

BOBBI BROWN

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EXECUTIVE SUMMARY

The pages that follow contain the study of the high-end makeup trademark *Bobbi Brown*, founded by its namesake in 1991. This booklet revises the topics and researches conducted during the course of “Lifestyles and Trends” this semester, going from the history of the brand and the woman behind it, the user, persona and lifestyles associated to Bobbi Brown as well as the socioeconomic placement of the brand.

This brochure introduces a brief analysis of *Bobbi Brown Cosmetics* fashion life cycle (in the past, present and future), the Innovation Adopter classification of the users and provides a market strategy proposal for the brand to ensure its presence in the fashion life cycle by comparing *Bobbi Brown* with a pair of representative brands that lead potential markets for the company to venture with, including an explanation for each of these decisions, as well as a series of interpretations that will lead to a forecasting process which will try to predict the upcoming trends in the makeup industry and how these could be adopted by *Bobbi Brown Cosmetics* under certain time projections covering subjects such as colors, price and user changes.

WHO IS BOBBI BROWN?

Ever since she was little, **Bobbi Brown** watched her mother put on makeup every morning before heading out to work which made young Bobbi fall in love with this form of art. As she settled into her early adult years she became a young working professional, she earned a B.F.A. in theatrical makeup and upon graduation, she moved to New York City to make it as a professional makeup artist. She showed her ever-growing portfolio to anyone who would look at it, slowly built up contacts, and experienced the challenges typical of most freelance makeup artists trying to make it in Manhattan. But despite the ups and downs, her talent and drive earned her coveted gigs with top magazines, photographers, and models; she's made up some of the most famous faces in the world including supermodels Naomi Campbell and Tatiana Patitz as they were featured in the covers and pages of fashion magazines like *Vogue*.

She experimented with multiple colors and cosmetic brands in search of the perfect lipstick color and the perfect eye shadow shade; Bobbi had moved past the casual, collegiate look and searched for a more sophisticated and grown-up one, yet pared-down compared to the bold and bright looks that defined the '80s. It was the '90s, a time when beauty and style took a turn for the **natural**, women craved a more natural look... "We still wanted our makeup, but we didn't want to look artificial and overdone" says Brown for *20/20* Magazine.

Dissatisfied with the makeup products of that time (Brown found them too artificial-looking) she had a vision of creating makeup that encompassed her own ideals of beauty: makeup that is **simple, flattering and wearable**—makeup that **enhances** a woman's **natural beauty**, rather than covering it up. However, Bobbi Brown couldn't find shades that looked natural on a wide range of complexions.

Ten years into her freelance career, a chance meeting with a chemist at a magazine photo shoot changed everything. "I had the idea to create a lipstick that didn't smell, wasn't dry or greasy, and looked like lips, only better—and I told the chemist about it," she says. So in **1991**, under the name of **Bobbi Brown essentials**, she teamed up with said chemist and ushered in a new era of natural-looking makeup with her debut collection of 10 brown-based universally flattering lipsticks shades at Bergdorf Goodman. The line was an instant hit, signifying the tides were changing in beauty and women were indeed gravitating toward a more natural look. Bundling on the success of her **lipsticks**, Brown expanded to a full range of **color cosmetics**, as well as **skincare, fragrance** and recently her first **eyewear** line.

This change in the beauty market caught the attention of cosmetics empire Estée Lauder, who bought Bobbi Brown Cosmetics in **1995**, just four years after the company's inception. Today, Bobbi Brown retains control of the brand as chief creative officer and her brand has a presence in more than 1,000 doors in 60 countries and 30 freestanding branded signature stores.

BOBBI BROWN IS FOR YOU: persona, user and lifestyles

When talking about the *persona*, we refer to the role that one displays in public or society; one's public image or personality that may involve the way one behaves, talks, etc., with other people¹ which leads us to recognize him/her as a particular kind of person and, in this case, a kind of user.

Bobbi Brown's persona are women among the ages of **23 to 45**, who belong to the **A, B or C socioeconomic groups**; they most certainly have a **high level of education** (college at least). Older women might be married but the younger ones are probably not. She looks like a high class person who can afford just anything. The user is **interested in high-end makeup brands, quality** of their products and finding **the right look for them**, one that's **natural and classic**. However, what differentiates this group of women among the rest is that *they do have* certain level of **knowledge** regarding **makeup** and/or the **industry**.

Our persona occupies an **important** role in **social** or **laboral surrounding** which makes her independent. Another few words that describe her are **classy, smart, comfortable, subtle and confident**.

