



Anastasia Beverly Hills
Phase One Report

Team Anastasia
September 2020

Anastasia's Key Business Challenges



How is our brand going to grow?

Anastasia Soare built her company by inventing a brow-shaping method that created a new category in the beauty industry. For a long time Anastasia Beverly Hills was thriving by focusing on what they do best – eyebrow products. Peaking in 2017 with \$340M in estimated sales and \$175M in revenue sales. A sequence of unsuccessful collaborations and accusations of copying artwork in their campaigns, followed by media outrage led the brand's sales to fall dramatically despite investors' expectations and predicted growth toward \$40M over the following years.

COVID-19 had a big impact on the color cosmetic market, affecting supply chains and limiting consumers' spending and their use of makeup. Many of cosmetic brands reported a decrease in sales by 20-30% and it is easy to predict the outcome of ABH financial health after 2020.

People are focusing more on their physical and mental health instead of their appearance. Lack of interaction outside of the home reported 67% of consumers who claim they don't wear makeup if they stay at home. Face masks are creating a new challenge for the face and lip segments. Women no longer see a reason for wearing foundation, blush or lipstick if no one will appreciate it, as well as face masks rubbing off the makeup, causing irritation and breakouts.

Anastasia's effort to reinvent eyebrow products over and over, hoping that it will attract attention like it did in 2017, completely failed. ABH has the lowest popularity in google trends statistics, in comparison to its competitors (Fenty Beauty, ColourPop, Kylie Cosmetics and Glossier). Such statistics confirm that it is time for Anastasia Beverly Hills to prove they can be successful in a different category other than eyebrows.

Makeup trends are constantly changing, with shifts to product popularity and usage. However, mascara is the only product maintains its strong position, it is the most popular product in the eye makeup segment and so universal that it is never out of style. Unlike many other products in color cosmetics, mascara is universal and used by all ages. No matter what makeup look consumers wish to achieve, full glam or natural, it is incomplete without mascara.

For these reasons ABH should focus on creating the perfect mascara that will become its new best selling product and bring attention back to the brand. Besides, when 80% of the face is covered by masks, eyes become the center of attention.



How is our brand going to grow?



With the introduction of social media Anastasia Beverly Hills became one of the first companies to successfully build brand-awareness and share product knowledge through online platforms and influencers; they offered tutorials and interacted directly with consumers. In 2017 ABH was a top beauty brand tagged by UK influencers, and in 2018 became one of the most followed beauty brands on Instagram. Since then however, a lot of the brand's competitors trend on social media and constantly gain consumers' attention. ABH must operate its social media as a growth engine and build a stronger presence in order to increase their appeal amongst young consumers.

Most of Anastasia's products are sold through Sephora, Ulta Beauty, and their online platforms. In order to attract more customers ABH needs to create a meaningful relationship with their followers and express their value. The company should also supply their customers with the experience of discovering new products while continuing to offer their usual high-quality standards. Recently, Anastasia Beverly Hills announced the opening of a new Open-Air Pop-Up shop in Santa Monica Place. While this is positive news for some shoppers, delivering a luxurious customer experience continues to be a challenge as most consumers purchase products through other channels.

ABH should use new technology to improve its website and create a program that lets customers virtually try makeup on. According to statistics a lot of women struggle to find products that match their skin tone, with the help of advanced programming customers could upload their photos and find the perfect match in seconds. Such innovation would leave more consumers satisfied and decrease the percentage of returns.

After analyzing the Google search activities ABH peaked during Black Friday. They have also created multiple sales events and promotions, often saving customers money by selling value kits. Perhaps the brand could include free samples with all purchases and create a loyalty program to encourage people to buy more of their products.

Anastasia's Core Target Consumers & Channels



Who's going to drive our brand's growth?

Because of social distancing due to COVID-19, stores and venues have had a limited capacity, so there has been an increase in online shopping. Through online shopping, customers do not have the ability to try cosmetic products that have a selection of shades and tones. Mascara is a product that does not require a variety selection which makes its availability the same for everyone no matter what skin tone.

