

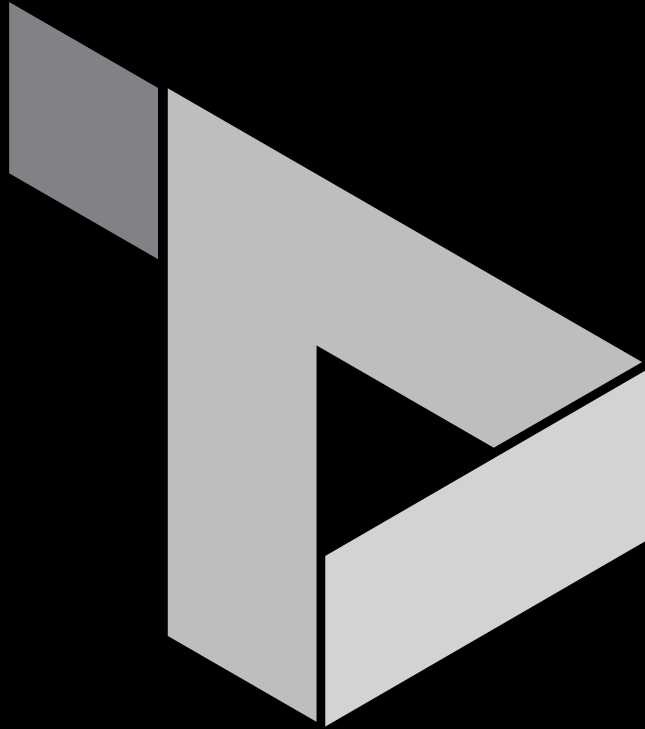
LA MODE MONTHLY

TRIBE DYNAMICS

JANUARY 2015

SKINCARE EDITION

ISSUE5



TRIBE DYNAMICS

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JANUARY

This is the next installment in our monthly series of reports that will provide a larger picture understanding of trends within the beauty and fashion industries that will help you build effective influencer marketing strategies and boost your brand's ROI.

Utilizing Tribe's proprietary data analytics, we will track which brands and products are creating the most valuable earned media over time, clearly out-performing the competition on a variety of social channels.

The data for this study was collected by Tribe Dynamics and is based upon the top 50,000 influencers in the beauty, fashion, and lifestyle spaces. The brands and products included in each month's study will be those that are most popular based on publicly-available information of these brand's annual revenue, and reviews from consumers and third party retailers.

DOWNLOAD REPORTS AT [TRIBEDYNAMICS.COM/INSIGHTS](https://tribedynamics.com/insights)

*Please note, the brands included in our La Mode Monthly Skincare reports are those offering primarily skincare products within the larger beauty industry.

In an effort to ensure that we are always providing the most insightful data and analysis to help you better understand the latest digital trends, we've made improvements to our measurement of earned media performance. This report includes these adjustments, with slight variations to the value of specific forms of content. As we continue to advance our own understanding of earned media and learn about the industry, we will update our analytics to reflect new knowledge and innovations.

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THE TOP 10

EARNED MEDIA VALUE LEADER BOARD

For the month of January,
the following 10 Skincare
brands were the most
socially influential,
generating the most
valuable earned media.
This metric is based upon
the following calculations:

THE TOP 10 - EARNED MEDIA VALUE LEADER BOARD

THE NUMBER OF POSTS:

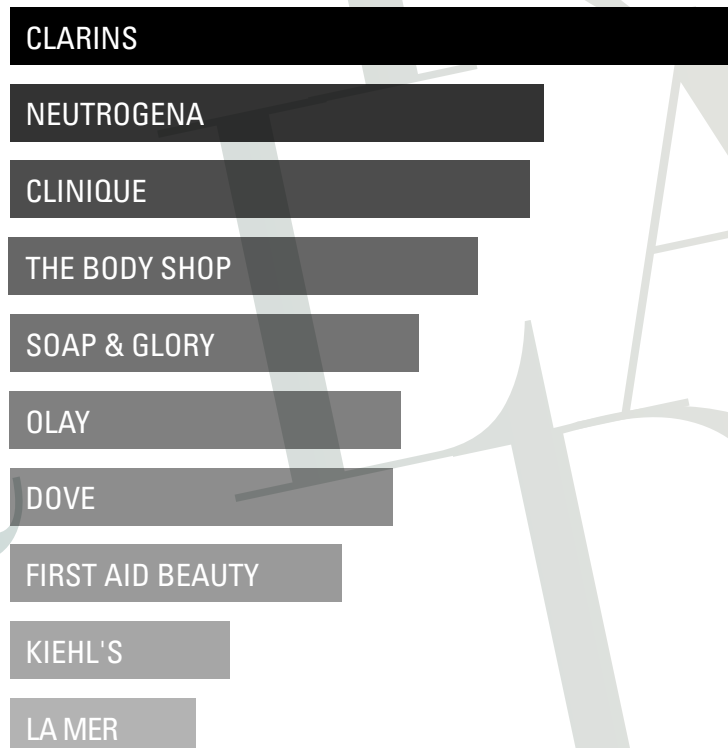
Blog posts
YouTube Videos
Tweets
Facebook posts
Instagram posts
Pinterest Posts

