

In today's retail landscape, delivering a compelling, competitive and commercial consumer offer provides ongoing, ever-changing challenges. Review, analysis and evolution of the retail offer are vital for injecting innovation and securing longevity and customer loyalty.

Targeted and considered diversification has been the brand motto adopted by many of the most successful names in retail and beyond, and has contributed to the transformation of the way we view brands. Diversification was a catalyst in the birth and significant growth of the dynamic lifestyle sector which now embraces all of the biggest and most successful international brand names, from Virgin to Harrods, Cartier to Gucci and Aston Martin to Gillette.

The beauty industry has long enjoyed footholds within like-minded landscapes; from fashion to travel, lifestyle to art. And beauty and fragrance remains an obvious solution, offering the missing link in so many core brand offers. Beauty and fragrance are the holy grail of line extensions, offering a lucrative and malleable balance of brand and commercial results.

Consumers are looking to engage with brands with a complete sensory experience. It is not just how we think and feel about a brand, how it looks and how it speaks – scent is becoming an increasingly important sense to the consumer. Consumers today demand a lot more from brands. It is not only an opportunity to add a new dimension to a product or service, but an opportunity to expand and enhance a brand's personality, appeal and reach.

At pebble&co, we work with brands to create their own bespoke collections for body and spa, grooming and skin care, home and fine fragrance. We are experts in brand expansions, designing entire ranges and individual products, and creating both a concept and lifestyle around these ranges with a solid commercial outlook. Our work is a marriage of technical know how and innovative design strategy. For many of the brands with whom we work, beauty products are not their core business, and while the brand essence, design and hand writing often already exists, the expertise required to develop, manufacture, package and test these products does not, which is where we come in to make these products possible and valuable.

WHY BEAUTY?

There are a number of factors which make the beauty and fragrance category the masters of brand and commerce – sales

drives, customer relationship builders and cementers of a brand's personality.

Beauty is a natural extension and expansion of many product categories, a broad canvas to enrich and illustrate a brand's essence. The classic example we use



pebble&co Founder and MD Sarah McCubbin (left) with Manager Tori Snowball (right)

for this is the 'Chanel lipstick effect'. Many of us admire and covet Chanel, the stalwart of the luxury fashion and beauty houses. Yet how do we buy into the brand experience if we can't afford the couture collection, handbags, shoes or those iconic bouclé jackets? That's where the lipstick comes in. Perhaps we can afford the lipstick. This lipstick is a lot more than just a product; it's a lifestyle and claim, it allows us to buy into a slice of the brand and become part of the Chanel world, providing a fresh injection of innovation and personalisation, further enriching our brand experience, when without it we would not have that inclusion within the sought-after Chanel club.

These products, while being highly covetable and stylish, are also highly consumable, enticing regular customer return. They have a broader appeal, a wider

Crafting the expected

Brands operating in a variety of sectors are eyeing the beauty industry for opportunities. **Sarah McCubbin** and **Tori Snowball** discuss making the transition into beauty while maintaining and enhancing your brand identity



reach and a higher rate of use without being limited by, but also benefiting from, seasonal changes and trends, allowing for a constant stream of revenue. The modern customer is not only comfortable with buying in-store, whether purposefully or as an add-on to their shopping experience, but beauty and fragrance has exploded in the online world too. A combination of store presence and online brings strong returns through presence in bricks and clicks. The amount of time spent researching and purchasing beauty in the online world is rapidly increasing by over 50% across technology mediums^[1].

For many brands, particularly luxury, travel and fashion, beauty and fragrance offers a much more accessible entry point, allowing customers to buy into a brand at a more attainable level, hence opening it up to new customer segments. The entry point is scalable by brand, whether this is a Chanel lipstick, Gieves & Hawkes candle, Ted Baker grooming collection cream or Cowshed candle. These products also come with the added benefit of excellent margin returns.

The giftable nature of fragrance products is a key driver for entry into this category, and for many consumer brands there is no natural giftable offer. Gifts are complex and not always an easy purchase, therefore the standards are high. Apparel is often expensive and an intimately personal choice, with added pitfalls of sizing; the other option is a gift card which shows your limits. Accessories have always been traditional gift items; however, the overwhelming desire to create a multitude of brand entry points has led to the natural development into the highly accessible fragrance world. A candle, perfume, hand cream or bath oil easily fall into this channel and allow the creativity of the brand to pour into another area. Beauty products not only have an attractive price point but also hold the opportunity to create a powerful aesthetic, creating a strong gift appeal.

In a market where press coverage is driven by the new and the exclusive, beauty and fragrance allows powerful PR and marketing opportunities. The addition of these items themselves allows for different areas of coverage and new features on the products, the brands and the founders. There is also the advantage in the ease of diversification within the cosmetic category as they have the ability to create an ongoing stream of newness in packaging, fragrance, texture and ingredients. The world of fragrance and beauty is driven by innovation, which creates compelling stories for both

customer communication and the press.

Beauty and fragrance products have an amazing ability to sit in very versatile and different markets from the principal brand offer, bringing the added benefit of expanded distribution avenues. They are often much more resilient and robust than the key lines or core business when it comes to fashion and accessories. This by no means insinuates that it is safe or wise to expose your brand in a too dramatic market, far removed from its origins. Or, worse still, to completely overexpose, leaving the brand confused of its place. A clear strategy and purpose on where the product will sit is necessary to unlock the full potential of the distribution avenues. With this vision in mind you can create a product for the market that reflects a brand's quality and character, but allows a greater visibility and reach.

