

INSIDER INSIGHTS: BEAUTY SPEAKS OUT ON COVID-19

What brands and suppliers are saying.

Featured insiders...

Babor

Corum

Grande Cosmetics

HighOnLove

Jojoba Desert

Olaplex

Pharmacopia Natural and

Organic Bodycare

Quadpack

Signum Bio

StriVectin

Sweet and Kind

The impact of the COVID-19 outbreak changes daily, creating unprecedented ripple effects across the global economy—not to mention the immense toll the disease has taken on people's health, lives and livelihoods. To get a sense of how the beauty industry is responding to the pandemic (see **"COVID-19: Beauty's Playbook,"** Page 12), *Global Cosmetic Industry* surveyed a range of suppliers, brands and other stakeholders to get a sense of how they are addressing this unique moment in the industry's history.



The impact of the COVID-19 outbreak changes daily, creating unprecedented ripple effects across the global economy—not to mention the immense toll the disease has taken on people's health, lives and livelihoods.

The current crisis has some brands seeking fulfillment alternatives to Amazon.

One Brand's Action Plan

When asked to share her brand's COVID-19 response, Lisa Levin, CEO and founder of Pharmacopia Natural and Organic Bodycare, shared her step-by-step plan:

- *Applied for SBA (Small Business Administration; www.sba.gov/funding-programs/disaster-assistance) disaster loan from the government to help with payroll and other expenses.*
- *Cutting our salaries so we can continue to pay our vendors.*
- *Ramped up advertising on Amazon.*
- *Hired digital ad team to ramp up ads on Facebook.*
- *Hired marketing consultant to help us with messaging.*
- *Shifting our spend. Delaying or eliminating non-essential spend. Increasing essential spend (online marketing).*
- *Launching an e-commerce website for direct selling in addition to our Amazon storefront.*
- *Dealing with potential inventory shortages by looking at other inventory we can keep selling online. Expanding our offerings by bundling items.*
- *Setting up online wholesale sales portals like RangeMe.*
- *Researching alternative fulfillment options so as not to rely on Amazon.*

Addressing the Disruption

"The recent era is characterized by the growing concern over the spread of COVID-19 and uncertainty causing stress and anxiety," says Lee Reuveni, CEO, Jojoba Desert.

Like all businesses operating in the global market, this unfamiliar situation poses new challenges dictating behavioral changes."



"We are expecting significant shifts in consumer behavior such as an irreversible acceleration of e-commerce," says Tim Waller, CEO of Babor Beauty Group Americas.

Reuveni adds, "With borders having been closed, supply of raw materials challenged and uncertainty of the industry regarding demand for cosmetics products, we have adopted a new approach and methods in order to provide our customers with support on innovative formulations adequate for these times. We are also required daily to re-examine ways of communication and shipping in order to secure a stable supply ... By maintaining availability of raw materials in warehouses worldwide and constant online communication, this allows us to provide our customers with uninterrupted professional service."

Mary Katherine Schenkel, co-founder, Sweet and Kind, shares, "We are still shipping products for our DTC customers, but all of our brick-and-mortar wholesale partners are closed until the virus is under control, as well as the pop-up spa

events we've had planned. Lots of eyes are on social media right now, so we are ramping up our posts to include giveaways to essential workers and nurses to promote their self-care during this stressful period. We are committed to give away over \$1,000 in product. We're looking at this time as an opportunity to really connect with our community."

"First and foremost in our minds is the wellbeing of our StriVectin employees—our greatest resource as an organization," says Joan Malloy, CEO and executive chairman of the board, StriVectin. "All StriVectin employees—from our NYC-based corporate team to our field-based colleagues around the globe—are currently working from home. Like many companies, we're utilizing a bevy of remote working tools and technologies to stay connected."

Malloy adds, "We are constantly taking time to share information

and lift one another's spirits—from virtual town halls to digital team-building events to providing EAP support; however, we believe that the most impactful thing we can do as an organization is to maintain employment for our staff, for the duration of this crisis. While none of us can predict the future, based on the available information today, we are confident we can and will deliver on that commitment."

The executive continues, "We believe that the choices we're making today to forgo or postpone non-essential expenses in the short-term (e.g., cutting back on media, creating digital content in new lower-cost ways) will not only help us to keep our commitment but ensure that when the crisis has passed, we'll be able to 'go' full speed ahead again."

As for customers, says Malloy, "We understand skin care may or may not

be top of mind for everyone right now, but for those who are looking to keep up with self-care and routines during this difficult time, we are working hard to maintain service and accessibility via our online shop and dedicated customer care team.”

Malloy also highlights what StriVectin is doing for the wider community: “Like everyone around the globe, we’re sending our love and gratitude to the health care professionals on the front line of the COVID-19 fight, who are putting their own health at risk to help others. We’ve seen and heard their stories of how hand washing, sanitizing and gloves have taken a toll on their skin, so with the help of our friends at @DonateBeauty, we have already donated over 2,000 Volumizing Hand Creams to 11 hospitals in the New York area, and in other cities around the United States, and will continue to make product donations as a small way to help during the crisis.”

Tim Eaves, CEO and cofounder of Quadpack, says, “Like everyone else, our priority is, first and foremost, the safety of our employees, partners, clients and their loved ones. Most office

“By maintaining availability of raw materials in warehouses worldwide and constant online communication, this allows us to provide our customers with uninterrupted professional service.”

—Lee Reuveni, CEO, Jojoba Desert

staff are now working from home. As a global business, with departments dispersed across countries, our people are used to working together remotely. They are just doing it a lot more than usual. Our business technology team has done great work to ensure the global team has the tools required for collaborative working.”

Eaves adds, “The factories are where most measures have been required. While our Spanish factories have had to close this week by government mandate, our German factories are 86% operational.

There, we are taking special safety measure, for example: each worker’s temperature is taken on arrival; everyone wears masks and gloves; everyone works at a distance from each other; shift changes are timed to avoid overlap, in order to minimize contact; the equipment is thoroughly disinfected between each shift.”

The executive concludes, “In these uncertain times, it is vital to stay open and transparent. We are communicating our operational status in real time via a new COVID-19 dashboard on our website.”

ADVICE FOR BEAUTY INDUSTRY JOB SEEKERS

In a recent LinkedIn post, JuE Wong, CEO and executive board member of Olaplex, offered job seekers advice for a pandemic-stricken world. We’re sharing excerpts of her comments with her permission:

As companies evaluate their needs in these challenging times with the added complexity of onboarding a new hire with no prior flexible working culture, it is critical that prospective hires position themselves as “doers” and “operators.”

As a senior executive, my best advice to anyone looking to land a job is to:

- 1. showcase your ability as a revenue generator;*
- 2. understand and demonstrate with specific quantifiable and verifiable examples that you make things happen; and*
- 3. have the ability to call on the network you say you have.*

The last thing a hiring manager wants to hear is another “general in the making.” They are looking for soldiers to fight the war. Even when hiring a senior team member, you need to be able to do the job of one level down and roll up your sleeves when needed.

The biggest rub is when someone says, “What I do best is I connect the dots,” takes credit for the achievements of their team or cannot back up with any details on how [a project] was executed. ■