ENGAGEMENT RATE BY:

Blog views
Video content views
Twitter actions
Facebook likes, comments, shares
Instagram likes and comments
Pinterest likes, comments, shares

1. CLARINS \$1,502,502.35EMV
2. NEUTROGENA \$1,392,379.95 EMV
3. CLINIQUE \$1,362,357.75 EMV
4. THE BODY SHOP \$1,254,592.30 EMV
5. SOAP & GLORY \$1,166,618.75 EMV
6. OLAY \$1,123,815.50 EMV
7. DOVE \$1,098,792.30 EMV
8. FIRST AID BEAUTY \$1,067,540.05 EMV
9. KIEHL'S \$932,601.75EMV
10. LA MER \$828,191.75EMV

0 950,000 1,300,000 1,500,000



MASS MARKET
\$3,614,987.75

PRESTIGE
\$8,114,404.70
124.47%

January proved to be a transformative month for Skincare brands. With the New Year, innovative new arrivals hit their stride while the established, traditional leaders attempted to reinvent themselves amongst an evolving consumer demographic.

The pertinent question within the Skincare industry seems to be one of relevance. How do traditional brands appeal to millennial consumers, who now hold a significant portion of market share, without diluting deep-seated brand elements on which consumer loyalty depends?

Although the gap in earned media performance between our Top 10 and brands falling around the 11-20 rank is slowly ebbing, it is clear which campaigns and digital strategies have been most successful in augmenting brand relevance amongst younger consumers.

