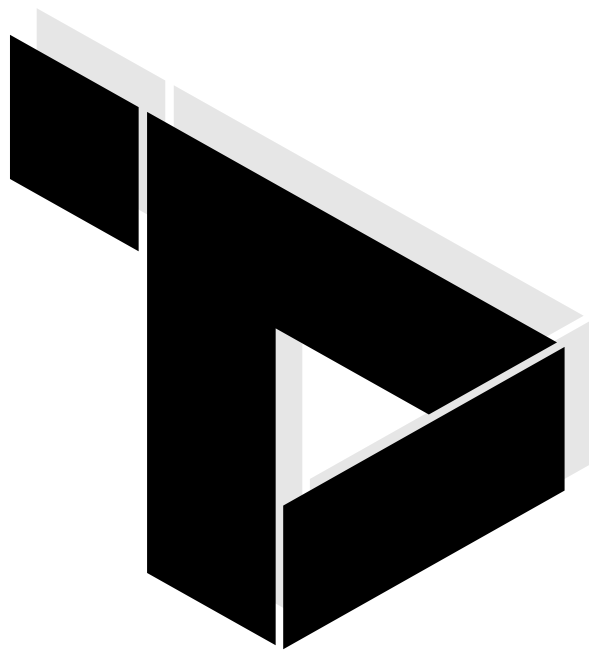


LA MODE SUMMER

JUNE - SEPTEMBER 2015 COSMETICS EDITION



ANALYSIS BY
CHRISTINA GOSWILLER, MERISSA REN, & GRACE CHAO

EMV

Earned Media Value

EMV is Tribe Dynamics' prescribed metric referring to the quantifiable dollar amount assigned to publicity gained through social word-of-mouth marketing accomplishments.

Our holistic approach assigns a specific dollar value to each respective form of content based on the perceived value of each to brands within the industry, as it pertains to establishing ongoing relationships with influencers.

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.

CONTENTS

4 Top 10

5 Top Ten Brands by EMV

6 Top 10

7 Earned Media Value Performance by Channel

10 Trending EMV Performance

11 Part 1: Influencer Collaborations

- Becca Cosmetics and Jaclyn Hill

14 Too Faced and Vegas_Nay

15 ColourPop and KathleenLights

17 Part 2: Elevating the Individual

- Anastasia Beverly Hills

21 Urban Decay

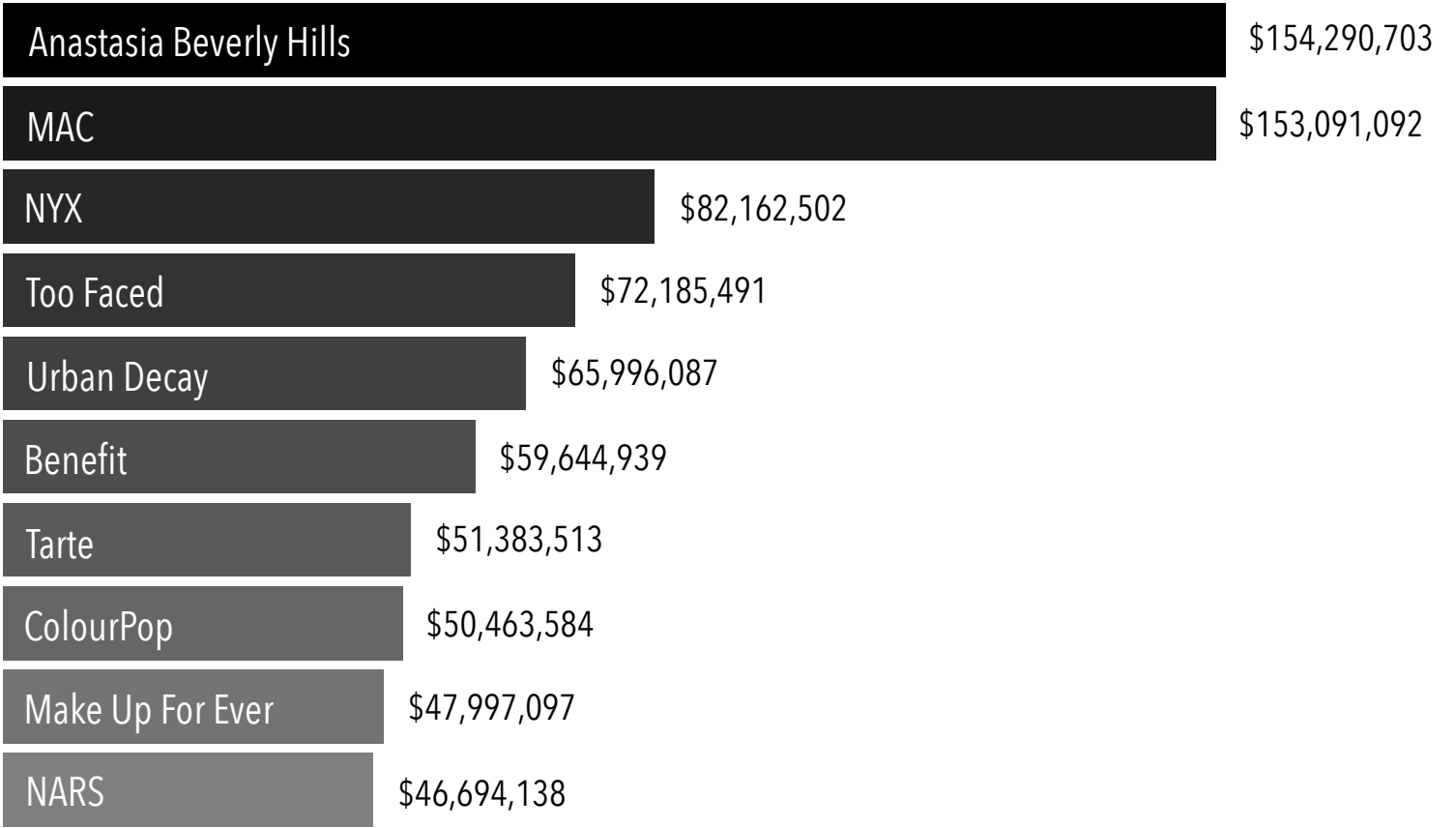
23 Part 3: Community Building and Mobilization

