

▶ TAKEAWAY TIP:

As with any new market, use your connections to get your foot in the door. Start small and work your way up.



The Body Shop whipped up fan frenzy with "Chocomania"-branded products creating buzz about a limited-offer chocolate-flavored product.

A Corporate Connection

As mentioned, if you've tried pitching more hair brushes and nail files than you care to count, it might be time to take a different path. The beauty market has many layers and more importantly, many needs. So why not pitch a technology item to a cosmetics store? Danny Rosin, president of Brand Fuel Inc. (*asi/145025*), has successfully worked in the retail sector with The Body Shop and Burt's Bees by focusing on corporate connections.

For example, Brand Fuel produced items for the outside sales force at Burt's Bees. "They're a massive retailer. They have sales reps who are trying to sell to other retail stores and partners. We looked at what they take with them to go into battle," says Rosin. The reps were taking samples and examples of what displays might look like in the retail environment.

Brand Fuel took a different angle. "We took their marketing collateral and put it in a presentation kit. Then we inserted a nice journal book that was eco-friendly because that's the message of their company," he says. The distributor also recognized the importance of spotlighting Burt's Bees flagship product, its lip balm. "We said, let's put the presentation on a USB drive that looks exactly like the lip balm. Now that's the single thing they use; they don't use printed collateral anymore," he says.

Thousands of the lip-balm-shape USBs have been handed out internally and used at shows. "The sales team was looking to differentiate themselves in a crowded space. Everyone is trying to get on the shelves at Walgreen's. We produced a sophisticated package, not just a flyer and a sample," he says.

Burt's Bees ended up becoming one of the distributor's top 50 clients. "They're owned by Clorox and now that we have those guys as clients, the next stop is to knock on Clorox's door. You start out small, work really hard and win them over," Rosin says.

Brand Fuel has also mirrored this success by nurturing a new relationship with The Body Shop. Rosin's friend, who is involved with his charity organization Band Together, is the interim CEO at the corporation.

From the CEO, Rosin learned that The Body Shop was looking to open up new stores and create a new look. "How could we be a part of that?" he wondered. It also turned out that The Body Shop was releasing a limited-time chocolate-flavored product. "They wanted us to come up with something creative, so we pitched different scenarios for them. One was similar to Beatlemania, which they liked. We went and found some graphics that were similar to that type of musical genre with screaming fans who had fantastic frenzied interest in the product. Now it's Chocomania," he says.

The Body Shop executives plan to mail the press material and full-size samples of the product. Brand Fuel also pitched a fondue set, which The Body Shop will use to get the buzz out.

Trend Tracker

According to Edward Schack, cosmetics industry veteran and principal of EES Cosmetics Solutions, Inc., the beauty market remains strong. "The cosmetic and personal-care industry fares pretty well. Women may not have \$200 or \$300 to go out and buy a lavish outfit, but they have a little bit of money to just change makeup slightly and keep up with some of the trends," he says. "If a woman has an emotional bond and a product gives her the impression that she's looking better, she's going to feel better and continue to go out and purchase that product."

One of the hottest sectors for the industry is the men's market. American consumers spent \$4.8 billion on men's grooming products in 2009, according to Euromonitor International. In 1997, the figure was half that - \$2.4 billion. The fastest-growing men's segment is skin care, with the category growing more than fivefold over the period, to \$217 million from \$40.9 million.

"Men want to take better care of themselves and look younger at the same time. We're seeing many large global companies catering to the

men's market by adding new products and new designs," Schack says.

Going green also plays a huge part in purchasing decisions. According to Datamonitor, 28% of consumers deliberately avoid certain cosmetics or toiletries because of fears about certain ingredients, and 39% are somewhat or extremely concerned about parabens or petrochemicals used in beauty product formulations. "Organics have been very strong over the last several years. Consumers are starting to understand that natural ingredients in general are much better for them. Our younger generation is very concerned about reducing their carbon footprint. They are purchasing products that are as green as possible," he says.

Schack believes that the major market trend for 2012 will be natural products that incorporate biological activity. "For example, blueberries have antioxidants and they're anti-inflammatory," he says. However, the claims have to be provable, as consumers are savvy than ever. "They want to hear the science behind the claims," he says.