Entrepreneurship in Natural Cosmetics Distribution Logistics Channels in Brazil: Analysis of the entrepreneurial profile of Bothânico Hair

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Abstract: Technological, organizational and market integration changes, which have been taking place in the business environment in Brazil, contribute to significant changes in the search for new ways of understanding how to reinvent itself in a country that cannot guarantee economic stability. With all these changes, people seek a redirection in their professional life and new earning options and financial security. With this, entrepreneurship becomes a reality contextualized by individuals inserted in the business scenario. These individuals look for opportunities that allow them financial stability and often fulfill their dreams of opening their own businesses. The entrepreneur is the engine of the economy, he is an agent of change and motivation to overcome the challenges of commercial oscillation. In the area of natural cosmetics distribution logistics channels, the capacity to innovate, to reinvent business, processes and marketing are crucial for the sustainability of the business. It is important to know the profile and potential of entrepreneurs who work in this very competitive business area. An exploratory study was developed, with a descriptive design, using a questionnaire to obtain information about the profile of the entrepreneurs of the company Bothânico Hair in distribution logistics (case study). As participants in this research, we selected about 12 natural cosmetics professionals working as distributors of a brand of natural products. The results obtained allow us to conclude that entrepreneurs are mostly male individuals, with medium training, experience in the area and able to take risks. Also noteworthy is its ability to identify new opportunities, openness to the adoption of new technologies and interest in innovating operational processes. In the same way, entrepreneurs feel the need to invest in knowledge and professional training that allows for strengthening, greater growth and sustainability of the business. The most outstanding characteristics about the qualities of entrepreneurs were: the ability to identify new opportunities, the ability to create or improve technologies and/or processes and take calculated risks. The data obtained allowed to draw a profile of the distributor of natural cosmetics, listing the ten main items that should be valued in a professional cosmetics entrepreneur.

Keywords: Entrepreneurship, Distributor, Natural Cosmetics, Logistics, Case study

1. Introduction

Technological, organizational and market integration changes, which have been taking place in the business environment in Brazil, contribute to significant changes in the search for new ways of understanding how to reinvent itself in a country that cannot guarantee economic stability. With all these changes, people are looking for a redirection in their professional life and new earning options and financial security. With this, entrepreneurship becomes a reality contextualized by individuals inserted in the business scenario (Dornelas, 2011).

These individuals look for opportunities that allow them financial stability and often fulfill their dreams of opening their own businesses. Gerber (2014) points out that the entrepreneur's profile transforms the most insignificant condition into a great opportunity. When analyzing how companies will behave in the market, considering that more important than their opening is their permanence in the market, and the causes of success or failure will depend a lot on the profile of the entrepreneur, on the people who make up the organizational environment (Müller et al., 2023).

The part that belongs to these individuals becomes very important for the economy and business sustainability (Javed et al., 2023), because, as stated by Dolabela (2008), the entrepreneur is the engine of the economy, he is an agent of change and motivation to overcome the challenges of commercial oscillation. The “physical
appearance” sector (cosmetics/beauty) is a business that moves billions of dollars a year worldwide, in which gigantic multinationals and small industries operate, as highlighted by ABIHPEC (2018).

As a result, Brazilian industries are working to explore this market, which has been demonstrating great commercial opportunities for the country. The continuous search for channels that make the undertaking feasible and sustainable, guaranteeing the entrepreneur, in this case the distributor, the expected return and security, so important for the realization of their projects in this business network.

Companies are working with channels for introduction, at points of sale, and the processes to sell their products and reach their target audience are quite varied. According to Kotker (2012), distribution is the most common way for companies to get their products to the right place. This stage is very important, since the entire flow of production will depend on the choice of distribution channel. It is an activity that is directly linked to the company’s Marketing, therefore, a well-detailed strategy in the way the company will reach its target audience is of paramount importance.

Undertaking in the distribution sector one of the most important and fundamental pillars of this business constitutes the necessary conditions for opening new fronts to be explored and at the same time guaranteeing loyalty and innovation, in the commercial actions for the customers that the distributor managed to conquer in its commercial coverage network.

The aim of this investigation is to analyze the entrepreneurial profile of the distributor of Natural Cosmetics. Through a case study, it is intended to know the entrepreneurial profile of the distributors of the company Bothânico Hair, and how these characteristics can contribute to the success of the business.