Paradoxically, the persona is either an **Early Majority Consumer** or a **Late Adopter**. Why? Bobbi Brown has said "*I don't need to be first. I just need to be best!*"² which explains that her company is not really

interested in being “*the first*” at anything, it isn’t targeting people who look for the hottest trends nor the craziest innovations, their target is people who appreciate quality. Bobbi chooses what she likes about modern makeup, embraces it and turns it into her own conception of said “trend”. Just like the company, our persona isn’t looking for hot colors or trendy and experimental products: she is looking for makeup that *heightens* her beauty. It is because of that key point that our user can be part of the consumer types mentioned above:

When Bobbi Brown decides to incorporate a new product or collection, her consumers may not buy it right away but, since they trust the brand, they decide to check it out and instantly become part of the few people who have tested the product of any given trend with a very special touch of Bobbi [**Early Majority Consumer**].

On the other hand, most of these users like to go with a rather classic makeup and they know what they like and what they don’t. Some of them already have a well-defined style and don’t feel the need to look for new things because they feel comfortable with the products they are using now. But, when they realize there are a bunch of trends they have not tested yet (once these are clearly noticeable) they decide to check it out after it’s already been accepted by the majority of people [**Late Adopter**].

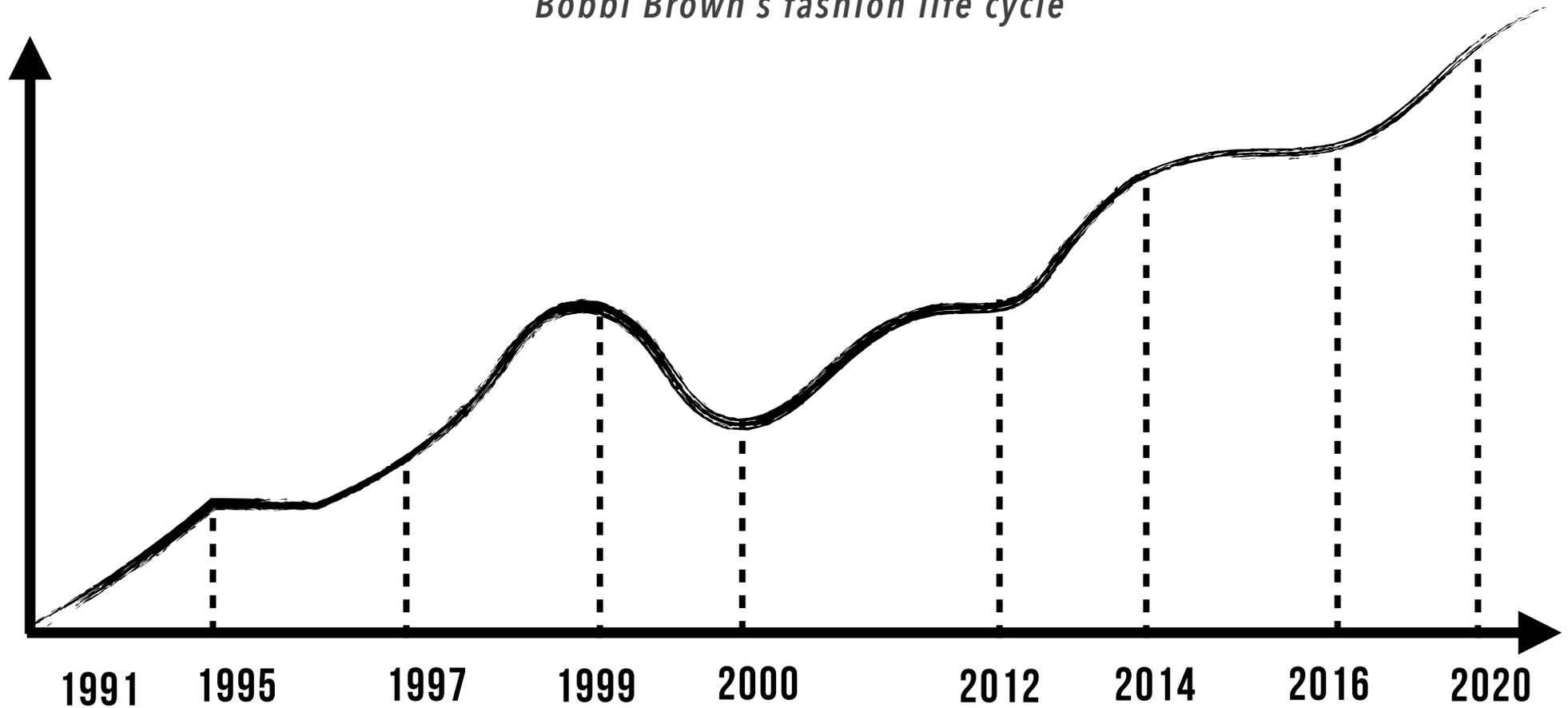
Does this sort of persona belong to a **larger lifestyle** it can be associated with? Yes. This sort of people follow a **health-and-wellbeing-oriented** lifestyle. These women are **well-read and knowledgeable about fashion**, they know what the trendiest looks are but prefer to look natural and beautiful. They are aware of **personal image** and have interest in the **makeup** industry; This kind of **successful** and **independent** women emanate a **high class** vibe, have the resources to buy high-end makeup, but research a bit about what they need and what the market is offering. Whether the user saves money for this investment or not, they are looking for the quality of the product rather than the hottest colors and innovations; these women are **mature and educated** enough to know what they like and what they don't about makeup since they have tried different styles and have gone already through the "experimentation" phase. Instead, they usually pursue **classic and natural** looks: **classy and comfortable** but not outdated.

