INDIE BRANDS

Focus on Beauty

NOVEMBER 2020
WHAT IS AN INDIE BRAND?

Indie brands are...

- social media driven
- founder operated
- authentic
- small

... and besides, very diverse!
Technology meets Trend

Social media accelerated the diffusion of ideas and accordingly the rise of demand. At the same time, social media channels provided affordable and manageable marketing and distribution channels for new entrepreneurs. A good starting point for founding a company. Many indie brands popped up as a response to these new opportunities.

49% of Gen Z want to start their own business, compared to 32% across all working generations.

The visual content sharing platform Instagram was founded. It is a cheap marketing channel for entrepreneurs and a source of inspiration for consumers.

Social media channels, like Instagram, start to reach a broad audience and rise awareness for trends in lifestyle: #vegan #diy #upcycle.

The Indie Beauty Expo was launched. The first successful fair for indie beauty brands is nowadays travelling around the world and attracting masses of beauty professionals.

Amazon, which makes up over 40% of global eCommerce, started a new section dedicated to the ongoing trend of indie beauty brands.

37% of beauty buyers find out about new brands/products via social media.

Source: Euromonitor International Global Consumer Trends Survey 2017

Source: Global WebIndex Q1 2019
Technology meets Trend

Social media accelerated the diffusion of ideas and accordingly the rise of demand. At the same time, social media channels provided affordable and manageable marketing and distribution channels for new entrepreneurs. A good starting point for founding a company. Many indie brands set up as a response to these new opportunities.

2020/2021 CORONA UPDATE

Indie Beauty brands are coping rather well with the crisis, as their main sales channels are online.

Compared to the numbers of brick and mortar sales, numbers of online sales sales are rather stable.
4 Types of Founders

IDEALIST
“"I do it for the greater good.""

DISCOVERER
“"I do it for the sake of the product.""

PRAGMATIST
“"I do it for me and for like-minded people.""

STAR
“"I do it, because I can.""

Each indie brand has its own, individual starting point. There are shades and mixtures of each.


**Founders’ Solutions**

**ROUTE 1: IDEALIST**

**Situation:**
- waste of resources
- environmentally unfriendly products
- unhealthy ingredients
- old-fashioned designs
- animal testing

**Solution:**
- natural/vegan/organic products
- cruelty-free/fair production
- recyclable/biodegradable packs
- refillable products
- high-end/minimalistic design
- brands supporting good cause

**ROUTE 2: PRAGMATIST**

**Situation:**
- products do not meet my needs
- no convenience
- lack of transparency

**Solution:**
- personalized products
- combinable/layering products
- genderless/reduced product ranges
- beauty subscriptions
- DIY products

**ROUTE 3: DISCOVERER**

**Situation:**
- not available in my country
- not used in product category

**Solution:**
- ingredient/format/etc. used in new context

**ROUTE 4: STAR**

**Situation:**
- I am famous
- other people want to be like me

**Solution:**
- Me-Brand
- lifestyle products
Authenticity through Visibility

**REASON TO BELIEVE**
- Founding Story / Purpose
- Visible (Founder’s) Passion
- Direct Exchange with Customers on a personal Level
- Transparent Supply Chain

**VISUAL PROOF**

**EXAMPLE: STOP THE WATER WHILE USING ME**

**CUSTOMER’S THOUGHT**
- “They are doing it for a reason and not for the money.”
- “It is so inspiring to see that they do something they really like.”
- “I know the people behind the brand. I even met them at the last launch party.”
- “I know exactly where the ingredients come from. They seem to be friends with their suppliers.”
BEAUTY CUSTOMERS
WHO ARE THEIR CUSTOMERS?

Beauty buyers typically find out about new products via...

- Ads seen on social media: 37%
- Recommendations / comments on social media: 33%
- Posts from expert bloggers: 22%
- Updates on brands’ social media pages: 22%
- Celebrity endorsements: 22%

Source: Global WebIndex Q1 2019
Base: 40,327 internet users who have purchased beauty products in the last month
WHO ARE THEIR CUSTOMERS?