- Make Up For Ever

THE TOP 10

Earned Media Value Leaderboard

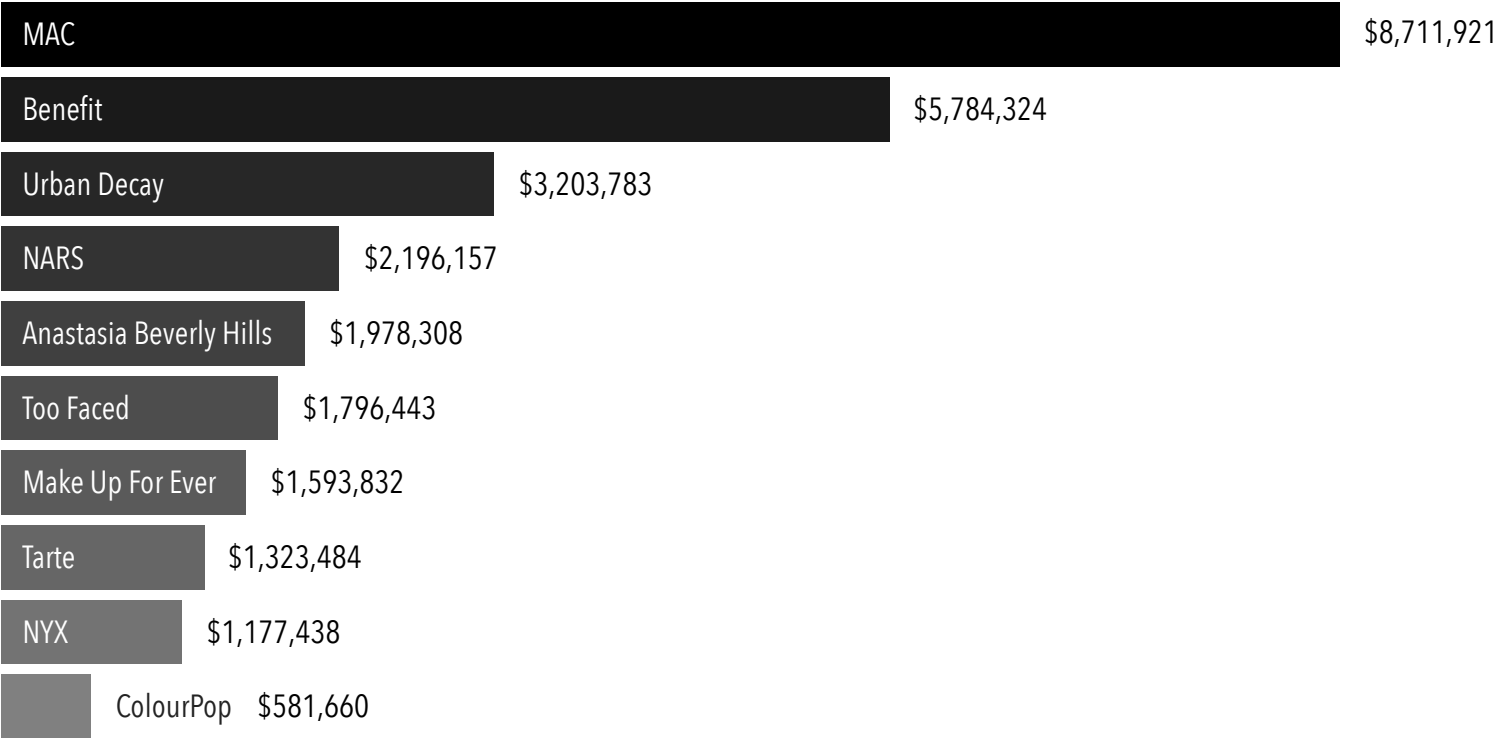
Jun-Sep Top 10 Brands



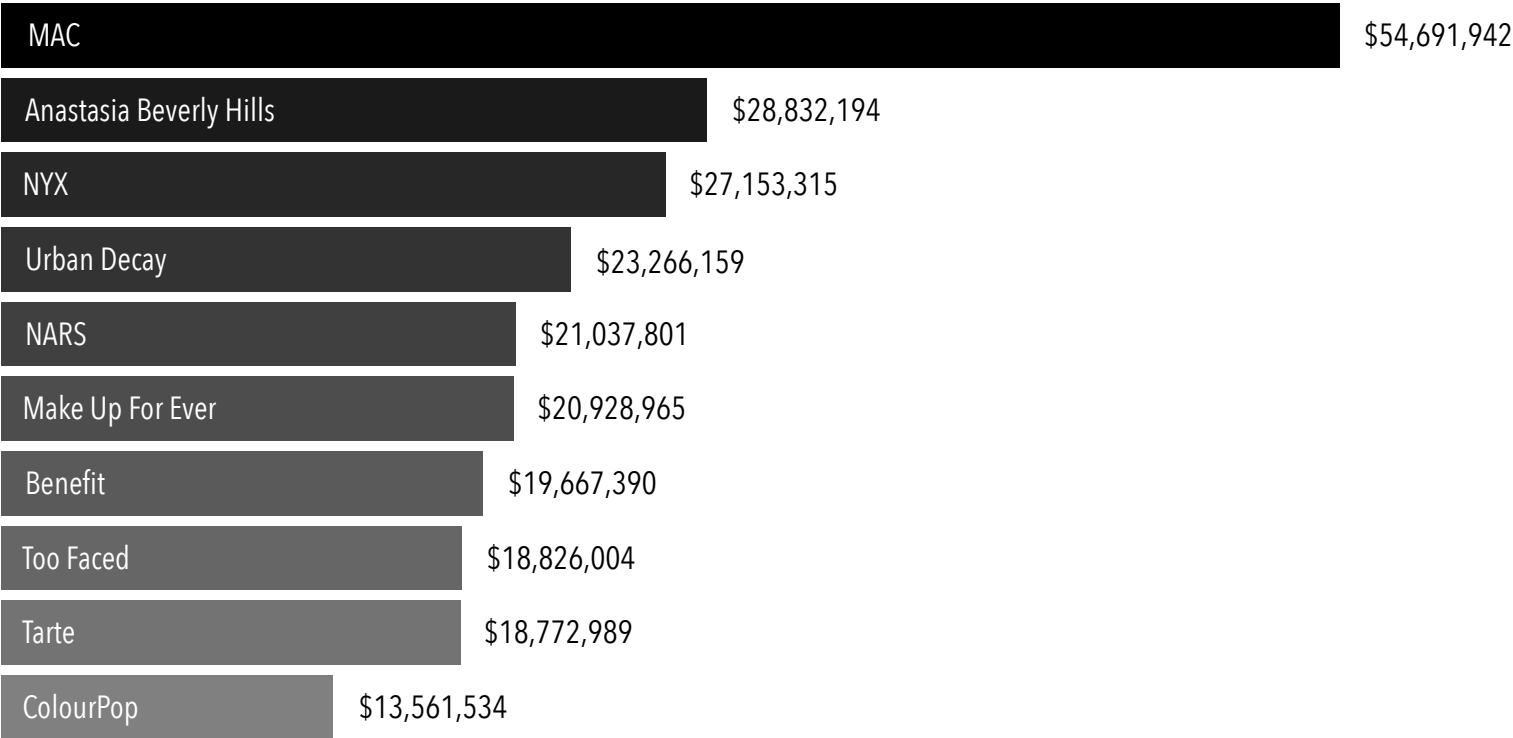
THE TOP 10