FASHION LIFE CYCLE

Ever since the beginning, Bobbi Brown Cosmetics has evolved into a high-end brand with changes in user demographics. A fact that is to be noted is that, when the brand first appeared, the public consisted mainly in young women, between the ages of **25 to 35**. A couple of years later, somewhere around the year **2005**, this audience was formed by women in their **40's**. Nowadays, even if this group of women remains loyal to the brand, new users (mostly young people among **20 to 30**) have appeared in Bobbi's segmentation groups.

This change in demographics seems like part of a cycle where Bobbi Brown gets even more popular from time to time, and gains the loyalty of more **young people** who identify themselves with the brand. It gets bigger and bigger with each cycle, along with its **renewed public**, but it never gets out of fashion. Some of this probably has to do with the fact that our society is changing and what was not perceptible for the public 10 years ago, is now. Women pursued the looks of the models that were placed in advertisements, magazines and mass media going after the existing canon of beauty of that time. Nowadays, people in general are starting to question this canon, the idea of beauty that used to change every "flaw" with a bunch of concealer, distract the attention with a bold and unsuitable lip color and appear the whitest you can with an unfit foundation. That is changing, and younger audiences are looking for makeup brands that portray these new ideals, ideals like those which Bobbi Brown chases.

Bobbi Brown's fashion life cycle



The graph presented above is a past, present and future projection of Bobbi Brown's fashion life cycle. It starts in **1991**, when the brand is founded with the *Bobbi Essentials* line, her debut collection of 10 brown-based lipsticks which sold out on the first day. From that point on, Bobbi Brown gradually established as a powerful brand. This change in the beauty market caught the attention of cosmetics empire Estée Lauder, who bought Bobbi Brown

Cosmetics in **1995** with Bobbi's condition of retaining control of the brand as chief creative officer. However, the brand faced some setbacks and sales went flat after its acquisition³. They figured out the problem was that the cosmetics were not setting themselves apart from the competition so they changed the company's culture, the brand renewed itself; Bobbi Brown's numbers vastly improved and eventually hit half a billion dollars. In **1997**, Estée Lauder positioned itself on top of the market and the following years represented a prosperous period for the company until the 'natural-look' trend reached its peak in **1999**, until this fashion declined dramatically in the year **2000**. During the following decade, Bobbi Brown gained stability and grew little by little until it reaches a peak again in **2012**, comparable to the one on 1999⁴. Today, in **2014**, Bobbi Brown has grown and reached its higher position on the fashion cycle. For the future, I expect this growth to continue and, according to the strategy proposed in the following pages, go after market share with another segmentation group similar to the one it has by in **2016** and take over one of the biggest markets of the makeup industry by the year **2020**.

MARKET STRATEGY

In order to propose a strategy for the future, we first need to understand the current state of the company and the market: Bobbi Brown is not easily recognized as a brand in the Mexican market, it's been this way ever since Bobbi Brown arrived to Mexico because the makeup industry here didn't use to be well-known or popular among women; this had to do with the general culture of the country where women wore the most basic and handy makeup they could find, practicality over quality and/or brands. However, nowadays it is a whole new story: the cosmetic and makeup industry is rapidly gaining consumers and people interested in the topic; Mexico is now considered a hot emerging market. The competition is not that big when it comes to high-end and renowned makeup brands in Mexico. Local brands are not unified and international ones are aiming towards very specific markets that do not represent a total loss for Bobbi Brown Cosmetics. Greater than 60% gross margins⁵ result in more capital to invest in new products and education for the customers, and this education means loyal customers on the near future to support the brand. Satisfied and loyal customers are better than any PR and Marketing team: they spread the word about the brand in a very efficient and simple way: with the word of mouth.