In general, Gen Z and Millennial customers are looking for...

PURPOSEFUL BRANDS

TRUSTFUL BRANDS

EXCHANGE / CO-CREATION

FEELING GOOD OPTIONS

77% of 13-25 year-olds have purchased products solely because they support a brand’s values

60% of the 11-23 year olds in the USA want to be able to exchange with the brand in order to give design ideas

Source: Euromonitor International Global Consumer Trends Survey 2017

Source: Do Something Strategic
WHO ARE THEIR CUSTOMERS?

When it comes to beauty, Gen Z and Millennials look for...

**DESCRIPTION**

- The **Woke-alists** are on a mission to make the world a better place – with a natural, seasonal and local mindset
- The **Insta-glammers** evolve the ‘Instagram face’ beauty standard, recasting it in their own filter-enhanced, gender-neutral image
- The **Mindful Hedonists** embrace a positive and intuitive approach to beauty and wellbeing
- The **Creative Alternatives**: A virtual community and sub-culture, these highly creative make-up fans elevate beauty to an art form and champion self-expression.
- The **Skinvestors**: This next-gen science-first beauty consumer sees skincare as an investment.

**LOOKING FOR**

- Gen Z
  - eco-ethical products
  - high performance
  - social kudos*
  + design / aesthetic

- **eco-ethical products**
- **prestige products**
- **social kudos***
- **high performance**

- **eco-ethical products**
- **convenient products**
- **high performance**
- **social kudos***

- **eco-ethical products**
- **high performance**
- **social kudos***

- **eco-ethical products**
- **personalized products**
- **prestige products”

*recognition from others for making the “right” choice

Source: WGSN

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WHO ARE THEIR CUSTOMERS?

Supply meets Demand

INDIE BEAUTY BRANDS

IDEALIST

PRAGMATIST

DISCOVERER

STAR

GEN Z CONSUMERS

WOKE-ALIST

MINDFUL HEDONIST

SKINVESTOR

INSTAGLAMMER

CREATIVE ALTERNATIVE
INDIE BEAUTY BRAND EXAMPLES
### WHICH INDIE BRANDS ARE THERE?

#### BEST PRACTICE: IDEALISTS

<table>
<thead>
<tr>
<th>NAME</th>
<th>THEIR OFFER</th>
<th>STRENGTHS</th>
<th>FOUNDER</th>
<th>EXEMPLARY PRODUCT</th>
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</thead>
</table>
| Stop the water while using me | • eco-ethical products  
• natural ingredients  
• modern, minimalistic design  
• unisex concept  
• supporting good cause | • Saving water is a UAP in cosmetics  
• Visually strong | German | All Natural Cucumber Lime Soap |
| Founded in 2011 | | | | |
| PRODUCTS | Brand, Hair, Oral, Accessories | | | |
| BRAND CORE | Stop wasting water! | | | |

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| Terrorists of beauty | • eco-ethical products  
• short formulas  
• simple, unisex concept  
• multi-purpose products | • Radical simplicity  
• Using plastic of competitors to create soap holders for their own soap blocks  
• Customers can participate in creating products | German | Block 001 Cleanse + Strengthen |
| Founded in 2018 | | | | |
| PRODUCTS | Multi-purpose soap | | | |
| BRAND CORE | Against all beauty rules | | | |
WHICH INDIE BRANDS ARE THERE?

BEST PRACTICE: IDEALISTS

OWAHaircare™
water-activated haircare

Aeos
energised organic skincare

Resibo.
microbiologic eco-friendly skincare

Acaraa
mindful holistic approach

Jurlique
anthroposophical skincare

Respire
truly healthy products

2011 bought by Pola Orbis

TRUE ORGANIC
OF SWEDEN

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### WHICH INDIE BRANDS ARE THERE?

#### BEST PRACTICE: PRAGMATISTS

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| **1. Glossier.** | • Products inspired by users  
• Modern, minimalistic design  
• Beauty blog “Into the Gloss” | • Massive input from community  
• Relatable, DIY-style model photos | | Priming Moisturizer |
| **2. function of beauty** | • Fully customizable hair care  
• Modern, minimalistic design | • Plays on individualism trend  
• Modular creation system allowing 54 billion different combinations  
• Strong design | | Customized Shampoo + Conditioner |
WHICH INDIE BRANDS ARE THERE?