Mascara is the most commonly used eye product in the cosmetics industry at the moment. Two of ABH's top competitors, *Glossier* and *Fenty Beauty*, sell mascara, but they are not popular. These brands are not known for their mascara which makes ABH different from them if they develop a new serum infused mascara.

The target consumers are..

- ❖ Higher income women
- ❖ Ages 20-35
- ❖ Living in urban/suburban areas

They are wearing less makeup and shopping mostly from home.



Who's going to drive our brand's growth?

Product Reviews:

Fenty Beauty: Full Frontal Volume, Lift & Curl Mascara

Many customers have complained that the mascara lacks thickness and that it sticks to their eyelids. It is not one of Fenty's best products and they do not recommend. Ingredients are vegan,

Glossier: Lash Slick

Customers are satisfied with this product. They have mentioned that the mascara give natural look, application is simple, does not cause eye irritation. Ingredients are not given, however, it is mentioned that the product is cruelty free and dermatologist and ophthalmologist tested.

What ABH's serum infused mascara should do:

Mascara should be easy to apply, look and feel natural, and information on raw ingredients and professional testing should be displayed in the packaging or website. People want to know what they are putting on their skin.



**FULL FRONTAL VOLUME,
LIFT & CURL MASCARA**
\$24



Lash Slick

film form mascara · 8.5 g / 0.29 oz · [Read 2625 reviews](#)

Top Rated

ABH Top Packaging Priorities



What must our brand DO to grow?

ABH have elegant, luxurious, and minimal packaging but they lack to address and fix a notorious flaw on their most sold product.

- The brow pencil has not yet been updated to reduce customers throwing the product away oblivious to there being more in the pencil's body.
- ABH needs to update their screw so customers can take advantage of every bit of the brow produce.
- With this update, pairing it with more product will be of more value to their already loyal customers.

Introducing this new product: **Mascara Infused with Serum**

Benefits:

- 1) Eyelash growth
- 2) Helps those with eye sensitivity



Social Media



Anastasia's focus on their content will need more execution. Their visual aesthetic should transition to more minimal content in order to relate to young and older women in today's society.

Improving their following by pushing more advertising in the hands of influencers on social media.

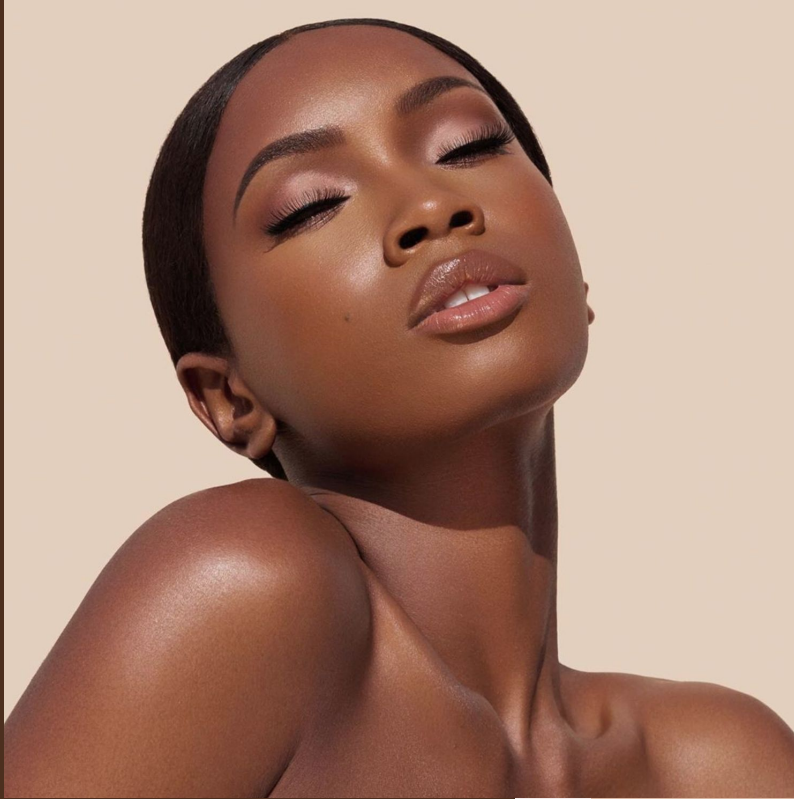
For example: Tik Tok stars will result in word of mouth and brand recognition.



