

Media's Beauty Business Play

As traditional media advertising revenues continue to slump, more titles are eyeing the beauty market.

By [Kathryn Hopkins](#) on June 11, 2021



📷 Lucy Truman/WWD

With media having taken a massive hit in 2020 due to the coronavirus, brands have been expanding their search for new money-making opportunities outside of traditional advertising revenue. Among them is Condé Nast-owned Allure magazine, which is preparing to unveil its first physical [retail](#) store in [New York](#) City's SoHo neighborhood this summer through a licensing partnership with Stôur Group.

Opening its doors earlier than originally planned on July 1, the 2,900-square-foot Lafayette Street store will be set over two floors and will feature around 300 makeup, hair care and skin care products at any given time, curated by staffers at Allure. It



will also offer augmented reality capabilities for customers to try on products, as well as smart mirrors, in-store events, tutorials and masterclasses.

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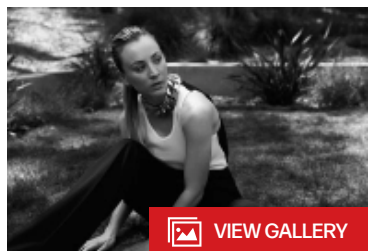
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The hope is that the store can build off the success of its [beauty](#) recommendations and The Allure [Beauty](#) Box, a handpicked selection of

editor-approved [beauty](#) products that launched in 2012, of which revenue has risen 10 percent year-over-year.

While opening a store for the first time during the current climate may raise some eyebrows, Markus Grindel, managing director of global brand licensing at Condé Nast, previously told WWD that he believes its “360-degree immersive retail experience” will be key to its success — and brands appear to agree.



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For Brenda Brock, founder of 20-plus-year-old skin care brand Farmaesthetics, the attraction for her to feature her nourishing lavender milk in the store was the ability to be able to tell her own story through technology such as QR codes and for it not to get lost through translation via sales associates in department stores.

“I don’t worry quite so much. You know that the [people](#) who are working have the same access to the content as the customer does. We aren’t relying on the verbal interpretation of something by someone who may not know anything about the brand or the product,” she told WWD. “I think that’s very different and much more manageable for brands when you’re looking at a store that may have 1,200 brands available and I



think we are interested in knowing where products are coming from and where they're made and the reality behind them and that's the opportunity with being able to upload video content."

It's understood that each brand featured in the store received an invitation to do so after having their products in Allure and that the store shelves will mirror Allure's content themes including the Best of Beauty Awards.



A rendering of the Allure store. KTISMA studio

Omorovicza, a skin care line created and launched in Budapest in 2006, will have four products in the store — its cleansing balm, miracle facial oil, rejuvenating night cream and the midnight renewal.

"Everybody right now is curious to know where retail is going and how things are evolving. I like the idea of this shop, which really is awareness building and curated," said Stephen de Heinrich de Omorovicza, cofounder of Omorovicza. "We're very excited because the power of Allure in the beauty industry is quite strong and the trend-spotting ability that they have."

Also featured will be [Revlon](#)'s CND nail line, which has until now been mainly salon focused. As well as retail, it plans to hold events and offer manicures in the space.



“CND is a professional salon business so that’s such a critical piece that we’ve been missing for the past nine months,” added Martine Williamson, [Revlon](#)’s chief marketing officer. “It’s really perfect timing for us because our products do so well in the professional space, but over the past few years with COVID-19 they started to really take off in a direct-to-consumer experience. Having our own branded store to be able to interact one-on-one and sell our product will give us the data and insights from speaking with them directly. It will really help us further fire our long-term strategy for the brand.”



The Allure store. KTISMA studio

Allure is just one of a number of media brands branching out of traditional print advertising revenue streams. Print advertising was an area that was already struggling across the entire media industry, only to be exacerbated by the pandemic. As a result, in the glossy magazine world, Condé Nast laid off 100 staffers and furloughed another 100; InStyle and People owner [Meredith Corp.](#) cut 50 positions in its magazine division, and [Hearst Magazines](#) let go of [59 staffers at O, The Oprah Magazine](#). Numerous titles are also continuing to shrink frequency, while rumors persist that the print future of a few is in serious doubt, including that of Allure’s print edition.

And while multiple brands are moving into a number of areas from tote bags to wine to furniture to clothing in order to beef up e-commerce offerings and diversify revenues, beauty is

proving to be a particularly attractive option, with the market estimated to be worth hundreds of billions of dollars globally.

Among the other titles tapping into the beauty industry is women's fashion and lifestyle magazine InStyle. After the success of its Badass lipsticks, which was the first time the publication released a product on its own and not in collaboration with a retail brand, it is now working on more beauty launches under the Badass franchise.

"InStyle's Badass lipsticks have rapidly become a cult item and industry favorite," said Laura Brown, editor in chief of InStyle. "From Peachy Keen — the best neutral pink — to the bold Better Off Red, they look fantastic and have real staying power. Just like a badass woman."

Agnes Chapski, group publisher of InStyle, Shape and Health, all owned by [Meredith](#) Corp., added that beauty is a core category and a natural fit for its customers. "We're going to continue with the lipsticks and we have some other things that we're teasing that I really can't talk about yet because we haven't inked the deals on them, but we are going to do more in the beauty space that will be very different from the lipstick."