PERFECT EXECUTION

Execution is key and the preservation of brand integrity is imperative. Any brand

Firmdale Hotel Group's RIKRAK line has been designed to look great both in a hotel environment and on shelves in-store



extension is only worthwhile if it enhances and truly reflects the core brand values and essence. And then there is the minor consideration (or its entire reason for creation, depending on which side of the fence you sit – brand or finance) of actually making the products commercial and financially pulling their weight. While beauty and fragrance products are, on the whole, utilitarian commodities and appear (often by the truckload) on all of our bathroom shelves or mantelpieces, they can be quite complex products to create and produce. Not only do the products themselves undergo a long and complicated journey during creation, but the stakes involved in getting them right are high. Consequently, there are a few critical questions we always start with, right at the very beginning, before we even begin to think about formulating:

- What is the products' purpose?
- Who is its customer?
- Where will these products live, not only within the brand itself but within the market?
- What qualities do they need to reflect, both from the existing brand and as an individual entrant?

The decisions made at the beginning of a collection's journey need to be right for where the business is today, but also right for where the business will be in three or five years: scalable, flexible and thoughtful.

All brand extensions must be approached with care and respect, and a deep understanding of your own brand. Within beauty and fragrance this means asking and understanding questions like "What is our scent? How should our brand smell? What

are the right ingredients and product claims for us? How should our products look? What do we need to achieve for our customers to turn around and say 'Yes! That is exactly what I would have expected'?"

CASES IN POINT

RIKRAK

Our recent work with Kit Kemp, famed British interior designer and Design Director of the Firmdale Hotel Group, in creating a bespoke in-room and retail collection, RIKRAK, had a great deal of purposeful consideration in its creation. The Cowshed phenomena has taught us that an amenities range can have a very successful life outside of a hotel or spa and can stand on its own as an independent yet connected retail collection. In the case of RIKRAK, a completely new brand identity had to be created – one that was very much born from Kemp's vision and the Firmdale world. It required a dual purpose: the ability to thrive on the shelves within the world's most aspirational and sought after retail destinations, and to appeal to the tastemakers of style both within and beyond the hotel doors. RIKRAK, one of Kemp's most striking textile designs, was selected as the range name and also as the iconic packaging backdrop, chosen for its connection to Kemp and the hotels, as well as its adaptable inclusivity, allowing for the evolution and growth of a range without being bound to a particular category or product type. If you visit Firmdale's newest hotel, Ham Yard in central London, RIKRAK is everywhere in touches: on walls, curtains, chairs and as a striking product within all bathrooms.

Creating the sense of mood and atmosphere through fragrance is also important. In her book, *A Living Space*, Kemp explains: "Often it is the invisible things, such as smell, that create a sense of luxury in a space... adding fragrance can have as much impact on how someone feels in a room as can the choice of furniture or wallpaper used... scent is often the thing you take away as the memory of a room, remembering it long after you've left it."

Gieves & Hawkes

A fragrance has to embody a brand and this can sometimes be a tall order to fulfil: balancing not only what the brand desires but also thinking about a fragrance that will be commercial yet individual and appealing. This was the exact challenge we faced when creating the first fragrance for Gieves & Hawkes, pre-eminent British tailors and Royal Warrant holders since 1809, holding unparalleled pedigree and



international status. pebble&co was commissioned to translate the stature of this globally recognised heritage brand into the ultimate scent for the Gieves & Hawkes' stores and clients. The fragrance's initial product execution, an imposing and chic 750g fragranced candle, added a new depth to the recently refurbished No 1 Savile Row and the overall shopping environment. Having been initially created for in-house use and corporate gifting, the response to the store's fragrance led to the candle becoming a retail item available in-store and online just in time for Christmas 2014 – a fine example of how a fragrance should reflect not just a physical atmosphere, but the atmosphere of a brand and how you feel about it.

Bamford

A clearly defined range knows its strengths and its own self. We undertook extensive work with Bamford in the creation and evolution of what is now one of the leading botanical and organic ranges not just in the UK but globally. Bamford's bath, body and home fragrance is a marriage between the world of wellness and organics, and the ultimate in understated luxury. Bamford is about the simple pleasure of quality; this philosophy has enabled the creation of timeless clothing from the finest natural fibres and purest

body care from organic and botanical ingredients. Ensuring the uncompromised integrity of Bamford's organic origins is paramount with the bath and body range. Soil Association and COSMOS accreditations can be a hard taskmaster, offering further challenges in addition to the premium aesthetic offer. The luxury organic state of mind is absolutely the Bamford way of life, as championed by Carole Bamford, whose emphasis on wholesome ingredients had to be as prevalent in her Bath & Body range as it is in her Daylesford farm produce.

Creating a holistic brand image should not only be at the heart of a company's own strategy, but should also be at the very core of everything they create, and these products are no exception. A beauty or fragrance product needs to reflect its brand, and is most successful when a strong identity is already in place, as is the case with many of the pebble&co clients and projects. Allowing an extended interaction where the scent carries on your relationship with a brand lets it linger long after an event has been visited or a purchase has been made. **cb**

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Reference

1. According to Google statistics, May 2015.

Gieves & Hawkes (above) and Bamford (right) are examples of existing brands that have successfully made the transition into beauty