Anastasia's Key Media & Messaging

ANASTASIA
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What must our brand SAY to grow?



Current Verbal Messages:

- “We believe beauty is about balance & proportion, not perfection.” (Website)
- “Observed in patterns that occur in nature, art, music, and the human body, the Golden Ratio offers key to finding balance, symmetry and beauty.” (Website)
- “Your Brows-Your Way” (Website)
- “Find your shade using Try-On feature in IG Shop.” (Instagram)
- “Did somebody order glam?” (Instagram)
- “We love a glam moment any day.” (Instagram)

Current Communication:

- Anastasia Beverly Hills communicates that their brand is here to meet your personalized beauty needs in the best way possible. They are here to offer products along with tips that will help you feel glamorous everyday even with a simple and soft glam.

Current Forms of Communication:

- Advertising is mostly done through influencers on social media platforms.
 - Instagram - Instagram Shop - allows you to immediately buy a product after clicking on a post
 - Youtube - Influencers create makeup looks with ABH products
 - Tutorials on their website: Professionals share makeup tips & tricks



What must our brand SAY to grow?

Future Communication in order to grow:

- Anastasia should continue to push the agenda towards personalizing beauty products and tips that enhance the natural beauty of the customer. For example, the reason behind the success of Anastasia brows is because they found a way to master the artistry with a technique that focuses on the individual's bone structure.
- With the release of a new mascara infused with serum, Anastasia should promote a “glam meets self-care” campaign. Women often worry about the damage mascara can cause to lashes over time, therefore a mascara infused with a serum that promotes growth and protection can win the trust of the consumer, especially during a time like this. It also continues to promote Anastasia's brand image as the glamorous and fashion lifestyle brand.
 - Covid-19 has affected the beauty industry drastically, however the eyes are the only part of the face that the masks does not cover. Consumers should be able to feel glamorous even if they are wearing a mask.

Future Form of Communications: How Will ABH Deliver the Message?

- Anastasia should experiment advertising through streaming services such as hulu. They are limiting themselves by only advertising on social media platforms such as Instagram, Youtube and Twitter.
- Tik Tok is a huge platform for advertising that many cosmetic brands have already caught on to. Anastasia already uses influencers to advertise so they should consider a collaboration with Tik Tok influencers to completely dominate all social media platforms.

OUR TEAM



Lesly Tacoaman

Brooklyn, NYC

I am in my second year at FIT and majoring in Advertising Marketing and Communications for 2021. I see myself working in a PR agency in the fashion or celebrity field. But have my options open to whatever direction life takes me.

I enjoy Anastasia's push for diversity in their brand. Their visual message overall is something that means a lot to me.



Darya Chervanyova

East Rutherford, NJ

I am currently working on my AMC degree and hope to build a career in the beauty and fashion industry.

Before I started to work on this project I never realized how many items from Anastasia I have purchased and tried. I really enjoy the quality of the products and I am passionate to create a good growth strategy for the brand.



Sara Zevallos

Parsippany, NJ

I am a 2nd year AMC major. So far, I am interested in publicity and marketing, and I am open to any AMC career opportunities

I used to love Anastasia Beverly Hills products when I used to wear makeup and now i'm discovering the reasons why the brand is not doing so well. Working on this project is making me want to buy their products again.



Darlyn Batista

Perth Amboy, NJ

I am an Advertising Marketing and Communications major at FIT. I would like to become a creative director one day and work on multiple fashion campaigns.

I love Anastasia's visuals and their unique form of advertising. I also appreciate their push for diversity in the beauty industry.

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