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INDIE BEAUTY UPSTARTS VS INDUSTRY TITANS: WHO'S WINNING WITH YOUNG CONSUMERS?

IN THIS EXCLUSIVE EXCERPT FROM OUR FIRST-EVER YPULSE BRAND REPORT, WE LOOK AT THE BATTLE FOR YOUNG CONSUMERS PLAYING OUT IN THE BEAUTY INDUSTRY AND PITTING POP CULTURE STARS AGAINST LONG-STANDING DRUGSTORE BRANDS...

At YPulse, we regularly share young consumers' favorite brands and products across industries—and we wanted to expand our insights to provide the why behind the what. Today, we released our [first ever YPulse Brand Report](#), which dives into the top brands across multiple industries (CPG; QSR; Fashion and Retail; Tech, Media, and Entertainment; Health and Beauty) telling you the brands that are succeeding with young consumers—and some that are struggling—and digging into why.

YPulse's continuous brand tracker asks young consumers to assess brands across four categories: Personality, Relevance, Influence, and Momentum. Over the course of 18 months we meticulously developed questions within each of these categories based on a strong positive correlation to the strength of young consumers' relationship with over 400 brands. Questions about whether a brand is trustworthy, supports causes, is recommended to others, and has a bright future are specific examples of the 16 core diagnostics we developed to determine a brand's success among young consumers. The Yscore aggregates performance across all these 16 measures. Some brands' Yscores may be boosted by the fact that young consumers say they're popular, while others may be boosted by the perception that they're innovative, etc. But those with top Yscores are getting things right on multiple levels, gaining Gen Z and Millennials' attention, loyalty, and affinity.

Using all of this brand tracker data, this report gives a full exploration of those brands earning the top scores, what's behind their success, and what lessons can be learned for all.

Here's an exclusive look at the first-ever [YPulse Brand Report](#)—an excerpt from Females' Health and Beauty:

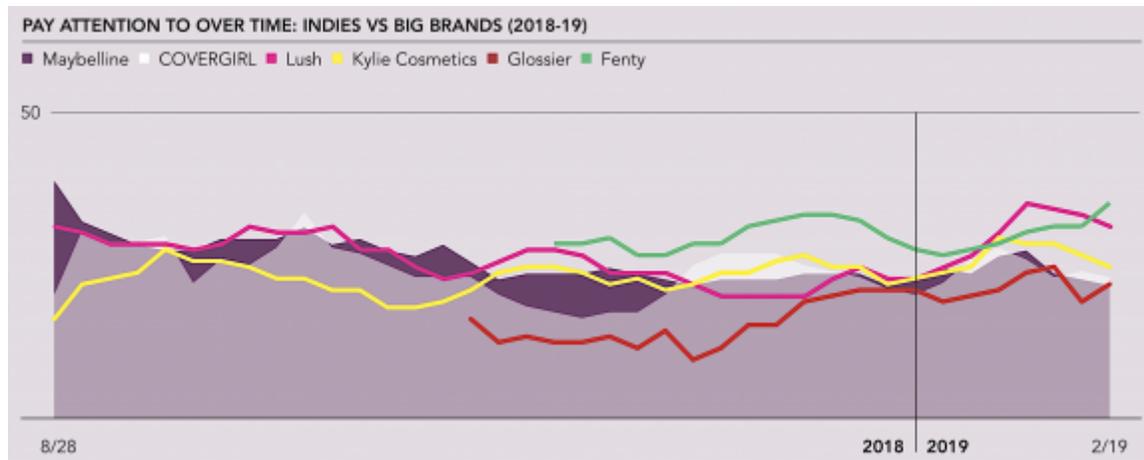
CASE STUDY: POP CULTURE BEAUTY STARS

Many of the Health and Beauty brands females “will buy/use” more so than others will sound familiar: The top of the list includes Dove, Bath & Body Works, Colgate, e.l.f., and Neutrogena—the first two of which also have the highest Yscores in the category. These are venerable brands with myriad products that girls and young women can often find with little effort (and little expense) at the category's most “popular” retailers: Bath & Body Works, Sephora, and Ulta.

But the lack of ingenuity among the big brands has the potential to alienate younger women, who believe innovation and social currency are one and the same. As of now, among the top 20 brands females “will use/buy,” just half of them are also among the top 20 most innovative brands. Conversely, most of the “innovative” brands—e.g., Fenty Beauty, Lush, Urban Decay—are also smaller, trendier brands that females consider “cool” and “hot.”

What's important about this category is that brands that defy convention can compete with industry goliaths if they, like Kylie Cosmetics, circumvent traditional advertising tactics or, like

Lush and Urban Decay, find ways to reach customers in a way that's meaningful and true to their brand identity. Take a look at the “pay attention to” scores of some of the biggest beauty brand mainstays versus their recent, pop-culture driven upstart competitors:



Though big name brands might still be at the top of "will use/buy" lists, newer competition is eclipsing them as brands young females "pay attention to"—a vital score that can help make or break a brand's standing with young consumers.

Where other brands can compete with the Unilevers and Johnson & Johnsons of the world is with respect to niche appeal that's driven, in large part, by social media presence. Brands like Fenty Beauty, Lush, and Urban Decay are still relative unknowns in this category, but teen girls and young women who are pop-culture savants and fluent in Instagram know them well. Fenty Beauty, for example, has only been around since 2017. Its full name is Fenty Beauty by Rihanna, which should help indicate why the brand is so “hot” (2nd). The pop singer’s brand generated an astonishing \$72 million in sales in its first full month, and was named among *Fast Company*’s “most innovative companies” for 2018 on the strength of Fenty Beauty YouTube tutorials that earned 132 million views in a single month. YPulse respondents concur that it’s the most innovative Health and Beauty brand.

The hottest brand, Kylie Cosmetics, also benefits from its founder’s name recognition. Kylie Jenner, she of *Keeping Up with the Kardashians* fame, launched Kylie Cosmetics just two years prior to Fenty Beauty. Both compete for a similar customer base: young, fashion-forward women/girls who are glued to Instagram. The sway of social media simply can’t be denied, and is a huge driver for why brands like Fenty Beauty, Kylie Cosmetics, and many others are significantly more “cool” than mass-produced lines created by giant multinational CPG companies. For example, Kylie Cosmetics alone has more Instagram followers (19.2 million) than the top eight “will use/buy” Health and Beauty brands combined. And that doesn’t even include the 125 million people who follow Jenner's personal account. Incidentally, only one of those eight brands is among the top 10 coolest Health and Beauty brands (Bath & Body Works in 10th place).

Notably, both of these brands are currently beating out Maybelline and CoverGirl as brands that young females are paying attention to, which at the very least means that they're stealing valuable spotlight, and potentially sales, from industry titans as well.

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