Chapski, who spent several years working on the business side at Allure, is also turning Shape magazine into more of a beauty business, recently launching the next edition of the Shape Beauty Lab Box, featuring full size products from brands such as as Batiste, Degree and Fortify+. With a value of more than \$560, the summer Beauty Lab Box is available to consumers for \$45 at Meredith's online store. For the first limited edition, 2,500 were made, but that has now been upped to 3,000 due to it selling out quickly. A third box will be released for the holiday season.

"Shape is such an interesting brand because the women that come to it, they sort of look at things through this active lens and they're highly involved in beauty and that was something we saw right off. It makes perfect intuitive sense if you're taking care of yourself, if you're in wellness and all these things are really important," she continued. "So it made a lot of sense to start a sampling program with them because it would be an



opportunity to get really interesting products that are vetted by our editors into their hands, be able to tell a story around these products.”

Elsewhere at Meredith, [People](#), its biggest publication and the reason many believed it paid billions of dollars for Time Inc.’s assets, recently held its first three-day live shopping event, with the first day focused solely on beauty and sponsored by Coty Inc.

According to Carey Witmer, group publisher of Meredith’s entertainment group which includes People, the event drove more than 100,000 views, with Meredith benefitting financially through advertising and affiliate sales.

“As the largest magazine brand to women in America, beauty of course would be center stage for us. It’s also one of our largest advertising categories. We had been in conversation with many clients over the last nine months trying to understand what was happening to their business and how we could help,” she said. “We just brainstormed this idea of, ‘could we pull off a sale like that and use the full weight of the Meredith ecosystem to drive results have it centered around our biggest brand, People.’ And obviously the answer was, ‘yes let’s innovate let’s try,’ and that’s what brought us to the doorstep of this idea.”

Over at rival [Hearst](#) Magazines, the focus has been on perfumes. [Cosmopolitan](#) teamed up with Luxe Brands to launch its [Eau de Juice perfume in 2019](#) with four fragrances that were exclusively available in Ulta beauty, and has since expanded to Walmart and Kohl’s. It is also now available in Europe. Hearst also recently held a summit on fragrance in partnership with The Fragrance Foundation for World Fragrance Day for advertisers “to help inform the market at a time when things are really unclear and uncertain.”

[Elle](#), too, launched a fragrance in 2019 through the Lagardère Group’s licensing deals. A second fragrance, already available in Europe, is due to launch in the U.S. shortly. This is in addition to the brand’s hair products, including curling wands and flat irons. [Elle](#) Make Up, meanwhile, launched in 2018 in China and has since expanded further into Asia.



Then there's Who What Wear cofounder Katherine Power, who went onto launch skin care line [Versed](#) as the media brand's first spinoff and later makeup brand [Merit](#) (as well as a wine brand Avaline in partnership with Cameron Diaz).

And in the U.K., OK! Magazine is becoming increasingly involved in the beauty business. It recently unveiled OK! Beauty Club, a sampling service and has teamed up with online sampling platform SoPost to target their product-sampling campaigns based on consumers' specific needs and beauty preferences.

According to SoPost, the OK! Beauty Club community has garnered over 40,000 active users, providing leading beauty brands with powerful consumer data and feedback. "We believe that community-driven sampling will continue to expand as a channel for leading beauty brands to gather real consumer insights at scale," said Jonny Grubin, CEO and founder of SoPost.

British Vogue also launched a sampling program called Insiders Club in July 2020, in response to the retail challenges faced by the beauty industry. Vogue Insiders provides brand partners with access to product testing, feedback, and data analysis from its 85,000 members and according to a spokeswoman, Vogue Insiders has grown by 547 percent this year.

"As well as an insightful tool for data, the beauty profile that Vogue Insiders complete with their beauty preferences allows us to target members with products we know they want to receive. This then provides a brilliant platform for UGC as Insiders share their beauty discoveries on their social platforms" Jessica Diner, beauty and lifestyle director at British Vogue said.

How well all these lines are performing is unknown since none of the media brands provided sales figures and the Allure store is yet to open.

What is known, though, is that the beauty market is extremely competitive. As well as traditional beauty brands, there's also competition from influencers and celebrities such as the Kardashians. And not all media beauty launches have lasted the long time — some have been disbanded. Marie Claire UK launched Fabled by Marie Claire online in 2016 in partnership

with online supermarket Ocado, as well as unveiling a store in central London. Ocado sold it to British retailer Next in 2019, which shuttered Fabled.com the following year.

Popsugar, now owned by Group Nine, launched its own makeup line Beauty by Popsugar in 2018. At the time PopSugar founder Lisa Sugar called launching beauty a “no-brainer” given the popularity of beauty content on the website, but in 2020 Bona Fide Beauty Labs, which produced Beauty by PopSugar in a brand licensing deal, filed for [Chapter 7 bankruptcy](#) with plans to liquidate. Since then PopSugar has been quiet about its beauty plans. A spokesman for Popsugar said: “No updates we can share at this time regarding future beauty launches, but it is definitely still part of our future plans.”

Apart from beauty boxes and sampling, which she thinks are a good business area for media companies, Wendy Liebmann, chief executive officer of WSL Strategic Retail, cautioned that entering the beauty market in terms of lines and stores is no easy feat unless media brands have an experienced partner or licensing deals: “I do think this is a territory where media companies are naive about how easy it is to develop, introduce and grow a brand in the beauty market or a retail concept.”


Media brands do have an important competitive edge though — ready-made audiences that trust them, plus a space to advertise their products — so only time will tell how this plays out.

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