BEST PRACTICE: PRAGMATISTS

- **SOBER**
  - Basic grooming products
  - Short effective formulas

- **Meant**
  - Multi-purpose body care

- **Frances Prescott**
  - Custom skincare
  - Fresh additive-free skincare

- **PROVEN**
  - Custom skincare
  - Streamlined travel skincare

- **Nuori**
  - Care products for a busy lifestyle
  - Bought by Shiseido in 2019
### WHICH INDIE BRANDS ARE THERE?

**BEST PRACTICE: DISCOVERERS**

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| **Juniper Ridge**     | • Products made of harvest from the wilderness  
                          • modern, artsy design  
                          • local ingredients                 | • Transparent sourcing  
                          • Products named after local places  
                          • Founder publishes many stories of his hikes and the harvesting process |         | Coastal Pine Cologne                     |
| **Brooklyn Soap Company** | • Men’s grooming products  
                          • Modern, masculine design  
                          • Range covering all needs  
                          • Natural products  
                          • Inspired by US barber shops | • Diverse founding team, which use products themselves  
                          • Strong design  
                          • Effective distribution          |         | Whisky Beard Soap                         |

#### JUNIPER RIDGE
- **NAME**: Juniper Ridge
- **FOUNDED IN**: 1998
- **PRODUCTS**: Soap, Fragrance, Body Oil, Essential Oils, etc.
- **BRAND CORE**: Into the wilderness

#### BROOKLYN SOAP COMPANY
- **NAME**: Brooklyn Soap Company
- **FOUNDED IN**: 2012
- **PRODUCTS**: Shaving, Fragrance, Hair Care, Body Care
- **BRAND CORE**: Authentic male grooming
WHICH INDIE BRANDS ARE THERE?

BEST PRACTICE: DISCOVERERS

SAND & SKY
Aussie botanicals skincare

VERIPHY
Phyto-glycogen enriched skincare

SPA & ICELAND
Care products w/ Icelandic ingredients

Soo'AE
The best of K-beauty

MATCA COSMETICS
Skincare based on beeswax

ALTLILS BEAUTY
Breadfruit skincare

VIRTUE
Hair care w/ Alpha Keratin
### WHICH INDIE BRANDS ARE THERE?

#### BEST PRACTICE: STARS

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| Huda Beauty| • Simple and effective products  
• Modern, minimalistic design  
• Natural ingredients       | • One of the most influential people on the internet (Time Magazine)   
• Massive number of followers  
• Credibility through career as a makeup artist  
• Famous clients  
• Authentic before-after-visuals | [Huda Beauty](https://www.hudabeauty.com) | [Wishful](https://www.wishful.com) Yo Glow Enzyme Scrub |
| bilou      | • Colourful, fun products  
• Modern, playful design  
• Young, special, candy-related fragrances | • Huge number of followers  
• Professional social media presence  
• Cooperation with successful German retailer, DM | [bilou](https://www.bilou.com) | [Skin High](https://www.skindhigh.com) Tasty Donut Shower Foam |

#### INDIE BRANDS

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WHICH INDIE BRANDS ARE THERE?

BEST PRACTICE: STARS

KYLIE COSMETICS
KORA
MIRRA
HOUSE 99
HB

2019 bought by Coty

with L’Oréal

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An Eye For Eye Care Innovation

1. Will eye care be the next product category to migrate from the pharmacy to the beauty store? Several emerging brands at IBE LA are betting on it. From ancient Ayurvedic practices to tech tools, new entrepreneurs are looking to expand consumers’ ocular options.

Pulaskhi Ayurvedic, We Love Eyes, Ferra

Accessibly Clean

2. Even The New York Times has noticed that high-end elegance and high prices aren’t synonymous anymore. In an article on consumer desire for transparency, efficacy and killer aesthetics, Crystal Martin wrote, “The meaning of luxury is broader now.” Once a function of exclusivity, the clean skincare segment has become integral in revitalizing the idea of luxury to encompass affordable merchandise that doesn’t dampen looks and performances.

