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 On a Saturday at a packed Costco, women didn't mind the cardboard display for Borghese (a cosmetics line never before sold outside high-end department stores). As husbands stood in line with carts filled with packages of toilet paper and water, women were loading up blush duos, age-defying serums and night cream.

Advertising Age | 5.22.06

 Drugstores like Walgreens and CVS Pharmacy are sprucing up their beauty departments with airy displays, employing specially trained beauty consultants and promoting third-party brands from Europe. The stores are trying to capture the attention of affluent women who typically turn to department stores for cosmetics and beauty products.

Telegram.com | 2.3.07

 In 2006, prestige makeup sales totaled \$3.1 billion and now make up the largest dollar share of the prestige beauty industry, toppling fragrance, with 37% of sales, according to an NPD Group study.

NPD.com | 4.17.07

## Point of View

# Two-Faced: Understanding mass versus prestige in the mindsets of today's beauty consumer

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What do the brands in each of the following pairs have in common: Pantene and PureOlogy hair products; Avon and La Mer skincare; Mary-Kate and Ashley lip gloss and Chantecaille foundation? Very little, at first pass. But they can all live side by side as part of a woman's beauty regimen today. As the lines between mass and prestige continue to blur, marketers are realizing that for high- or low-end lines, no woman is off-limits. Stay beautiful in your consumer's eyes by understanding the different mindsets that drive women to mix and match thrift and luxury.

## The line between mass and prestige continues to blur

Today, one needn't look very far to find IKEA sitting beside Eames in the home, H&M and Chloe in the same outfit or Bonne Bell nestled in with Prescriptives in a handbag. As beauty consumers mix and match channels and brands more than ever, marketers are facing new challenges. First, they *thought* they knew who their target consumer was, but the more channel lines blur, the clearer it is that their target might be *everywoman*. Second, as their competitive set in many cases expands to both channels, they must continue to differentiate themselves.

## Understanding mindset differences

There is a mindset for buying budget and a different mindset for buying luxury. How women mix and match thrift and luxury is largely a function of two factors: product performance and budget.

The mass shopper is thinking ... "I t's cheap and it works."  
Values: thrift, savvy, access, do-it-yourself, aspiration

The mass shopper is often drawn to the accessibility of mass brands and pulls away from the higher price points and perceived inconvenience of prestige brands. "Why pay more?" is her mantra, part or all of the time. She's more likely to experiment with trendy colors at disposable prices, and less likely to feel the need for niche or more customized products. The mass brand consumer's aspiration is less about a taste for the high life and more about a desire to look and feel good in a way that meshes with her life's realities (financial constraints, time, etc.).

The prestige shopper is thinking ... "I t's expensive but it works."  
Values: innovation, quality, choice, luxury, aspiration

Products, ingredients, claims and packaging often (though this is changing) make their debut in the prestige space and make their way into mass and low-end thereafter. The high-end shopper wants the new stuff, *now!* Whether it's across the board or selectively, she appreciates the perceived better quality and performance in premium brands, and welcomes the wide range of choices and specialty options. For many of these women, beauty means glamour, and that includes the feeling that comes with having an attractive lipstick tube in their purse or a lavish shampoo bottle sitting on their shower

Macrotrends  
Fingerprinting<sup>SM</sup>  
En Vogue<sup>SM</sup>  
Dollars and Sense<sup>SM</sup>  
Lush Life<sup>SM</sup>

rack. Crucially, the prestige beauty brand consumer aspires to luxury, but at an accessible price point. She may not be able to afford a Chanel bag, but she can get her hands on a Chanel lipstick.

## What fuels the channel hopping?

It's a combination of attitude and innovation. First, the channels women shop and the brands they buy often tie back to their attitudes on beauty itself. Is it a fun escape or a hassle-ridden chore? A woman for whom beauty is an indulgence may not necessarily find everything she needs from a trip to the drugstore. Similarly, women who consider maintaining beauty a necessary chore are not likely to easily plunk down \$250 after 90 minutes of circling the counter at a high-end retailer.

Then there's innovation. Shoppers are crossing channels on their quest to find innovative products. Until the growth of the masstige category, new ingredients and technologies typically started with higher-end brands and took awhile to find their way to mass shelves. Now, that turnaround time is much shorter, and mass brands are innovating in their own right. Jergens Natural Glow is a great example: When the first gradual self-tanner was in high demand, people were paying twice the price on eBay to get their hands (and arms and legs) on the stuff.

## Two-faced beauty

While there are clearly distinct mindset differences, the point is that increasingly more consumers today can, and often do, move effortlessly between them. As a result, mass brands and retailers have an opportunity to attract more prestige consumers, while premium brands and stores appeal to more mass shoppers. How to resonate and connect without alienating everywoman?

- Deliver a unique experience. The proliferation of products and brand offerings makes it particularly difficult to stand out in today's competitive set, but it's still got to feel special and one-of-a-kind. Call out the unique sweet spots and values you deliver. If it's special enough, channel will become a lot less important.
- Up the luxe. Just because she thinks she can't go more luxury doesn't mean she doesn't want to. Communicate accessible indulgence. It's already expected by beauty buffs, and it just might grab the attention of the rest. Cross-promote mass beauty with upscale health, fitness or food options for a shopping experience uniquely available at mass outlets.
- Don't scrimp on performance. Ultimately women want to know, "How well does it work?" If it's a mass product, tie performance to savvy and thrift; if it's a prestige product, link it to indulgence and luxury.

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Jennifer Haid brings hands-on industry experience and insight to her Consumer Strategist role. Her background in ethnographic research and hermeneutics gives her a unique perspective into consumer attitudes and behaviors, industry trends and the competitive landscape of health and beauty, including nutrition, personal care and antiaging.

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