Earned Media Performance By Channel

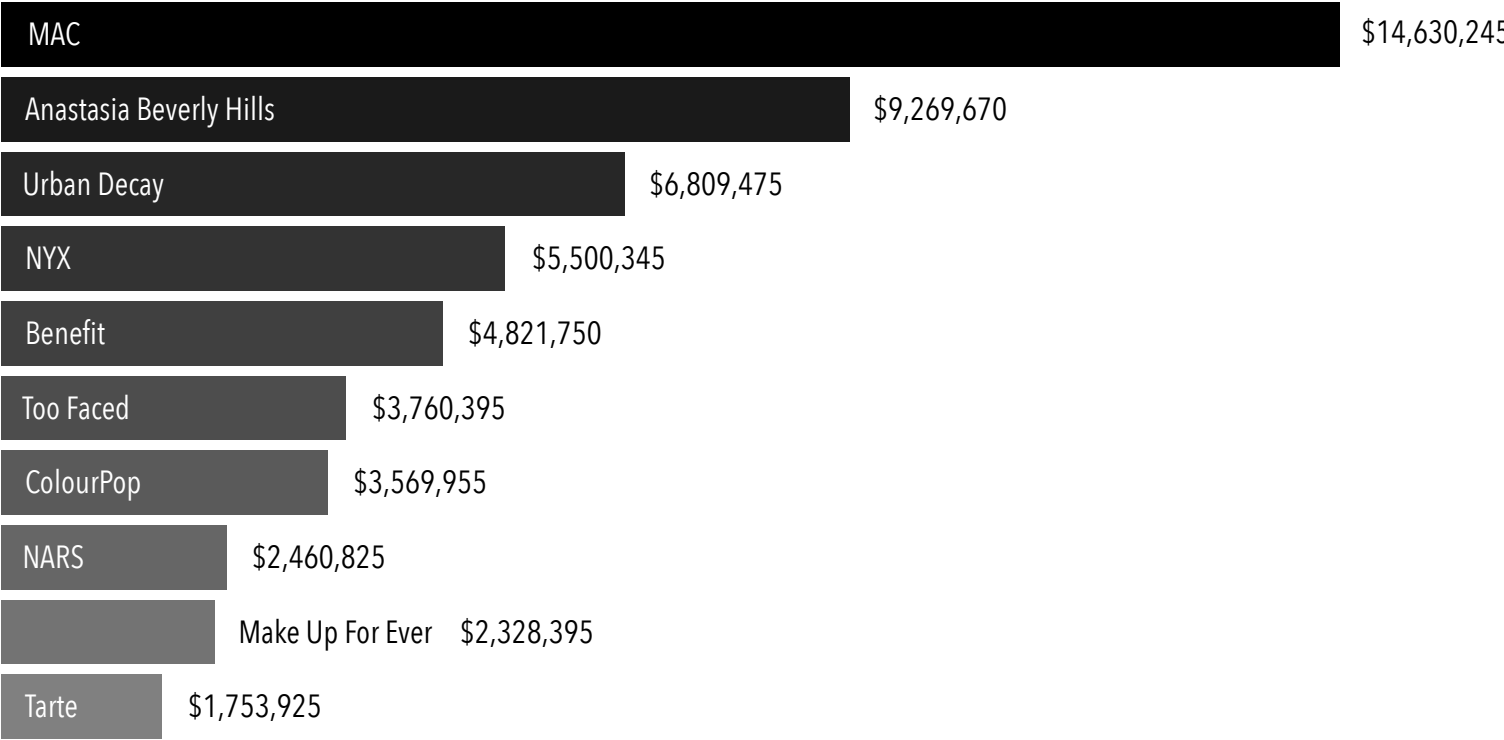
BLOG



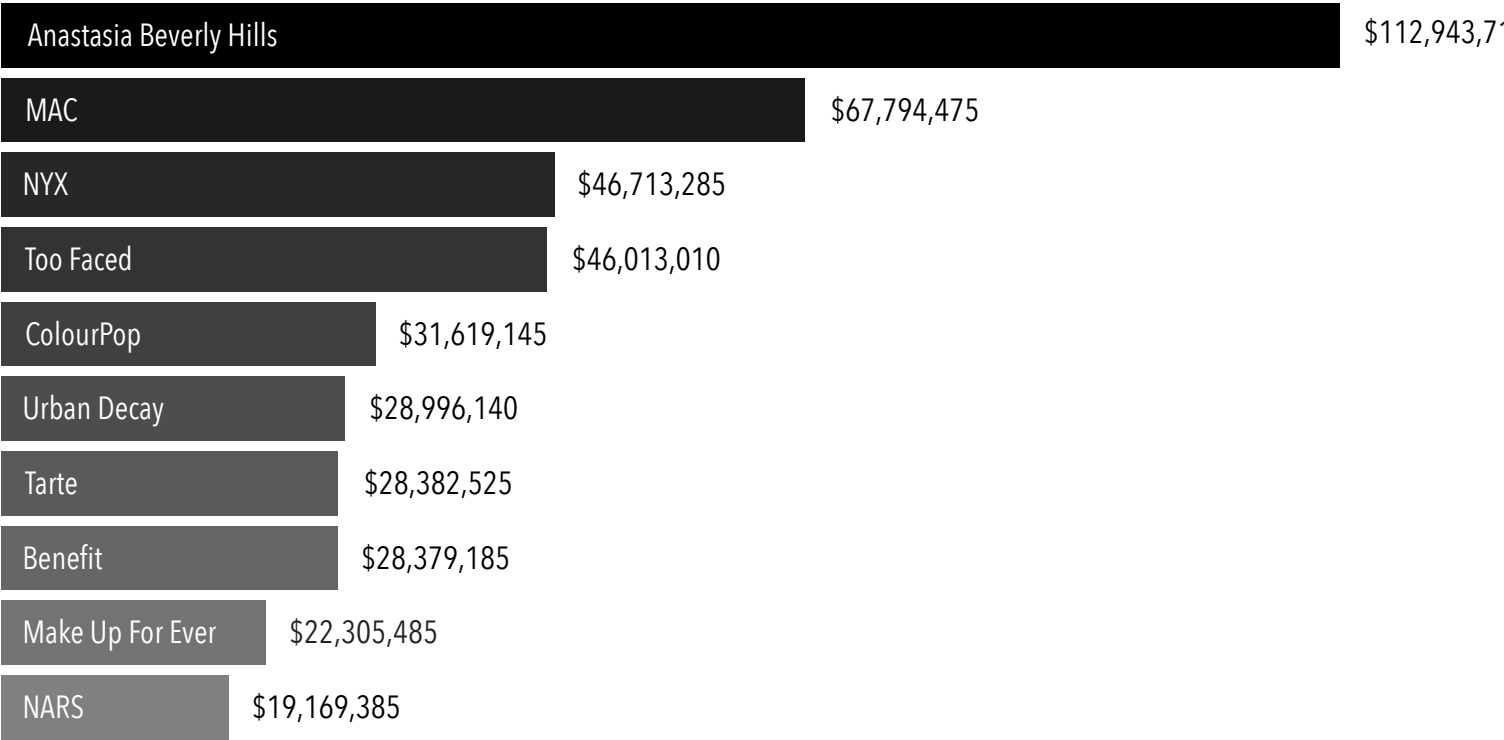
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FACEBOOK