2. Literature Review

In Brazil, the Cosmetics, Perfumes and Hygiene Products sector has shown continuous growth in recent years (BOLETIM FOCUS DO BANCO CENTRAL, 2018; ABIHPEC, 2018), largely due to the greater participation of Brazilian women in the labor market, the constant launch of new products to respond to market needs, as well as the increase in life expectancy, making it necessary to preserve a more youthful impression.

Calvacanti (2012) considers that societies cannot evolve without entrepreneurs. However, he defends the creation of a technological park and greater government intervention in order to encourage entrepreneurship.

Boava and Macedo (2009) add that society is not the generator of entrepreneurship, as it only creates the conditions for its development. However, the entrepreneur is of paramount importance for the survival of the economy, enabling the generation of wealth, employability, innovation and competitiveness of different sectors (Gjergji et al., 2022; Patzelt et al. 2021).

According to Schumpeter (apud Mintzberg et.al; 2000), capital is not necessarily the main item that the entrepreneur must have, but the identification of business opportunities, ideas, resilience and the ability to take considered risks. In this way, Dolabela (2008) considers that the entrepreneur is a being who imagines, develops and realizes the vision, being the product of the society where he lives (entrepreneurial culture).

In the study of entrepreneurship, profile identification is a very important and comprehensive practice. Profiles are generally positively associated with the success of entrepreneurs. According to Pereira and Santos (1995, p.45), “every person is the result of a constant good relationship between the talents and characteristics he inherited and the various environments he frequented during his life”. Coexistence at school, with family, friends, work, among others, makes it possible to develop personality traits and talents and at the same time may inhibit or weaken others (Gjergji et al., 2022; Patzelt et al., 2021; Müller et al. 2023).

This phenomenon occurs throughout life and, generally, entrepreneurial characteristics are related to: needs, knowledge, values, attitudes and skills.

According to Lezana and Tonelli (1998) and Sheedy (1996) the main needs of the entrepreneur can be described as approval, the search for family recognition, a position in society, respect for friends, increasing status, achieving something and having the recognition for that. And with this activity, they intend to control their destiny, be independent and achieve personal fulfillment (Müller et al., 2023; Javed et al. 2023).

However, given the dynamics of markets and technological evolution, knowledge (technical, scientific, of the market) is required, a necessary condition to achieve greater organizational performance (Oliveira, 2003; Gramigna, 2013; Gjergji et al., 2022; Patzelt et al. 2021; Müller et al. 2023; Javed et al. 2023).
In turn, Lezana and Tonelli (1998) highlight the role of values (existential, aesthetic, intellectual, moral and religious) and attitudes of entrepreneurs (Robbins, 2010; Cunha et al, 2005) as determinants in identifying opportunities, management of the business team, in the decision-making process about the business project and/or business (Javed et al. 2023; Müller et al. 2023).

The opening of new distribution channels generates opportunities for the creation of new companies, managing the connection and intermediation between products and consumers (Kotler, 2012), providing the generation of value to the consumer in the acquisition, consumption and disposal of products and services ( Pelton, Strutton & Lumpkin, 1997). As an organization, distributors turn to marketing to assert their value proposition and create demand, filling the main gaps in time, place and ownership (Lambin, 2000) that distance goods and services from those who wish to use them. A well-planned distribution logistics and a dynamic and innovative marketing of the distributor, allows a competitive differential in relation to the competitors (Rosenbloom, 2002), in an increasingly competitive and fragmented market. According to the author, the success of the distribution process is basically the interaction of people and the experiences they provide to their customers at the point of sale.

3. Methodology

Based on the research problem (what is the entrepreneurial profile of the cosmetics distributor of the company “Bothânico Hair” in the distribution logistics in the municipalities of Minas Gerais?) the objectives of the study were defined.

The general objective is to analyze the entrepreneurial profile of the distributor of Natural Cosmetics. In specific terms (Cervo & Bervian, 2007) it is intended to: identify the importance of the distributor in the distribution logistics of Natural Cosmetics; identify the Natural Cosmetics distributor profile; identify the entrepreneurial profile of Natural Cosmetics distributors.

As a methodological design, exploratory research was used, with a descriptive design, focusing on a quantitative case study (Gil, 2010), using a questionnaire to collect data.

The questionnaire contained 36 questions, including questions referring to the socio-demographic profile of the participants. The questions were divided into 5 groups with closed questions, using a 5-point Likert-type scale, in which “1” meant “I totally disagree” and “5” “I totally agree”.

