomic scenario and the specific events of the company and the sector, may differ from the opinions of technical analysts, which aim to identify the most likely movements on asset prices, using "stops" limit possible losses.
- 15) Equity investments available are portion a company's capital that is traded on the market. Stock is a variable financial investment (i.e. an investment in which profitability is not pre-established and varies depending on market quotations). Investment in stock is a high-risk investment and past performance is not necessarily indicative of future results and no statement or warranty, expressed or implied, is made in this material in relation to future performance. Market conditions, macroeconomic scenario, company and sector specific events can affect investment performance and may even result in significant asset losses. The recommended duration for equity investments is medium-long term. There is no guarantee of investment return for customers' investments in stock.
- 16) Investment in options is the purchase or sale rights of a good shall be negotiated at a price fixed at a future date, and the purchaser of the negotiated duty should pay a premium to the seller as in a secure agreement. Operations with these derivatives are considered very high risk for presenting high risk and return relationships and some positions present the possibility of losses higher than the capital invested. The recommended duration for the investment is short-term and the customer's assets are not guaranteed in this type of product.
- 17) Investment in terms are contracts for the purchase or sale of a certain number of shares at a fixed price for settlement within a specified period. The term of the contract is freely chosen by the investors, complying with the minimum period of 16 days and a maximum of 999 days. The price will be the value of the added share of a portion corresponding to the interest-which are set freely on the market, depending on the term of the contract. Every transaction in the term requires a guarantee deposit. These guarantees are provided in two forms: coverage or margin.
- 18) Investments in futures markets are subject to significant loss of principal. a commodity is an object or price determinant of a future contract or other derivative instrument, which may substantiate an index, a fee, a movable value or a physical product. Commodities are considered high risk investments, which include the possibility of price fluctuation due to the use of financial leverage. The recommended duration for commodity investments is short-term and customers' assets are not guaranteed in this type of product. Market conditions and the macroeconomic scenario can affect the performance investments.
- 19) This institution is adhering ANBIMA Code of Regulation for Distribution of Investment Products.
- 20) XP Investments US, LLC, a broker-dealer registered with the U.S. Securities and Exchange Commission, has assumed responsibility for this research for purposes of U.S. law. All transactions arising from this research should be directed to XP Investments US, LLC, at +1 646-664-0525.
- 21) XP Investimentos (a) managed or co-managed a public offering of securities for the subject company in the past 12 months, or (b) received compensation for investment banking services from the subject company in the past 12 months; or (c) expects to receive or intends to seek compensation for investment banking services from the subject company in the next 3 months.

