

FRAGRANCE AND PERSONAL CARE

Beauty brands should prioritize productivity over distribution for retail launches

September 19, 2019



Beauty Made in Italy is run by the Italian Trade Commission. Image credit: Beauty Made in Italy

By SARAH JONES

NEW YORK In the beauty business, labels need to carefully consider their multi-brand distribution, since bigger is not always better.

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During a panel hosted by Beauty Made in Italy and the Italian Trade Commission and moderated by *Luxury Daily* editor in chief Mickey Alam Khan, speakers agreed that having a placement that is smaller but highly productive is more desirable for a new brand than having too large of a space. Particularly when entering the U.S. beauty market, brands need to go in knowing both who they are and who their customer is to find the right retail fit.

"My biggest pet peeve is when brands say, I want distribution," said Maggie Ciarfardini, CEO of **Maggie Ciarfardini, Inc** and former CEO of YSL Beaut USA. "You don't want distribution, you want productivity.

"It's important to be in one door and be successful rather than be in 50 doors and sell one product a year," she said. "So it's not the distribution that's important, it's making yourself matter to someone.

"So if you're in one door in Barneys or one door in Macy's, make it successful, because that's how you're going to get everyone's attention."

Beauty business

For Italian brands looking to crack the U.S. market, one of the key considerations is the difference between the European and American consumer.

Marcia Gaynor, beauty retail executive and former DMM prestige beauty at Walgreens Boots Alliance, noted that the U.S. is similar to a number of smaller countries with their own customer profiles. Brands can therefore pick and choose where they want to go, and what regions it makes sense for them to target.

While European beauty shoppers tend to be loyal, Americans are more open to new things, according to Ms. Ciarfardini. This is good news for new entrants, but it also means that brands need to do more to keep consumers

coming back with effective products.

The American shopper is also more open to buying beauty online than her European counterpart.

Larah Stromberg, senior buyer of beauty and wellness at [Anthropologie](#), attributes the rise of DTC to Instagram culture and consumers' busy lifestyles. She noted that for some launches, she actually starts a brand online before putting it in stores.



Anthropologie partly chooses products for their Instagrammability. Image credit: Anthropologie

Ecommerce affords retailers the opportunity to take more risks. Ms. Stromberg also pointed to the limited space in bricks-and-mortar, compared to the unlimited aisles online.

There can also be differences in how a brand is perceived by American shoppers. Something that is prestige in Europe might be considered mass in the U.S., necessitating the appropriate retail placements.

Bettina O'Neill, president of Bettina O'Neill & Associates and experienced retail executive, said that there are differences between the client bases of even luxury retailers such as Bergdorf Goodman and Barneys.

Ms. O'Neill also noted that brands should not try to change who they are to fit into a particular retailer. Additionally, labels should make sure they are signing up for the right size of placement, since a smaller, more productive shelf space is better than not meeting goals in a case line.



Moderator Mickey Alam Khan with panelists Marcia Gaynor, Maggie Ciarfardini, Bettina O'Neill and Larah Stromberg. Image courtesy of Beauty Made in Italy

When entering the U.S. market, companies need to do their research. Ms. Gaynor noted that brands should consider the budget for potential fixtures and samples and make sure that everything from their ingredients to their labels and UPCs are right for a U.S. retail audience.

The relationship between a retailer and a brand is collaborative. Ms. Stromberg said her team compares it to dating, where both parties are feeling each other out to see if they want to enter a longer term commitment.

One way that brands can work with retailers to be more successful is through engagement with store associates through sampling or training. Ms. Stromberg said that some brands will also do direct interactions with shoppers.

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Some believe crystal-gazing can help divine the future. We're seeing red lips, lush lashes, glowing skin, and one gorgeous night out. || #IPSY #DiscoverYourself #IPSYnorthstar @briogeo @111skin @toofaced @cestmoibeauty @colouredrairie

A post shared by IPSY (@ipsy) on Sep 18, 2019 at 10:56am PDT

Subscription boxes such as Ipsy can help brands get onto consumers' makeup counters

If DTC brands are not ready to make the leap into bricks-and-mortar retail, Ms. Gaynor said a potential alternative is subscription boxes, which allow brands to sample and grow their awareness by letting consumers feel their products.

Italian impressions

Despite the impressive and speedy growth of Korean beauty, experts agree that Italian brands will not be pushed out thanks to their commitment to quality.

K-beauty has grown fast and furious in the cosmetics world, mostly due to skincare, but Italian beauty brands' reputation for quality in color cosmetics will maintain their place in the beauty world. During the July 23 panel, "Italian Beauty 360: From Concept to Consumer," hosted by the Italian Beauty Council and moderated by *NewBeauty* executive editor Liz Ritter, a group of experts in beauty explained that Italian brands' abilities to remain small and medium companies while maintaining innovative facilities have allowed them to establish images of the utmost quality ([see story](#)).

The Italian Trade Commission's Beauty Made in Italy campaign debuted its first pop-up shop last year, furthering its mission to bring more awareness to the country's personal care offerings.

Opened Nov. 5, the temporary store at Miami's Brickell City Centre carried products from eight brands ranging from skincare, haircare, shaving and cosmetics. Situated inside La Centrale - Italian Food Hall, the pop-up put the focus on the links between Italian cooking and beauty, including the shared ingredients ([see story](#)).

As part of its push for Italian beauty, the campaign worked with Launchmetrics to run an influencer trip to Italy.

[View this post on Instagram](#)

This past March, we welcomed the fabulous @andreeacristina, @saythelees, @natyashba and @amanda_stanton to Italy to introduce them to all the beauty Italy has to offer! They visited @rossanoferrettioffiical, @perlierUSA, @ferragamo, @cosmoprofbologna, @skinandco and @santamarianovella1612 and had an amazing time sharing their journey with each brand. #BeautyMadeinItaly #BeautyxItaly #IBeauty

A post shared by Beauty Made in Italy (@beautymadeinitaly) on Jul 18, 2018 at 3:01pm PDT

Instagram post from Beauty Made in Italy

Influencer content, including micro influencers' and friends' posts, can be vital in building a brand in another country.

"Make yourself really strong on social media and direct-to-consumer, and the retailer will come to you," Ms. Gaynor said.

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