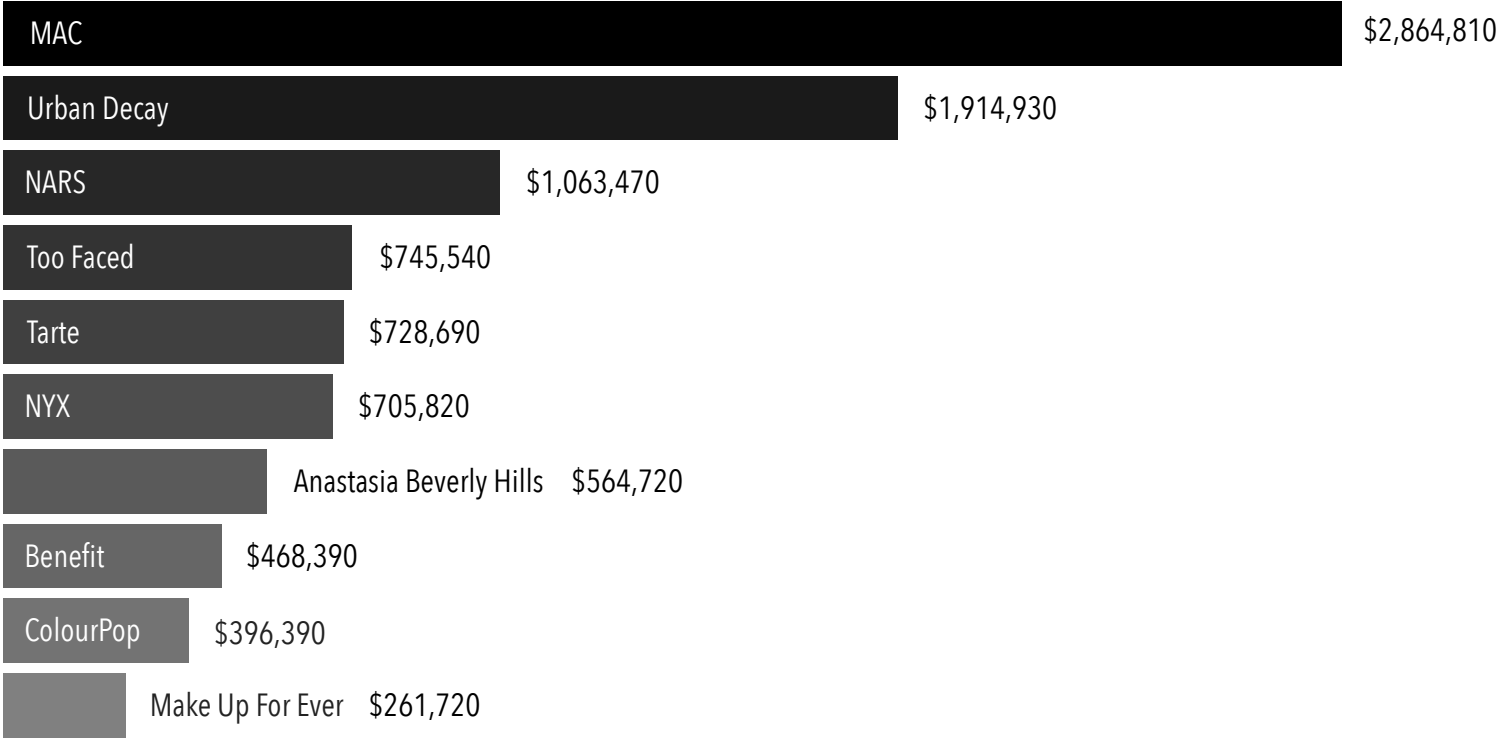
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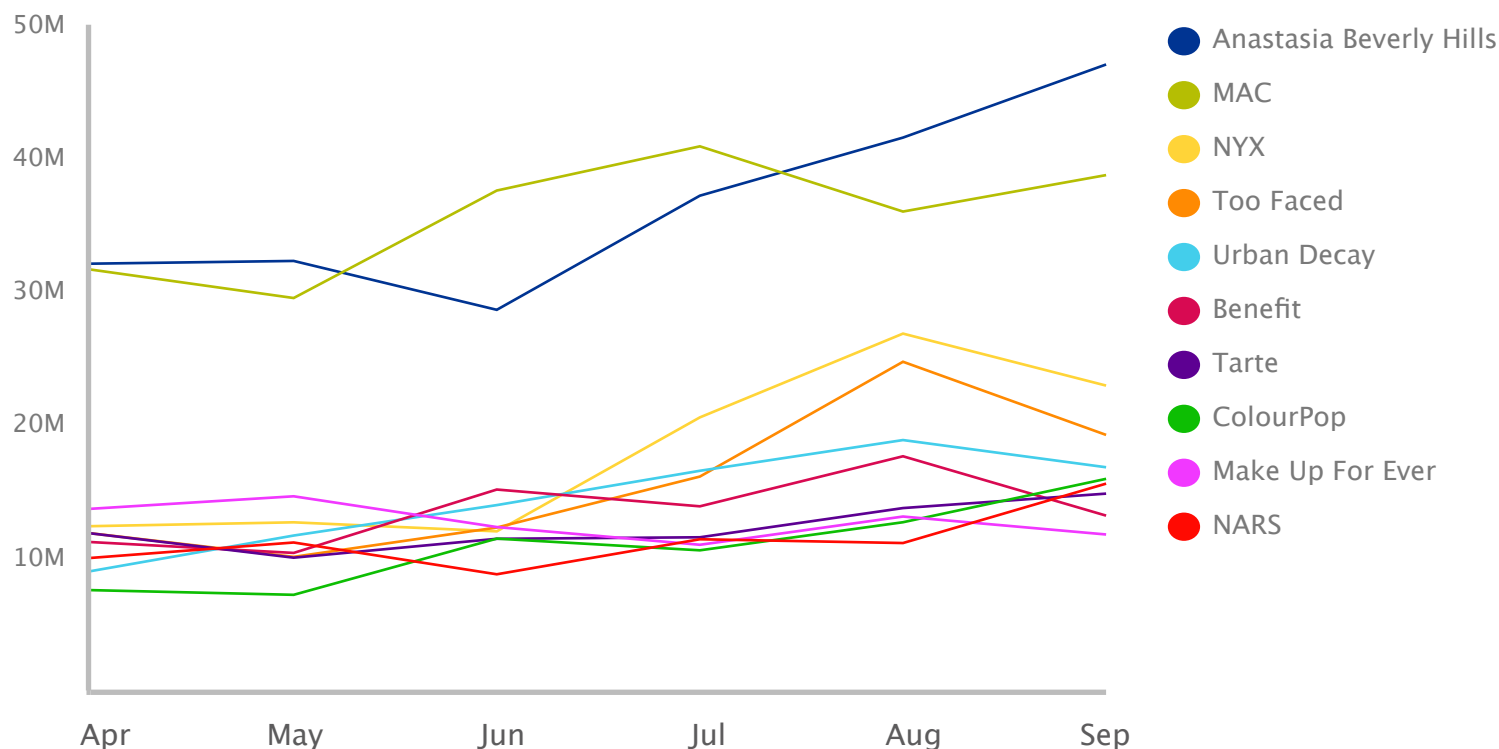
TWITTER