The market strategy I propose for Bobbi Brown is moving into a new market, simultaneously increasing the market share; Bobbi Brown is a fashionable makeup brand, known among people who are familiar with the

makeup industry. With the tactic presented on the following pages, we aim to become a classic in the future for women who belong to different segmentation groups of this makeup-interested population.

Our strategy seems to be oriented towards two different directions on two phases. The first stage consists on increasing market share, aiming towards the consumer that frequents brands such as Chanel and moving into this new market that gets closer to the consumer model Bobbi Brown has reached already, which allows the brand to grow and develop a more recognizable essence that more people can relate to. This stage does not involve any dramatic trickle up or trickle down strategy because they are similar markets, the only difference is **education**. The company could and *should* aim for the high-end and classic makeup lover, yet *uneducated* woman that tends to buy her makeup out of habit from traditional brands such as Chanel, rather than choosing it because she knows about the benefits it may (or may not) bring to her, she purchases it because it's the high-end brand she's heard about. This kind of women tends to wear a classic and sometimes dramatic but simple makeup, a concept that draws near to the ideal and essence of Bobbi Brown: offer a **good quality and natural-looking makeup** for powerful women. This uneducated consumer that, therefore, should be educated about the benefits of our products, which can compete with Chanel's quality and even surpass it, according to other users. This should result on an approximate of 6-8% growth of sales for the company.

Then, with this newly earned reputation, we may move forward and carry through the second phase, where Bobbi could aim for a larger and a bit different market: a consumer interested in the trendiest products, hottest

colors, etc; a consumer like the one that tends to choose Urban Decay's products. When reaching this second step, we will apply a trickle across strategy, since the consumer looking for hottest makeup trends overcomes class and status; however, given the fact that this sector is larger (and may belong to lower classes) its spread is massive, and this may result on an indirect trickle down strategy. However, this could bring the bigger economical benefit with an approximate of 16% growth on Bobbi Brown's sales.

To get a better idea of the nature of the arguments presented in the market strategy, we should take a look at the price point of some of the most basic products of the previously mentioned brands to see how they are around the same parameters with little variations as shown on the chart below.

	Moisturizing Light Foundation	Basic Lipstick	Shimmery/Metallic Eyeshadow
Chanel	\$850.00	\$480.00	\$470.00
Bobbi Brown	\$650.00	\$350.00	\$300.00
Urban Decay	\$530.00	\$300.00	\$250.00

**Note: All prices are listed in Mexican currency (MXN).*

We can conclude Chanel's prices are more expensive while Urban Decay's are slightly cheaper, both proving to be from different socioeconomic sectors and, therefore, resulting on different market strategies with different results not only economically but for the way the brand will be perceived when venturing with each kind of consumer.

A LOOK TO THE FUTURE

So what's next? Nowadays, the makeup industry is being revolutionized with the continuous development of technologies and even life philosophies! Our world is changing and so are our needs. One of the emerging trends I've detected is the need to *simplify*: "When it comes to skincare products, the choices can be overwhelming. Day, night, SPF, oil-free, wrinkle-free, exfoliating—such words clutter up the vanity table, and are often more confusing than clarifying"⁶. I think people are trying to bring things back to basics (and to nature), not only have new brands emerged like **Sans [Ceuticals]**, a New Zealand-based multifunctional natural skincare brand, whose range is limited, but most products include multipurpose ingredients and applications like the *Activator 7 Face, Body & Hair* (a specially formulated oil meant to hydrate anywhere, both skin and hair repair, while the oil also makes an effective eye-makeup remover and, as a bonus, the residual vitamin A left on the skin has anti-aging properties); bigger companies have also worked on this synthesizing process and creating multifunctional products for their customers such as the L'Oréal *Nude Magique Blur Cream*: it isn't a base, a primer or a tinted moisturizer, but it has elements of all three.

Regarding new technologies we can find the recent innovation of mascaras, first proposed by the brand Yunique with their **Moodstruck 3D Fiber Lashes**, a three-step process that combines a 'Transplanting Gel' and waterproof natural fibers to help create the appearance of thickness and volume to the natural lashes without the

need of false eyelashes or extensions. The 3D Fiber Lashes can be easily washed off with warm water and facial cleanser, and with its hypoallergenic formula, it is suitable for the most sensitive of eyes. This sort of technology is now being applied to more mascaras of the market to offer the same benefits to the consumer.