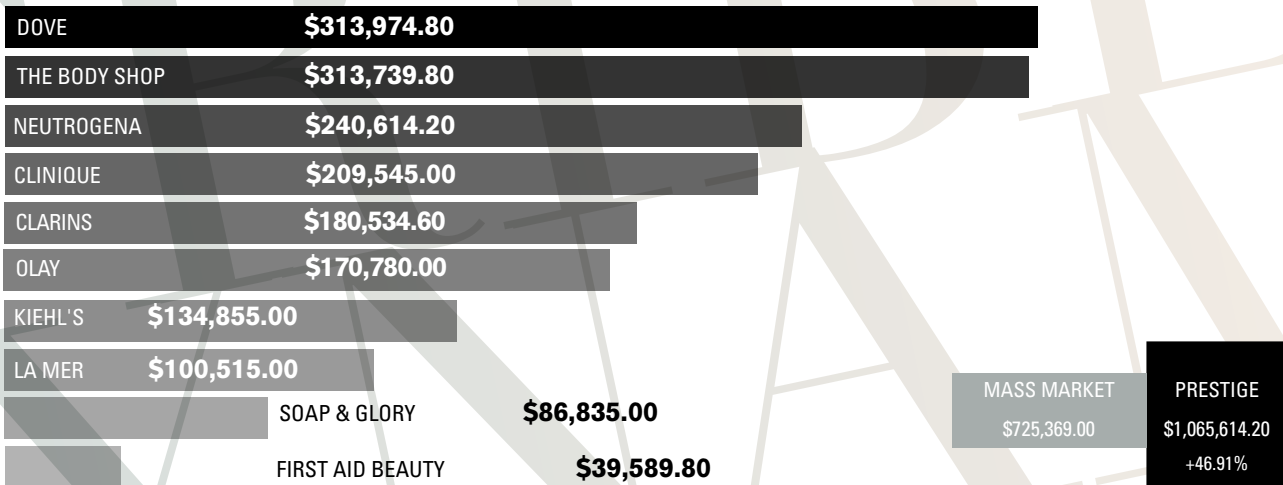
THE TOP 10

**EARNED MEDIA VALUE
PERFORMANCE BY CHANNEL**

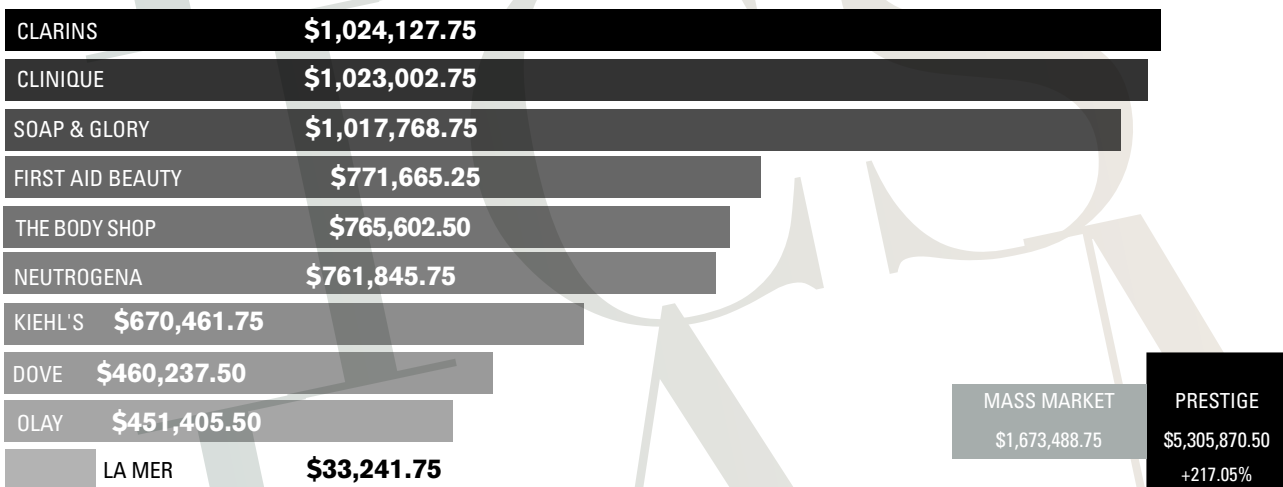
The following data
reflects the approximate
value of the content
created about each brand
by social channel during
the month of January,
as measured by Earned
Media Value.

THE TOP 10 - EMV BY SOCIAL CHANNEL

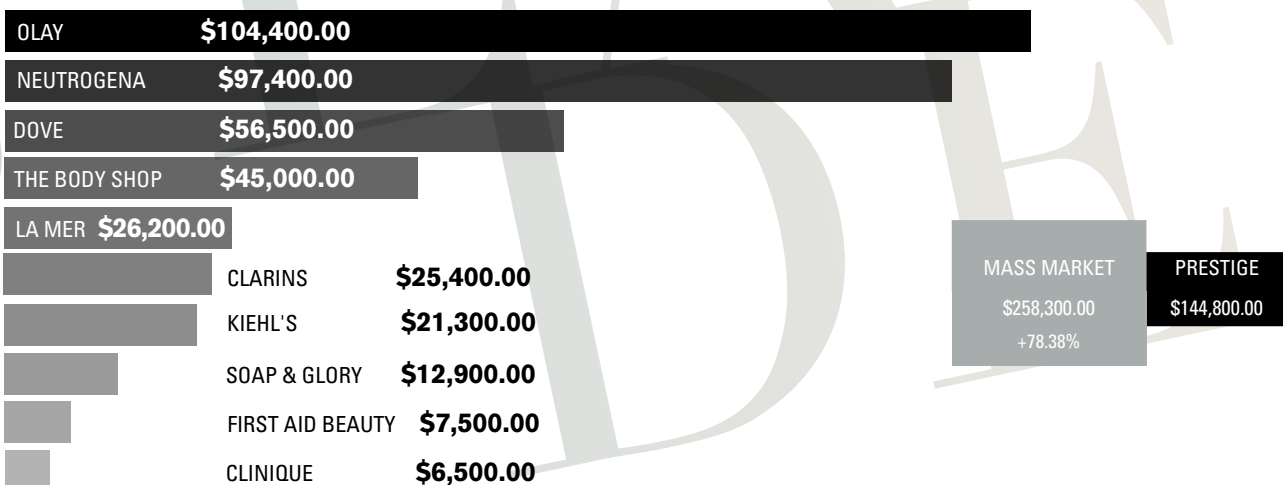
BLOG



YOUTUBE



TWITTER



CLARINS, YOUTUBE, AND PRODUCT DUALITY

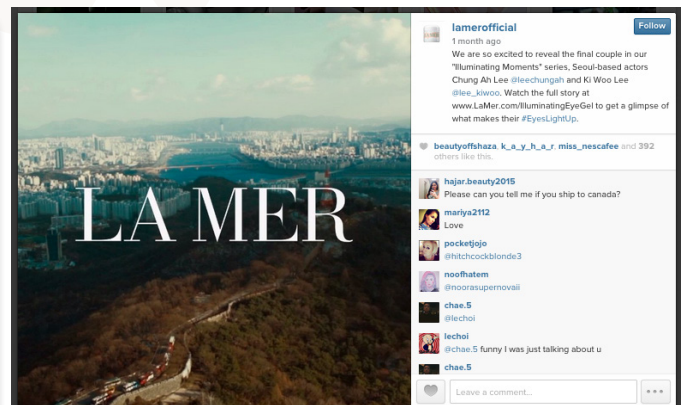
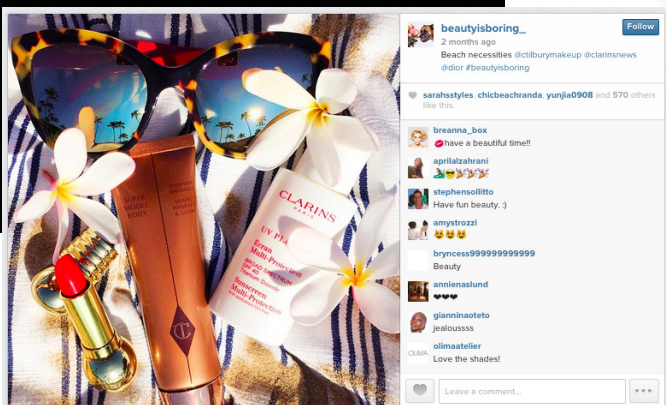
Clarins made its return to our Top 10 with significant brand awareness on YouTube. The brand left a lasting impression with its performance on the channel, outdoing past leaders like Clinique and Soap & Glory within the same scope of “monthly favorites” and “haul” videos where these brands have excelled. Within “2014 favorites” and “January favorites” videos there were a variety of Clarins products with varying solutions were endorsed, ranging from cleansers and primers, to sun protection, and products offering both skincare and cosmetics benefits. Collectively, Clarins’ January earned media told a story of a dynamic beauty brand, offering products with dual skincare and cosmetic benefits. Seemingly fluid movement of a brand and its products along a sliding skin-care - color cosmetic scale has been of particular interest to millennials leading active lifestyles and looking for products that “do it all”.