PINTEREST



OVERALL TRENDING EMV



OVERALL GROWTH

BRAND	Q2 EMV	Q3 EMV	Q2-Q3 EMV	Q/Q GROWTH
Anastasia Beverly Hills	\$92,903,681	\$125,701,166	\$218,604,846	35.30%
MAC	\$98,636,223	\$115,544,218	\$214,180,441	17.14%
NYX	\$36,919,428	\$70,211,302	\$107,130,730	90.17%
Too Faced	\$34,081,905	\$59,947,756	\$94,029,661	75.89%
Urban Decay	\$34,519,487	\$52,073,880	\$86,593,367	50.85%
Benefit	\$36,570,981	\$44,553,395	\$81,124,376	21.83%
Tarte	\$33,169,447	\$39,990,697	\$73,160,144	20.56%
ColourPop	\$26,127,584	\$39,058,315	\$65,185,899	49.49%
Make Up For Ever	\$40,502,032	\$35,722,695	\$76,224,726	-11.80%
NARS	\$29,794,119	\$37,967,239	\$67,761,358	27.43%

Part 1: Influencer Collaborations

1



Jaclyn Hill shares an exclusive look at the Champagne Pop highlighter with her Instagram community, netting 120K likes.

BECCA COSMETICS AND JACLYN HILL

Becca Cosmetics' July collaboration with beauty maven favorite Jaclyn Hill demonstrates the incredible power that influencers have over the online beauty community.

The resulting highlighter product, Champagne Pop, was sold exclusively at Sephora, and no doubt benefited from the additional credibility that the retailer's name lends. Champagne Pop broke Sephora's record for most-purchased product on the first day of a product's release (Refinery29).

To bolster awareness, Becca posted a short video on its owned YouTube channel showing the brand's style director, Kerry Cole, and Jaclyn introducing the collaboration with a celebratory champagne toast. The video has garnered 26.9K views since it was first published on June 19th -- an impressive feat, considering the brand has only 3.1K subscribers to its channel.

This is far from the first time that Jaclyn has appeared in a video

posted on Becca's channel. The brand has diligently shared and reposted Jaclyn's self-created videos, simultaneously promoting the growth of the influencer's own community, and Becca's visibility among new online communities. Its substantial association with Jaclyn transformed its relatively unknown brand into a reputable and trustworthy brand overnight.

Although Jaclyn was not directly responsible for the creative design and packaging of the product, her enthusiasm and pride for Champagne Pop was obvious. While the product itself was packaged similarly to other Becca products, its outer box flaunted a gilded gold exterior inscribed with Jaclyn's signature, as well as a subtle bubble pattern that matched the champagne theme. On the underside of each box was a professional headshot of Jaclyn, looking glamorous, adjacent to her own statement on the inspiration behind all product elements and what the collaboration meant to her.

In an overdue monthly favorites video that Jaclyn published on her own YouTube channel, which boasts 2.4M subscribers, she takes nearly six minutes at the beginning of the video to share a heartfelt thank you to her followers and to the brand: "I wish you guys could have been in the meeting [to hear] what Becca was saying about the family I have built on YouTube ... I love you so much and thank you for your encouragement." After a thorough description of Champagne Pop and how to use it, Jaclyn's emotions get the better of her. "I don't know who I am, what I've done to deserve this," she admits, leaving viewers



with a very real and relatable experience of her gratitude.

In the weeks following, Sephora contributed its own share of promotional content to elevate Jaclyn and raise awareness for the exclusive product. On Sephora's website, Champagne Pop earned an incredible 1.8K reviews and 50.0K hearts, making it one of the most popular recent product launches among Sephora shoppers. The product page itself also included a video tutorial, in which Jaclyn demonstrates how to use the highlighter to augment specific features. Sephora also held a live online Q&A with both Cole, Becca's style director, and Jaclyn, who shared their highlighting secrets and tips for using the universally flattering Champagne Pop shade.

Sephora hosted a live chat on BeautyTalk with Jaclyn Hill and Becca Cosmetics around the time of the product's launch.



Jaclyn Hill celebrates her collaboration with Becca Cosmetics on Instagram, garnering 128K likes.

The retailer promoted its live Q&A, as well as the limited-edition Becca x Jaclyn Hill product, with the hashtag #champagnepop, inspiring a significant amount of EMV in the summer.