Twelve natural cosmetics professionals who work as distributors of a brand of natural products “Bothânico Hair”, located in the state of Minas Gerais, participated in the study. The participants have a bond with the company, with the representation of the brand through a contract signed between the company and the distributor, on an exclusive basis in the area signed between the parties.

4. Analysis of results

The state of Minas Gerais is the fourth largest state among the 27 that make up the Brazilian federation, ranking 2nd in territorial extension of 586,520.732km² (IBGE, 2018). According to SEBRAE (2018), twelve out of every 100 creative economy businesses in Brazil are located in the state of Minas Gerais. There are 63,000 companies, the vast majority of micro and small companies. The state ranks second in the country in job generation in the sector, with a representative number of more than 457,000 people employed in the various activities of the so-called creative economy.

Bothânico Hair started its activity in 2002 and currently employs 45 people. It presents a mix of more than 100 products, being one of the most developed companies in the hair cosmetics market in Brazil. It is present in more than 18 Brazilian states, through the exclusive distribution process. It is in the state of Minas Gerais that it has a greater number of distributors (13 distributors).

Twelve of the 13 distributors who work in the state of Minas Gerais responded to the questionnaire. It is observed that most professionals are between 25 and 34 years old and between 35 and 44 years old, that is, characterizing a more experienced professional profile. With regard to marital status, it is observed that most are married (58.3%). As for education, it is observed that the majority (41.7%) have Completed or Incomplete Higher Education.

When analyzing the characteristics most related to entrepreneurship, it is observed that most of the distributors already have an occupation in the area, exercising the function of Administrator (33.3%) or Entrepreneur (25%).
These professionals perform this function even with brief experience. Most are in the profession between 1 and 3 years. Only 25.0% of professionals have been in the business for a longer time, with more than 10 years of experience.

### Table 1. Natural Cosmetics Distributor Profile

<table>
<thead>
<tr>
<th>Marital status</th>
<th>F</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>7</td>
<td>58.3%</td>
</tr>
<tr>
<td>Stable union</td>
<td>3</td>
<td>25.0%</td>
</tr>
<tr>
<td>Single</td>
<td>2</td>
<td>16.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profession</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrator</td>
<td>4</td>
<td>33.3%</td>
</tr>
<tr>
<td>Business Person</td>
<td>3</td>
<td>25.0%</td>
</tr>
<tr>
<td>Administrative Assistant</td>
<td>2</td>
<td>16.7%</td>
</tr>
<tr>
<td>Commercial Manager</td>
<td>1</td>
<td>8.3%</td>
</tr>
<tr>
<td>Trade Representative</td>
<td>1</td>
<td>8.3%</td>
</tr>
<tr>
<td>Did not answer</td>
<td>1</td>
<td>8.3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age Group</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 24 years</td>
<td>2</td>
<td>16.7%</td>
</tr>
<tr>
<td>From 25 to 34 years old</td>
<td>5</td>
<td>41.7%</td>
</tr>
<tr>
<td>From 35 to 44 years old</td>
<td>5</td>
<td>41.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Education</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Teaching Medium Complete/Incomplete Teaching Superior</td>
<td>2</td>
<td>16.7%</td>
</tr>
<tr>
<td>Graduate/ Master/ Doctorate</td>
<td>2</td>
<td>16.7%</td>
</tr>
<tr>
<td>Did not answer</td>
<td>3</td>
<td>25.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Professional Exercise Time</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Between 1 and 3 years</td>
<td>4</td>
<td>33.3%</td>
</tr>
<tr>
<td>Between 4 and 5 years</td>
<td>2</td>
<td>16.7%</td>
</tr>
<tr>
<td>Between 6 and 10 years</td>
<td>3</td>
<td>25.0%</td>
</tr>
<tr>
<td>Over 10 years</td>
<td>3</td>
<td>25.0%</td>
</tr>
</tbody>
</table>

The following table presents the summary statistics of the questionnaire items. The item with the highest evaluation score is: 27 - Conveys integrity and reliability (M=4.5) and the item with the lowest value is 16 - Does not conform to the status quo (M=3.5) and 14 - Able to define concepts and detail ideas (M=3.5).