Wildcraft, Phoenix Skincare, Grace & Stella

No-No Nail Products

3. Contemporary beauty consumers are non-deterministically antimaterialistic. They’re picking products to suit their individual preferences at different times and for different moods. To complement and encourage this experimentation, brands are offering a veritable wealth of choices that make daily beauty routines exciting and love to choose-your-own-adventure journeys.

Manicure, Kaya Hot Nails, Olenna & Greene
Retro, Deco And Dark

4.

IsAlternative aesthetics is our tumultuous time?
A wish to return to the styles of the past?
Or perhaps the subversive side of cannabis culture is casting a gothic glamor on the beauty industry? Whatever the reason, it was undeniable at IBE LA that brands are embracing the dark side in packaging design, often merging the macabre with vintage sensibilities.

Berobe Cosmetics, Ritual Beauty, Mask & Mary

Next Gen Collagen

5.

Even your uninitiated friend has probably heard of and perhaps tried collagen. The darling of the anti-aging beauty category is consumers first dip into the world of wellness, but plain collagen powder has turned off as many people as it has helped. Even the innovators, independent brands have gotten creative with ingredient, coming to market with novel flavors and formats promising to deliver beneficial results.

Hech, Aura Inner Beauty

Empowered Showers

6.

Some here gotten more than their fair share of Instagram-enabled buzz, but the truth is that most of us leesh don’t look anything like the glamorous moms on social media. We’re largely taking showers anyway. The good news for shower-taking regulars is that beauty brands are paying attention to their invisible personal wellness rituals and are launching them with distinctive shower-specific products.

NHIQ: Botanical Skincare, Laki Naturals, Nude & Crème, Daily Concepts
05
FRAGRANCE SUBMISSION
Fragrance follows Purpose

- IDEALIST
- PRAGMATIST
- DISCOVERER
- STAR

MARKETING CONCEPT

PURPOSE

FRAGRANCE
IDEALIST

FRUITY
GREEN
musky
water

For a better tomorrow
# IDEALIST

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<tr>
<th><strong>E20148982</strong></th>
<th>**Fruity</th>
<th>Green**</th>
<th>Musky, Water</th>
</tr>
</thead>
</table>

**Top Notes**
- PLUM BLOSSOM
- GREEN CLEMENTINE
- BAMBOO

**Heart Notes**
- MAGNOLIA
- LILY OF THE VALLEY
- OSMANTHUS

**Base Notes**
- WATERMUSK
- SANDALWOOD
- CHERRY WOOD
PRAGMATIST

FL
FR

FLORAL
FRUITY
vanilla
musky
violet

Form follows function
Floral | Fruity
Vanilla, Musky, Violet

Top Notes
WALNUT
HAZELNUT
PLUM
PEACH
PINEAPPLE

Heart Notes
JASMINE
ROSE

Base Notes
VANILLA
MUSKS
NEW DISCOVERER

ORIENTAL
WOODY
amber
sandalwood
patchouli

Discover the world
E20161110

Oriental | Woody
Ambery, Sandalwood, Patchouly

Top Notes
ORANGE BLOSSOM
VIOLET
GREEN

Heart Notes
CARAMEL
JASMINE
POWDERY

Base Notes
WOODY AMBERY
SANDALWOOD
PATCHOULI
NEW STAR

FL
Wo

FLORAL
WOODY
fruity
rose
raspberry
musky

Same, but same, different
NEW STAR

E20161109

Top Notes

- JUICY RASPBERRY
- LEMON SORBET
- TIMUR PEPPER

Heart Notes

- PEAR BLOSSOM
- PEONY
- JASMINE

Base Notes

- PATCHOULI LEAVES
- VELVET MUSK
- WHITE CEDARWOOD

Floral | Woody

Fruity, Rose, Raspberry, Musky
Brenntag GmbH

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