Needless to say, Becca's collaboration with Jaclyn was a huge win for the brand. The

partnership bolstered brand awareness through content created by some of the most well-respected and trustworthy influencers and publishers among its target demographic, including social icon Refinery29. Popular blogs expressed their excitement for what they deemed "the only highlighter you need this summer" (Mimichatter). Becca's infiltration of the beauty community online even caught the attention of the Reddit Makeup Addiction community, which discussed the product in ongoing conversational threads.

The immediate impact of the collaboration revived Becca's brand, achieving unseen levels of online engagement and revenue success owed to the product. From a strategy perspective, the timing of the launch was informed and relevant, casting Becca as an innovator by releasing a must-have highlighter amidst the context of the growing popularity of "strobing," the next big beauty trend to follow contouring.

Finally, Becca came out on the other side with a newfound legitimacy and credibility in the eyes of the larger beauty community. Deep-seated praise and respect for Jaclyn was transposed onto its brand, with the potential to capture entirely new communities of followers and consumers. Jaclyn also benefited from the expansive online visibility, bringing the influencer one step closer to realizing her lifelong dream of launching her own makeup line. Just one month later, the 25-year-old influencer announced the coming release of Jaclyn Hill Cosmetics.

TOO FACED AND VEGAS_NAY

Too Faced experienced dramatic growth in August, thanks to its collaboration with the widely known influencer, Vegas_Nay.

The collaborative product, the Stardust Palette, was designed to be consistent with Too Faced's branding, with each shade of eyeshadow a reflection of Vegas_Nay's style and creativity. Vegas_Nay not only had control over the palette's colors, packaging, and marketing, but also created six of her signature looks in step-by-step pictorials that were included with the product. The influencer shared her big news by first announcing the product's launch to her community online, capturing both her genuine excitement, as well as her love and respect for Too Faced's brand.

Over the course of the month, and in the weeks following, Vegas_Nay celebrated the collaboration by reposting looks that her followers had created with the Stardust Palette. The influencer's community of fans embraced the product, and was responsible for approximately \$7.2M in EMV by the end of August. (This metric excludes the \$7.3M in EMV that the influencer generated through her own content creation.)

The collaboration gave Too Faced visibility amongst Vegas_Nay's 6.6M followers on Instagram alone, and benefited, like Becca Cosmetics, from the influencer's reputation within the beauty community. Vegas_Nay's identity as a professional makeup artist legitimizes Too Faced's makeup expertise next to professional-quality competitors like MAC and Make Up For Ever. Moreover, the influencer's previous experience in raising awareness for her personal brand, through touring and hosting her own events, paid off in her sophisticated self-promotion of the palette.

Perhaps the most interesting result of the collaboration is how Vegas_Nay assumed the responsibility of elevating content creators who used the Stardust Palette in social posts. While it remains

important for brands to actively engage with, and repost, the actual content created by the user community, Vegas_Nay's primary and extensive ownership of the product's online debut was progressive and meaningful.

Followers of Vegas_Nay, in adoration of the influencer and the Too Faced brand, felt emotionally compelled to congratulate her online, purchase the Stardust Palette, and personally endorse the product within their respective communities. In appreciation of this incredible social response, Vegas_Nay committed to reposting Instagram photos that spotlighted each individual's use of her palette, as if to say "thank you" to the community whose support was imperative to her reputation and success today.



Vegas_Nay reposts a fan photo capturing the flirtatious and fun spirit of her Stardust Palette, resulting in 44.3K likes.

COLOURPOP AND KATHLEENLIGHTS

Within its first five months as a company, ColourPop launched its first influencer collaboration, inviting fashion blogger littleblackboots to create her own Lippie Stix color with the brand. By the end of April 2015, the brand had already partnered with eight different bloggers to create personalized lipstick colors or eyeshadow quads.

To its credit, ColourPop's collaborations are never random; each influencer fits into a larger strategic move to position the brand as a friend to the beauty blogger community. ColourPop's relationships with influencers have also been instrumental in shaping its own personality, narrative, and associated imagery. ColourPop's first partnerships, focused on L.A.-based fashion bloggers, played up the brand's Los Angeles heritage. These collaborations consistently felt casual and friendly, as the brand positioned itself as just another "L.A. cool girl" with a passion for fashion and makeup.

Though its collaborations have since shifted to focus specifically on beauty, as opposed to style in general, all of ColourPop's choices are united by the individual's enthusiasm to be a part of the brand's creative story. The brand has embraced these influencers, bringing them in for product development and involving them in decisions around the product's shade, name, packaging, and marketing. This intimate interaction between the influencer and brand has resulted in heartfelt content from overjoyed influencers eager to share their "creation" with their respective communities



KathleenLights wears
ColourPop's Lippie Stix in
"Grunge," earning 35.1K likes.



KathleenLights shows off a collection of gifts from ColourPop and other adoring fans, netting 25.2K likes.

online. These posts, primarily in the form of YouTube videos and Instagram photos, are authentic and demonstrate the emotional connection established between these bloggers and ColourPop.

Now a familiar icon for the brand, KathleenLights has been responsible for generating unmatched EMV and brand awareness for ColourPop. The launch of her eyeshadow quad, Where the Light Is, gave ColourPop the greatest spike in EMV that the brand had ever witnessed. More abstractly, KathleenLights' closeness to the brand is an exemplary model of ColourPop's commitment to relationship cultivation. In an effort to give the influencer credit, ColourPop handed over the reins to its website's product page for Where the Light Is. The description found next to the product is a personal statement from KathleenLights, explaining the personal philosophies that helped guide her creative process during product development.

Since the collaboration, ColourPop has stayed true to its mission statement, continuing its earnest investment in KathleenLights and elevating her career as an influencer. The brand threw an extravagant but elegant party for the blogger when she reached 1 million subscribers on YouTube. Around the same time, KathleenLights also received bouquets of flowers and cupcakes from the brand, as ColourPop's way of saying congratulations and "thank you" for her impactful dedication to the brand as an advocate.

Part 2: Elevating the Individual

2

ANASTASIA BEVERLY HILLS

There's no denying the success of Anastasia Beverly Hills' products: its Brow Wiz and Dipbrow Pomade, amongst other brow products, are widely characterized online as the gold standard for the product category.

The brand's concerted expansion into additional product offerings resulted in viral content creation around what could arguably be the year's most talked-about product online, the Liquid Lipstick.

That said, the story behind ABH's spectacular growth would be incomplete if told exclusively from a product perspective. The brand offers consumers a variety of touchpoints to get to know both the brand's tangible and abstract attributes (i.e., actual product collections as well as brand imagery and values), which collectively set the foundation for meaningful influencer relationships.