On more chemical advances, there's **TranskinTM**. Numerous protein growth factors such as EGF and hGH are used in cosmetics but poorly absorbed into the skin. To enhance the transdermal delivery of growth factors, a novel peptide (TranskinTM) was developed and fused to EGF and hGH. In a nutshell, this peptide will facilitate the penetration of protein growth factors in the many layers of our skin, allowing it to nurture from the applied cosmetic products and also help with the renewal of the skin. Clearly, the makeup and cosmetic industry is stepping up and trying to help the consumer to take full advantage of the benefits of the products available on the market.

Last but not least, probably the biggest revolution and the thing we can expect to hear a lot about in the upcoming years: 3D Printing. The technology that started off as an engineering invention has started to reach the makeup industry with the **Mink Makeup 3D Printer**. Created by Harvard student Grace Choi, this 3D printer is now a game changer for the beauty industry thanks to the possibility it gives its users to turn any color they find on the Internet into a real-life blush, eyeshadow or lipstick from the comfort of their own home, becoming "endless beauty aisles". The mini home printer, set to retail for only \$300 dollars, uses nothing more than an existing software like Paint or Photoshop and is expected to be available to women next summer⁷.

TOMORROW STARTS NOW: forecasting and predictions

Upon various researches and analysis of consumer needs and actual manifestations of makeup on the streets and runways (specially this year's Fashion Week)⁸, I've tried to find the direction makeup is taking nowadays and towards the future. The results seem to be coherent with the existing fashion life cycle of our time.

Probably, the best way to describe what's coming for the makeup trends of tomorrow is "**fresh-faced, iridescent and luminous minimal makeup look**". Girls are aiming to look healthy and glowing, but with **perky hints of color** somewhere (these hints of color will probably be what differentiates a day-makeup look from a night one, but the **glowy face** concept remains the same). Forget about matte foundations and embrace the natural radiance of a healthy skin; however, professionals have already figured out how to imitate the healthy-and-natural look with the aid of other makeup products such as BB creams, highlighters, blushes and even eyeshadows!

I see a few trends coming such as **graphic eyeliner** but, most importantly, "**pastel eyes**". These are created using laser-cut patches of satin and stuck on the eyelid as you would false eyelashes to appear as a very defined and even eyeliner. The rest of the makeup should be kept natural.

Another trend is **lower liner**, which is making a comeback to give a mature yet interesting look, in contrast to the prominent cat-eye look that most women pursue nowadays.

Ombre seems to have transcended from a hair trend to a makeup one. Professional artists are experimenting with these chromatic palettes on the eyes, be it through eyeshadows or, the most recent trend, eyeliner on the waterline. This trend which started with bold colors on the outer corners of the eye faded into pure white towards the inner corner could progress with **pastel colors** variations.

Looking further ahead, probably three years from now, I believe makeup will turn back again to **dramatic colors** and looks with a **futuristic** feel to it. Use of more **metallic** and/or **bold tonalities** such as blue, yellow and orange.

I believe the cost of makeup may increase a little, almost imperceptible, because companies will invest in more quality ingredients, eco-friendly processes and packing as well as personalized services included when purchasing a product. Consumers are looking for a more specialized and customized treatment and products when purchasing skincare or makeup; that's exactly why the makeup industry will continue to grow in the next years: the higher customization the client requests for, the bigger the product spectrum is supposed to be in order to meet the needs of the consumer.

PRETTY POWERFUL WOMEN

Women are feeling empowered by a new freedom that was not perceptible 30 years ago. This change in the idea of beauty has turned the world on its ear, starting with skeptic women that were used to covering the “flaws” of their faces out of habit. Why would anyone change her own and unique natural beauty in order to look like a hundred other women? Luckily, women like Bobbi Brown have spread their philosophies to the world and have contributed to make a change. Just like her campaigns, this woman has said that “all women are pretty without makeup- but they can be pretty powerful with the right makeup [...] It’s about making the best of what you’ve got”. I see women following this life philosophy everyday and everywhere, this is not a fad, this is a way of thinking, hence, makeup brands should focus on these ideals just like Bobbi Brown has done for the last couple of decades. It’s all about confidence, something that transcends any economic or political situation and focuses on a social matter. I can conclude there’s still a bright future for Bobbi Brown on the following years thanks to her universal vision of beauty and her constant interest on keeping things fresh in the makeup industry.

“Be **pretty**. Be **confident**. Be **who you are**”

A handwritten signature in black ink that reads "Bobbi Brown". The signature is written in a cursive, flowing style.

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