### Table 2 - Descriptive statistics of the evaluated items

<table>
<thead>
<tr>
<th>Item</th>
<th>Average</th>
<th>Median</th>
<th>Standard deviation</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Proactivity in decision making</td>
<td>3.67</td>
<td>4.00</td>
<td>0.65</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>2 - Tenacity, obstinacy</td>
<td>4.08</td>
<td>4.00</td>
<td>0.51</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>3 - Discipline and Dedication</td>
<td>4.17</td>
<td>4.00</td>
<td>0.72</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>4 - Persistence in solving problems</td>
<td>4.08</td>
<td>4.00</td>
<td>0.79</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>5- Willingness to sacrifice to achieve goals</td>
<td>4.42</td>
<td>4.50</td>
<td>0.67</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>6 - Total immersion in the activities it develops</td>
<td>4.17</td>
<td>4.00</td>
<td>0.72</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>7 - Seeks to have in-depth knowledge of customer needs</td>
<td>4.5</td>
<td>4.00</td>
<td>0.74</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>8 - Is driven by the market (Market Driven)</td>
<td>3.73</td>
<td>4.00</td>
<td>0.65</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>9 - Obsession with creating value and satisfying customers</td>
<td>4.42</td>
<td>4.00</td>
<td>0.51</td>
<td>4.00</td>
<td>5.00</td>
</tr>
<tr>
<td>10 - Takes calculated risks (Analyzes everything before acting)</td>
<td>3.83</td>
<td>4.00</td>
<td>0.72</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>11 - Try to minimize the risks</td>
<td>3.75</td>
<td>4.00</td>
<td>0.87</td>
<td>2.00</td>
<td>5.00</td>
</tr>
<tr>
<td>12 - Tolerance of uncertainty and lack of structure</td>
<td>3.67</td>
<td>4.00</td>
<td>0.78</td>
<td>2.00</td>
<td>5.00</td>
</tr>
<tr>
<td>13 - Stress and conflict tolerance</td>
<td>3.5</td>
<td>3.00</td>
<td>0.67</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>14 - Skilled at solving problems and integrating solutions</td>
<td>3.92</td>
<td>4.00</td>
<td>0.51</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>15 - Unconventional, open minded, thinker</td>
<td>4.5</td>
<td>4.00</td>
<td>0.74</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>16 - Does not conform to the status quo</td>
<td>3.5</td>
<td>3.00</td>
<td>0.80</td>
<td>3.00</td>
<td>5.00</td>
</tr>
<tr>
<td>17 - Skilled in defining concepts and detailing ideas</td>
<td>3.5</td>
<td>4.00</td>
<td>0.67</td>
<td>2.00</td>
<td>4.00</td>
</tr>
</tbody>
</table>
To better understand the profile of cosmetics distributors, the top 10 items with the best evaluations were listed. In this way, it will be possible to know the items with the highest scores and importance for professionals (figure 3). For distributors, the most excellent item is “Conveys integrity and reliability”, followed by “obsession in creating value and satisfying customers” and “willingness to sacrifice to achieve goals”. These items reinforce how much natural cosmetics distributors are concerned with ensuring excellence for their customers, sparing no efforts to achieve them.

![Top 10 of the excellence items](image)

**Figure 3. Top 10 positive evaluation items**

The entrepreneurial profile of distributors was evaluated based on 5 dimensions. The results show that the Leadership attribute is extremely important for distributors (M=4.25). This is followed by the “Commitment and determination” dimension (M=4.10). On the other hand, creativity, self-confidence and ability to adapt are attributes, although positive, need to be improved (M=3.65).
5. Discussion of Results

With regard to leadership for distributors, it was noticed that those with a longer profession were able to stand out, being crucial to achieving the organization’s objectives, as evidenced by Barlach (2012), Guedes (2008) and Javed et al. (2023).

The results on commitment and determination show that distributors who are aged (35 to 44 years) and longer in service (6 and 10 years), tend to be more focused and seek the goals set through the experience gained with the time. Along the same lines, Valdemir (2009) states that commitment involves learning, the importance given to how to learn, that is, the variety and intensity of ways used to do so, as well as the time dedicated to this end.

According to the indices found on motivation and resilience, these were more present in the responses of more experienced distributors, with an age group between (35 and 44 years), with a representativeness of 66.7%, demonstrating that they can motivate themselves and overcome its challenges, as evidenced by Guedes (2008) and Marques (2018).