LA MER, CELEBRITY AMBASSADORS, AND INFLUENCER COMMUNITIES

La Mer benefited from its recent partnership with Olivia Palermo for its “Illuminating Moments” campaign. The lifestyle-oriented campaign spotlights the stories of stylish, young couples leading fashionable lives, including Olivia Palermo and her new husband Johannes Huebl. Editorial videos for the campaign capture shared moments between man and wife “through their eyes” as they move through their day to day activities. Within Palermo’s video only a short snippet actually features La Mer products, with Palermo and Huebl each using their respective La Mer products as part of their morning routine.

The absence of advertorial or promotional cues furthers a more powerful form of messaging: viewers walk away exclusively with an association of La Mer’s brand with a lifestyle characterized by sophistication, style, and modernity. The campaign was well-received amongst Palermo’s impressive following who avidly liked and reposted the style influencer’s content mentioning La Mer.

To fans who best understand Palermo’s personal brand, the alignment of her elegant grace and style with a classic brand like La Mer was easy to digest. La Mer’s promotion of a lifestyle consistent with its brand origins provided the necessary room to create a fresh personality and alter consumer-perceptions.

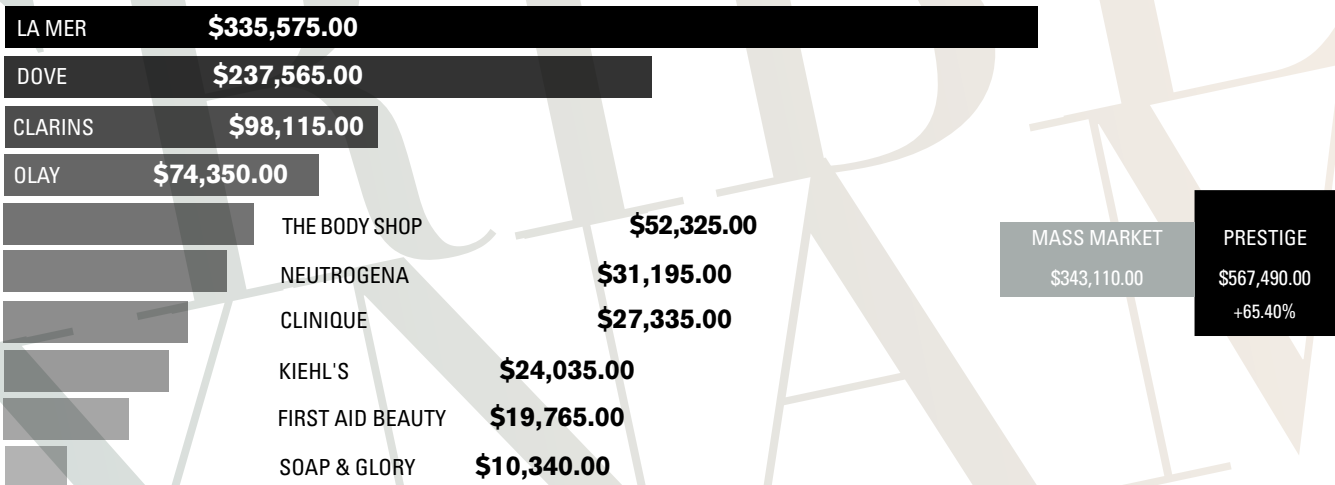


THE TOP 10 - EMV BY SOCIAL CHANNEL

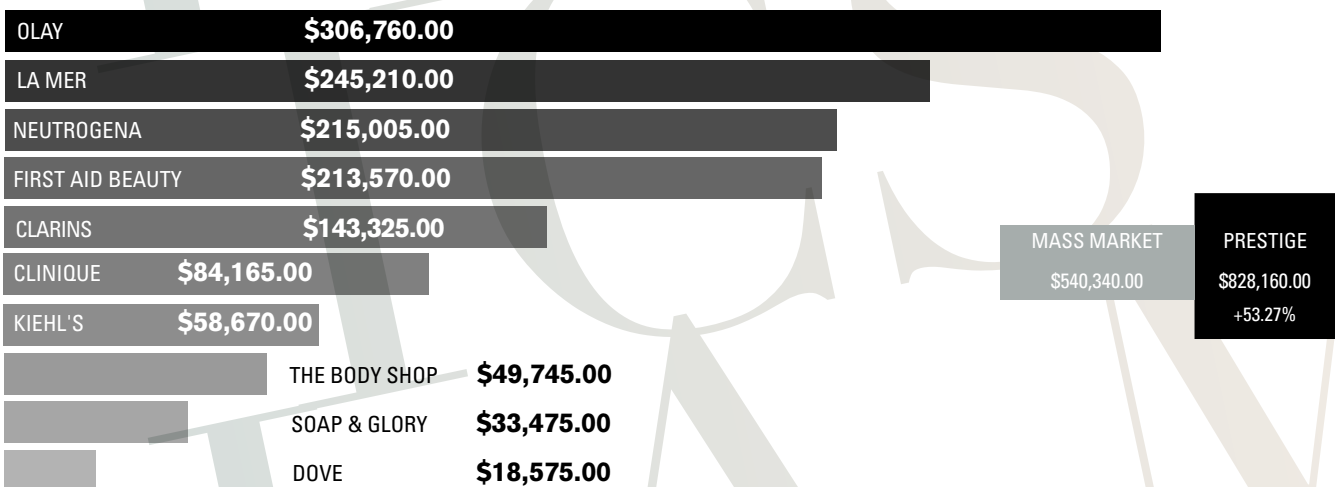
MASS MARKET

PRESTIGE

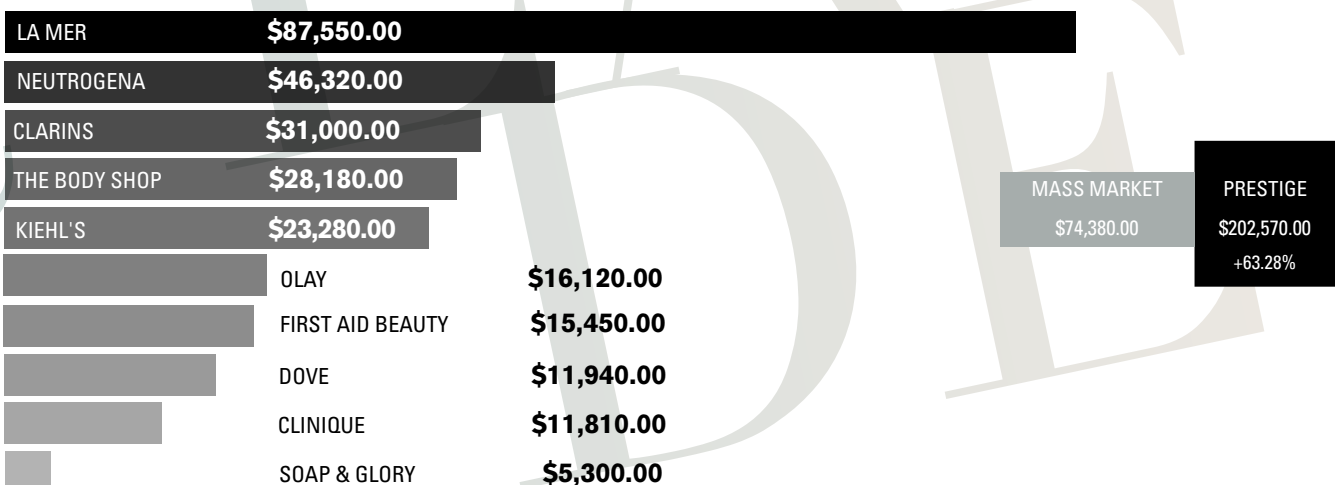
FACEBOOK



INSTAGRAM



PINTEREST



OLAY, INSTAGRAM, AND SPONSORSHIP

Olay's success on Instagram was not unlike La Mer's. The brand's sponsorship of ELLE Magazine's "Women in Television", celebrating actresses playing strong, complex female television characters, was a huge social influence success on Instagram. Celebrities and style influencers furiously posted their photos throughout the night, from formal red-carpet moments to the extravagance awaiting guests inside the West Hollywood venue and attendee selfies from afterparties. Each of these posts was accompanied by all three or some combination of: @Olay, @elleusa, #ELLEWiTV.