This summer, ABH demonstrated the validity of its digital strategy when it extended its incredible engagement rates to additional channels beyond Instagram, where the brand has made a name for itself and continues to be a powerhouse. The brand's prevalent, omnichannel presence is owed to the kinds of organic conversations it inspires: authentic and personal discussions

KathleenLights showcases multiple shades of ABH lip gloss, earning 27K likes.

that reflect the enthusiasm and dynamic opinions of its avid followers.

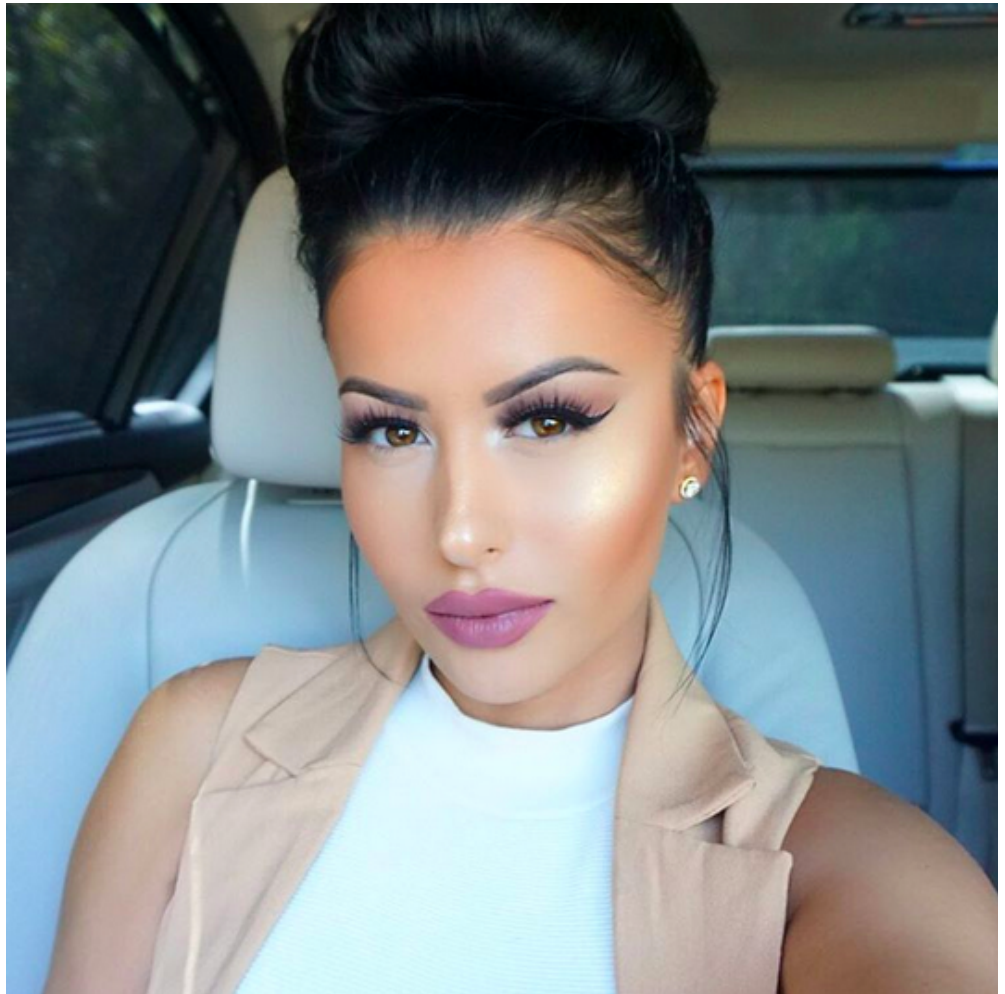
ABH continues to inspire EMV-generating content creation about its brand because it successfully positions itself around five core brand assets, which will be explained in detail: quality, social relevance, community, an interest in the individual, and industry innovation.

QUALITY

From an owned media perspective, Anastasia Soare, the founder herself, plays a central role in cultivating ABH's relationships with influencers. The icon's reputation as a well-recognized makeup artist is leveraged to strengthen the brand's association with higher quality products designed by, and for, professionals and beauty mavens. Her involvement in the brand's engagement with influencers reinforces the brand's credibility and personality, reflecting the expertise and unique personal brand of the brow expert herself.

SOCIAL RELEVANCE

ABH has been an early adopter of creating products and marketing owned media that coexist with socially relevant trends and topics both within and outside of the beauty industry. Specifically, the brand has made a name for itself amidst the growing popularity of Kardashian-inspired makeup trends like contouring, brow styling, and full nude lips. A majority of the brand's significant content creation on Instagram



showed influencers trying to replicate this look with products such as ABH's Dipbrow, Contour Kit, and Liquid Lipstick.

ABH strategically played up this connection, intentionally highlighting these trends on the brand's social profiles by reposting images of influencers who incorporated these trends and products into their own creative makeup looks. Conversations surrounding this content serve to reinforce the connection between ABH and these of-the-moment aspirational makeup looks.

While an association with a single trend or product might become limiting for any other brand, ABH maintains the

Amrezy's #MOTD, featuring multiple ABH products, earned 97.5K likes.



This #MOTD of nikkietutorials wearing ABH's Brow Wiz earned 33.5K likes.

relevance of its brand, as well as its impressive earned media performance, over time by inviting a wide range of influencers to participate in conversations that take place on brand-owned profiles. The brand abides by an inclusive approach to influencer relationships that keeps content creation about its brand fresh and engaging.

COMMUNITY

Using social activity on Facebook as a case study, we can better understand how ABH transformed a relatively static channel into an active forum for conversations between the brand and its followers as part of a tightly knit community. The interactions that take place on ABH's Facebook page bring to life the highly stylized glamour shots,

characteristic of influencer content, that are most commonly associated with the brand. Real conversations spanning trends and tips, product reviews, and recognition of individual creativity humanize ABH, and are documented and sustained through user comments and the sharing of external content.

Despite maintaining a distinct, clearly defined brand aesthetic and personality, ABH uses its Facebook page to support a diverse community of beauty enthusiasts. By purposefully including a wide range of influencers, ABH effectively elevates not only its target influencers, but also each influencer's dynamic group of followers. ABH empowers even the makeup novice through its own direct influence. When ABH reposts a photo from a mid- or lower-tier influencer -- one who typically earns a few hundred likes per post -- that same photo will reach thousands of likes overnight, drastically increasing traffic on the influencer's Instagram. The grateful bloggers then feel compelled to respond to this gesture by posting additional photos and creating content that emphasizes a sincere, emotional attachment to the ABH brand.