The vision of being an entrepreneur is linked to the possibility of the individual seeing a good business option, due to this issue, the opportunity variable, brings results that show that education is fundamental for distributors (Vacilotto, 2018; Fagundes, 2016; Javed et al, 2023). This data was representative, emphasizing that the qualification acquired with the postgraduate/master's/doctorate means that the understanding of an opportunity has to be backed up with knowledge.

With regard to creativity, self-confidence and adaptation, it was evident that distributors rely on the career they pursue throughout their lives, and experience allows them to increase confidence and agility in identifying opportunities and adapting to changes (Silva, 2016; Patzelt et al. 2021).

When analyzing the indexes found, a significant relevance was observed in the 10 that stood out the most:

1) Proactivity in decision-making, as stated by Rocha (2013), assumes the ability of distributors to anticipate and take responsibility for decision-making (Müller, 2023);

2) Taking calculated risks (analyze everything before acting), reports that the distributor focuses on analyzing the risks inherent in the business, thereby ensuring greater peace of mind when referring to what can affect the success of the enterprise (Zilch, 2016; Müller et al. 2023);

3) Distributors demonstrate that they seek to minimize risks, as recommended by the literature (Garcia, 2013; Assi, 2010);

4) tolerance of uncertainties and lack of structure shows that the distributor has good acceptance in this regard, contributing to face new challenges, as mentioned by Baldaia (2012), Andreasi (2013) and Müller et al. (2023);
(5) The distributor showed in the 3.50% found in the variable tolerance to stress and conflicts, that even in non-occasional issues, the absorption of the impacts in the situation, one must always maintain control, and be able and tolerant for the resolution of the conflicts. This result is in line with the works of Araújo (2008), Cunha and Leitão (2016) and Gjergji et al. (2022);

(6) The distributor demonstrated that he is able to solve problems and integrate solutions, being decisive in entrepreneurial activity (Cristofolini, 2016; Marques, 2017; Müller et al. 2023).

(7) When analyzing the unconventional, open-minded, thinker index, it was observed that there was an expressiveness in the percentage found, as distributors demonstrated that a concern about not being convenient, always seeking to innovate and be open-minded to new ideas, as recommended by Brussel (2014), Bravin (2015), and Gjergji et al. (2022);

(8) The study shows that non-conformity with the status quo describes a distributor that is still stagnant and not very confident in continuous change. For Souza (2012), many people wrongly label entrepreneurs, not conforming to the way things are happening is a very important virtue that can make all the difference in relation to others.

(9) In the variable able to define concepts and detail ideas, a study shows that the distributor is prepared to analyze existing concepts and ideas. Araújo (2010), in this line, describes that having skills capable of understanding concepts within the organization and identifying and filtering ideas are essential entrepreneurial characteristics.

(10) The distributor showed in the variable not afraid to fail that his confidence in this regard is unknown, showing fear for his future and his activity.

6. Conclusion

The study carried out showed that the distribution logistics is an operation that needs the distributor intensely. The data show that the industry produces and the distributor delivers its products, logistics that is in charge of the distributors, so the brand needs intensely a good relationship between the distributor and the market. The notoriety that can be described in relation to how much it is necessary to understand that the distributor is a fundamental part in the cosmetics distribution operation.

In terms of the profile of the distributors, the data show a distributor, mostly male, having completed high school, with regard to decision-making, an individual with experience in the area and able to take risks, from that are calculated. The idea of knowing how to behave when seeing an opportunity was visible when analyzing the indexes, the distributor demonstrated that it is flexible to new technologies and always looking to innovate operational processes. With an overview of the distributor, it is believed that he is a born entrepreneur, innovative and always open to new ideas, but like any other individual, he needs to continuously seek training and guidance for his personal and professional growth and strengthening.

The characteristics of the most prominent entrepreneurs were the intelligence to identify an opportunity, to improve an idea or even to invent something that did not exist. The profile of the entrepreneur of the distributor of Natural cosmetics, is of an individual who has experience in the field, all male, with an ideology that a risk is only worth it if it is calculated, their time in the profession varies between 6 and 10 years, with management carried out by the distributor itself.

Identifying the profile of a company's entrepreneur will allow working on training and qualifying these distributors, working on deficiencies found and improving positive and essential characteristics to achieve success.

Given that the study focused only on one company and in the State of Minas Gerais, it is suggested for future work to extend the study to other organizations in the sector and regions of Brazil.

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