The value of these post once again resides in the association created in the minds of consumers. For a mass market brand such as Olay, affiliation with a high-fashion, style influencer like ELLE Magazine elevates the perception of its brand. The partnership also breathed youthful life into a brand most consumers would link to middle aged and older women. Attendees posted photos of free Olay product with the formal invitation to the event. Not by coincidence, products given away were geared towards the needs of younger skincare consumers, i.e. illuminating and regenerating moisturizers and perfecting toners.

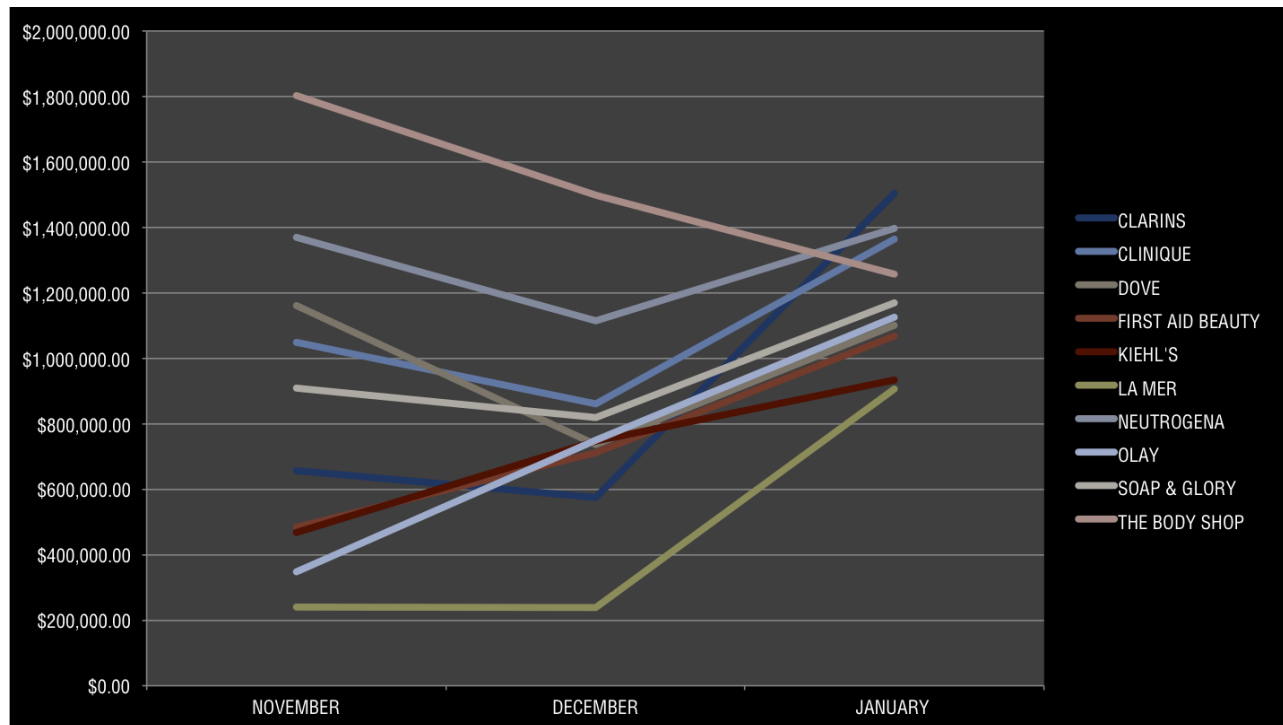
Olay's sponsorship was in many respects similar to Neutrogena's relationship with the Latin Grammys back in November. Sponsorship of a cause or specific group of individuals promotes a philanthropic brand image. By elevating these influencers within the context of the philanthropic event, Olay gave its brand an attractive humanity typically absent from traditional promotion techniques.



TRENDING EARNED MEDIA PERFORMANCE

The following data
highlights the trending
EMV performance of
January's Top 10 Skincare
brands over the past
three months.

TRENDING EMV PERFORMANCE



BRAND	NOVEMBER	DECEMBER	JANUARY	TOTAL
CLARINS	\$657,723.25	\$574,731.95	\$1,505,392.60	\$2,737,847.80
CLINIQUE	\$1,048,626.25	\$861,045.50	\$1,364,965.25	\$3,274,637.00
DOVE	\$1,161,118.00	\$736,241.90	\$1,100,620.30	\$2,997,980.20
FIRST AID BEAUTY	\$484,217.75	\$711,939.80	\$1,069,002.30	\$2,265,159.85
KIEHL'S	\$468,205.50	\$747,540.75	\$933,033.00	\$2,148,779.25
LA MER	\$239,086.55	\$238,848.10	\$905,540.00	\$1,383,474.65
NEUTROGENA	\$1,368,511.75	\$1,114,604.00	\$1,397,785.95	\$3,880,901.70
OLAY	\$347,985.75	\$750,905.50	\$1,124,976.75	\$2,223,868.00
SOAP & GLORY	\$909,392.75	\$819,238.30	\$1,168,473.50	\$2,897,104.55
THE BODY SHOP	\$1,802,443.35	\$1,498,913.75	\$1,257,220.80	\$4,558,577.90

TRANSITIONING INTO THE NEW YEAR

January in general was an active month online with an explosion of content highlighting New Year skincare regimen resolutions, well-timed product launches, and recaps of favorite products from 2014.