INTEREST IN THE INDIVIDUAL

Although ABH consistently welcomes new participants to its community online, the brand's social presence is as much owed to sustained relationships with its veteran influencers. ABH acknowledges these individual relationships, sending influencers

birthday wishes without a self-promotional motive. A similar ethos is evident when the brand reaches out to support and congratulate influencers that it has worked with in the past, even when ABH is not the brand in the spotlight. In July, ABH posted a congratulatory note to influencer Jaclyn Hill on its Instagram, celebrating the successful launch of her Champagne Pop highlighter, a collaboration with Becca Cosmetics. To ABH, influencer engagement is more than just good marketing -- it's also about encouraging individual creativity through viewing influencers as an extension of its brand.

INDUSTRY INNOVATOR

We've established that from both product and trend standpoints, ABH is an innovator that anticipates the next "it" topic in the industry. ABH was one of the first brands to release a contouring product as well as a liquid lipstick, products that more and more brands are rapidly rolling out.

ABH is a digital innovator whose strategy should be viewed by fellow brands as an exemplar of influencer marketing done well. The brand is very much in control of its online perception, despite its unprecedented use of user-generated content in marketing efforts. On Instagram, the brand has established its reputation as a makeup icon with cutting-edge products and mastery of the latest trends, and posts photos of the founder interacting with her



impressive community of A-list clients.

While this sort of content is impressive, for the majority of beauty consumers, it is neither relatable nor personally engaging enough to provoke them to create content of their own. This is where many brands fall short of building lasting relationships. ABH, however, bridges the gap between its heritage and everyday makeup lovers by using Facebook to encourage the creative and conversational sharing of content, thus offering influencers meaningful inclusion in ABH's brand story.

Cakeyconfessions shows off ABH's Liquid Lipstick in "Trust Issues," netting 20.5K likes.

URBAN DECAY

Urban Decay elevates influencers by amplifying their voices, taking their ideas seriously, and creating cohesive brand experiences. With every interaction, the brand aims to communicate its dedication to the influencer as a special and valued individual.



Ilvusarahii displays her generous gift from Urban Decay, earning 11.3K likes.

Ignited by nikkietutorials' "Power of Makeup" video, the brand attempted to amplify its influencers' voices with August's #imabeautyjunkie Instagram campaign. Influencers like soothingsista and nikkietutorials posted sponsored Instagrams captioned with "#imabeautyjunkie" and heartfelt thoughts on why they wear makeup to feel powerful. Though Urban Decay wanted to continue "Power of Makeup's" conversation about the empowering aspects of wearing makeup, the well-intentioned initiative failed to encourage an authentic extension of the conversation. Soothingsista's and nikkietutorials' posts did not mobilize their followers to join the conversation, and Urban Decay's marketing of the #imabeautyjunkie hashtag never managed to move beyond a generic reiteration of nikkietutorials' initial message. Though both influencers tagged the brand in posts proclaiming their "badass" and empowering attitudes toward makeup, there was no real, meaningful way for other influencers in the community to engage with the brand. Consequently, the brand's inclusion of the influencer

appeared stilted, and the posts felt as if they were just paid for by the brand, robbing the individual influencer of her agency and authenticity.

Urban Decay's more successful influencer-focused initiative effectively communicated the brand's genuine investment in, and respect for, the influencer as an individual through purposefully designed brand experiences. The brand invited influencers to an exclusive event celebrating the launch of its holiday palettes, Vice 4 and Urban Spectrum, and also sent the palettes out to select influencers pre-release. The Urban Spectrum palette box was designed with luxe materials, so that the eyeshadows could be removed when finished, and the case could be repurposed as a jewelry box. In addition to both palettes, some influencers received purple Fujifilm Instax cameras, which could easily encourage future content creation. Each detail reinforced how highly the brand regarded its relationship with influencers while simultaneously fostering compelling, on-brand content creation.

Urban Decay's Color Unleashed event in September was also another opportunity for the brand to marry its focus on treating its influencers as valued members of the brand with encouraging content that aligns with the brand identity. Urban Decay emphasized the importance of color in the event's activities while treating its guests to a novel experience:



Influencers had Polaroid portraits taken, so their “colorful auras” could be read. A life-size sculpture of the brand’s logo, the purple “UD,” stood outside the event, prompting “squads” of influencers to pose with the structure. Not only was content creation aligned with the brand’s identity, the friendships -- or “squads” -- that were formed and strengthened at the event will continue to serve the brand in the future.

Influencer Iarlarlee shares a photo of herself at the UD Color Unleashed event on Instagram, driving 3.5K likes.

Part 3:

Community Building and Mobilization

MAKE UP FOR EVER

3

Make Up For Ever successfully bridged the gap between its professional makeup origins and growing awareness among the beauty community when it launched its #bemakeupforever challenge in July.

The contest called for submissions of self-created makeup looks that captured the unique personality of the individual and the brand's slogan, "Be Bold. Be Unexpected. Be You." The winner would be chosen based on how well their submission promoted a positive self-image and creative empowerment.

The contest mobilized followers of the brand to engage in self-discovery through artistic experimentation. The resulting content, which participants shared online with the brand and other MUFE fans, was very personal. By sharing these

intimate posts, influencers willingly exposed themselves to criticism and judgement, highlighting their trust in the sincerity of MUFE's "Be you" mission statement.

#Bemakeupforever also successfully reinforced MUFE's unconventional definition of artistry and approach to professional makeup. The subliminal message of the contest supported the idea that innovative artistry is not reserved to professionals, but can be found anywhere. This ethos appropriately aligns with MUFE's explicit support for the transgender community: the "Be You" slogan was also used to promote its partnership with Andreja Pejic, a transwoman and supermodel, to celebrate self-expression. Pejic, who provided the inspiration behind the contest, shared heartfelt congratulatory posts on Instagram and Twitter. She tagged the winner, @ninablackwolf, and praised her for her creativity and courage.

The #bemakeupforever hashtag directly contributed to building a MUFE community, by way of the abundant empathy that came across in the submitted content. Not only did MUFE communicate its own investment in the individual, it also created a sense of mutual support and respect that strengthened the connections within its online community. While the hashtag implies an accessible and inclusive understanding of makeup artistry, the closeness that followers felt with each other -- evident through supportive likes, comments, and shares -- created a sense of exclusivity that will encourage these influencers to continue to self-identify with MUFE and its community.



Sonjdradeluxe shows off MUFE's Artist 9 palette, along with products from ABH and ColourPop, garnering 18.4K likes.