Clarins, La Mer, and Olay all experienced significant jumps in earned media performance in January thanks to the above mentioned campaigns.

Clarins had a \$1M overall boost in EMV between December and January with growing brand awareness on YouTube, improving its \$300K December EMV for the channel to just under \$1M in January. Clarins' drastic improvement could be due to a couple of factors. First, the brand's incline closely corresponds with burgeoning trends for natural beauty. The connection has been drawn in consumers' minds between health and wellness with a more structured skincare regimen. However, this rationale is not necessarily exclusive to Clarins. What is equally apparent when comparing content created about the brand in December to January is the inclusion of a greater variety of products. Through its own internal efforts and careful messaging, the brand has successfully transcended an identity exclusively attached to skincare, to one that promotes beauty within the greater goal of leading a healthy lifestyle.

La Mer's jump from \$12K in December Instagram EMV to an incredible \$245K speaks to the power of a well-chosen influencer as brand spokesperson. January's earned media was consistently generated within a community of like-minded beauty enthusiasts, sharing similar interests, preferences, and admiration for Olivia Palermo as a style icon. Palermo also did her part to mobilize the masses, posting sneak-peeks of filming from the the "Illuminating Moments" campaign.

Olay's sponsorship of Elle's "Women in Television" was responsible for elevating the brand from about \$99K EMV on Instagram in December to to \$307K in January. Nine of the top ten most valuable Instagram posts for the month were taken at ELLE's event, with individual posts ranging from eight to four thousand likes each. Three of the top posts were published by a blogger invited by Olay to attend the event, enjoying celebrity-treatment from being dressed and styled by ELLE designers to walking the runway with some of Television's most well-respected actresses. Not only was the individual blogger younger than the average Olay customer, from her Instagram profile it's clear that she represents those characteristics that would be admirable to a younger demographic of women. With a flirty feminine aesthetic, her posts show a naturally beautiful, sexy, health food enthusiast, with a passion for traveling. By publicly associating her style and interests with its brand at the event, Olay hoped to refashion its reputation as a more traditional, mature brand amongst ELLE's following and women generally.

ANALYSIS

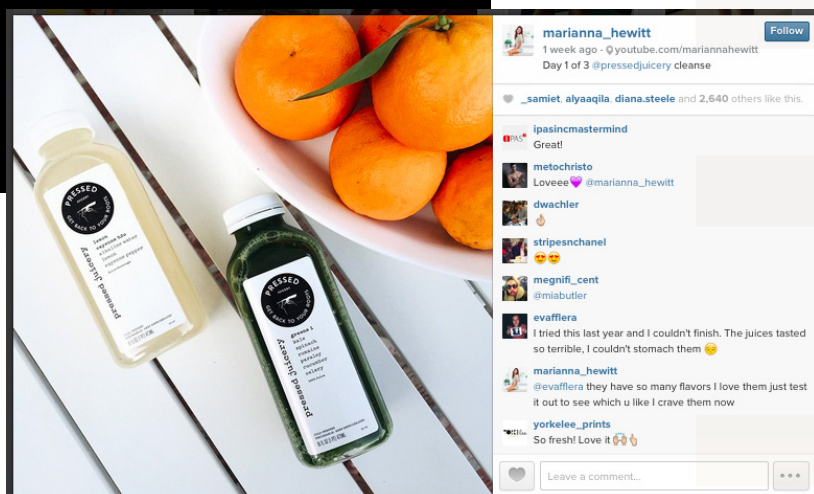
RECONCILING MILLENNIAL APPEAL AND BRAND IDENTITY

According to a recent WWD article citing NPD Group, prestige skincare sales have stagnated despite the influx of new arrivals, inventive products, and burgeoning consumer interest that currently describes the market.

We might expect that an oversaturated market would improve sales generally, with more product options and targeted solutions appealing to a wider demographic of consumers. The mismatch of this logic with revenue data from NPD Group comes down to messaging.

Most brands recognize that Millennials, by controlling a significant share of the market, are the new target from product development through marketing strategies. Young indie brands like Glamglow have less to worry about, who's newness affords it greater room to be flexible when it comes to adjusting brand positioning that will appeal in particular to Millennial consumers.

For older, traditional brands, targeting a younger demographic is a trickier business. How do these brands reinvent themselves through digital experiences that appeal to Millennials without marginalizing the strength of central brand ideals and messages? To frame this question in terms of the consumer: is it possible to entice Millennials without alienating loyal, longtime customers?



LIFESTYLE-ORIENTED BRAND EXPERIENCES

In the past, the traditional model for a product launch would consist of a series of advertisements: a closeup image of an airbrushed, flawless face displayed alongside brand logo, product name, and a brief description of the specific skincare concern/promised solution.

Instead, the goal for any marketing initiative should be to create a brand experience that supports a cohesive story centered around a lifestyle as opposed to individual products. While Millennial consumers are more willing to move between brands for the sake of trying new products, they are looking for more meaningful relationships with brands, one that extends beyond sheer product use.

Digital owned media should be lifestyle-oriented and help them visualize exactly how a brand fits into their daily routines. Your goal should be to show how your brand and its products enhance the consumer's active lifestyle, as opposed to slowing them down. Increase relevancy by extending the focus of campaigns beyond skincare, highlighting how your brand's brightening mask or anti-aging serum specifically address a myriad of concerns caused by stress in their professional lives, lack of sleep, or extravagant nights spent drinking with friends.

MULTI-USE PRODUCTS WITH BINARY BENEFITS

We've seen, through Clarins, how the line between skincare and cosmetic products is blurring from a product development standpoint based on consumer interests. The market is filled with innovative products from BB creams that offer advanced skincare solutions to medicated lip balms disguised as lipsticks. Millennials in particular are attracted to products with multiple uses, spanning verticals, that support their on-the-go lifestyle. Explicitly show how your brand's products as part of their skincare regimen allow for flexibility rather than slowing them down.



TRENDS AND TECHNOLOGY

A large part of brand relevance depends upon understanding your consumer and their interest and relationship with popular trends. The internet has forever changed the relationship between brands and consumers; the incredible amount of information available greatly influences consumer purchase decisions and brand perception. This is particularly true for Millennials, who as the most influential segment of consumers are more likely to research online and be informed in their decision making. They value detailed product information and have a much better understanding of specific ingredients.

Popular trends should also guide the creation of owned media, humanizing your brand in a way that allows consumers to identify with brand messages on a personal level. Wellness and health have been popularized by celebrity influencers; it's trendy to drink green juice, practice yoga, and make educated decisions about skincare products. Earned media terms such as "natural" and "health" were featured frequently throughout earned media inspired by January's Top 10.

Much of the earned and owned media created for our La Mode Top 10 places these brands and their products within a healthy lifestyle context. For example, Instagram posts showing a brand's sunscreen in a beach setting beside other vacation essentials provides context that allows consumers to visualize how a brand may fit into their unique, desired lifestyle. Instagram in particular is helpful in establishing these kinds of trend associations, where a single photograph can hold meaningful cues and create a brand experience around the healthy lifestyle trend.



POTENTIAL PITFALLS

The question to keep in mind in adjusting your strategy to target Millennials is two fold. First, does targeting millennials make sense aside established, central brand elements? Second, does the new strategy alienate current loyal customers?

Speaking to the first point, while using popular themes and trends that appeal to Millennials is a good place to start, consistency of brand messages and identity is a must. Thematic associations and brand ambassadors must make sense within the brand's history and evolution. A recent example that highlights this potential pitfall is Estée Lauder's use of Kendall Jenner as the brand's newest celebrity ambassador. While the payoff from this relationship in earned media and revenue is yet to be seen, there is an apparent departure from those brand elements that have made Estee Lauder iconic in the past.

The significant buzz surrounding her in addition to an incredible online following make Jenner an attractive choice for targeting younger beauty consumers. However, word-of-mouth marketing is not a popularity contest; relevance matters much more than sheer follower count when it comes to sustained, meaningful engagement. As the initial excitement sparked by the announcement wears off, Estée will have to back up their choice of ambassador with marketing that makes sense of the connection.

Turning to the second point, it will not be an easy task for traditional brands to strike a balance with marketing that appeals to the interests and needs of both loyal, more mature customers and target Millennial consumers. To ensure that relationships with the first group are not marginalized in the process, it will be helpful to think about communication and campaigns in terms of touchpoints.

To better understand this, let's look at a recent campaign from Origins who created a mobile app in anticipation of the launch of its Original Skin Renewal Serum named #QuarterLifeCrisis. Both the product and the campaign specifically speak to the twenty three to thirty crowd, stressing the importance of product information and education for establishing a thoughtful skin-care regimen. The campaign involved users uploading a selfie using the #QuarterLifeCrisis, adding their own personal touch to the content.

While the #QuarterLifeCrisis campaign does satisfy the three tactics for targeting Millennials we outlined above, it blatantly ignored a larger portion of loyal Origins users outside of this age bracket. In fact, the campaign has been the dominant topic on the brand's various social profiles. It's easy to imagine that any Origins customer over the age of thirty visiting the brand's Facebook page would feel overlooked and alienated from the brand's shift in focus.

Where the #QuarterLifeCrisis campaign was misguided was to not take advantage of the differing demographics of various digital touchpoints. While consistency across social profiles is important, had the brand saved a majority of its engagement surrounding the campaign to mediums more commonly used by Millennials (mobile app and Instagram), the campaign would have had the same positive impact amongst its intended audience without alienating loyal customers.

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