



When an exotic dancer went into a tiny downtown boutique in San Francisco 30 years ago and requested a nipple blush, she had no idea that with that act she would become more famous for inspiring a best selling lip and cheek product than she ever would for her dancing.

Such is the story behind one of Benefit Cosmetics' earliest products, Benetint, and it goes some way to explain how the cult US brand has become a global success story, and how the co-creators and co-founders, Jean and Jane Ford, work. "Can you imagine that happening at Estée Lauder on Fifth Avenue?" smiles Ian Marshall, UK and European md. Benefit prides itself on its ability to buck the trend and break a few rules. "Jean and Jane don't come from a corporate background," explains Marshall. "Estée Lauder and Chanel are wonderful companies but they have clear rules that you have to follow if you work for them. Jean and Jane never had that. They are in charge of their own destiny."

Benefit positions itself as a "genuine alternative to other brands," explains Gail Bojarski, general manager UK & Europe. "We are not a precious or intimidating brand, and customers don't feel they have to buy a whole range from us. We are approachable, fun, effective - somewhere they can come to have an experience and a laugh." Indeed, the packaging offers girly glamour and a kitsch retro feel, and the quirky product names reflect the playful spirit of the brand: Ooh La

Lift, Wonderbod, BADgal Lash and Dr Feelgood are examples. But simplicity is the key to Benefit's products. "We are not into scientific solutions or complicated beauty regimes," says Marshall. "Quick fixes that are easy to use are our real core, and great efficacy is where our heart is." Benefit calls these products Fake-Its - quick beauty solutions for every day flaws - and they have become the true point of difference for the brand. "This is a category that no-one else has, and it's helped us to forge a significant place in the market," explains Bojarski.

So how successful is Benefit at 30? Globally the retail value of the brand is worth around \$260m. It is present at over 780 counters in the US, UK, Ireland, France, Australia, Canada, Germany, Korea, Middle East (Dubai), Hong Kong, Taiwan,

A permanent fixture

Benefit cosmetics may be known for its quick-fix cosmetics, but its directors plough vast amounts of time into honing its business model. Jo Allen talks to Ian Marshall, UK & European md, and Gail Bojarski, general manager UK & Europe as the cult brand turns 30

Malaysia and launched in Spain in November 2006. Its acquisition by LVMH certainly facilitated this global expansion. In France and Germany Benefit is growing by an astonishing 50%, and the brand is already pressing buttons in the Far East since launching in Korea in 2004. But it's the UK that has seen truly phenomenal success. Marshall and Bojarski, who first met at Estée Lauder, brought Benefit across the pond in 1997 having felt that its sense of fun would shake up a tired and predictable market. They have lived and breathed the brand ever since, first launching in Harrods, following with a flagship store in Selfridges and retail partnerships with House of Fraser, Debenhams and Boots. Benefit's first UK boutique opened in 2005 and its fifth, the new flagship store, opened last November in the Carnaby Street Estate in London. In just ten years, the brand has become the UK's no.2 premium colour after Clinique, according to Marshall and Bojarski, and represents 90% the size of the US business in the UK. Retail turnover in the country is around £55m and Marshall and Bojarski are looking to grow their UK business by at least 20% annually. "We are extremely committed to the aggressive roll-out plan of our boutiques in the UK. We plan to open six in 2007. We feel they really capture the essence of the brand," says Marshall. The first this year will open in Islington, London. Benefit's UK website launched in November, and Marshall and Bojarski are looking to increase the brand's travel retail presence from its current inflight listings to additional representation on the ground.

Marshall believes that the key to developing a successful brand has been "to have a very clear business model. We spend enormous amounts of time honing and refining the approach and business model for Benefit," he says. "A few years ago we said, tongue in cheek, that Benefit will be as big as Clinique in the UK," says Marshall. "But that's not such a daft thing to say now. The possibilities for Benefit are endless because of the strength of the brand." Indeed, while many prestige brands towards the end of last year showed negative growth for 2005, Benefit checked in with healthy year-on-year growth.

Globally, the expansion strategy is just as aggressive as it is for the UK. "If the company grows in the way that's possible, it could double in size every two to three years," reflects Marshall. And it just so happens that

Benefit prides itself on creating a genuine alternative to other cosmetic products such as Dallas, a bronzing highlighter



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Benefit has a new ceo, Jean-Andre Rougeot, who joined in September 2006 to help steer it towards its goal. He says: "Benefit has had tremendous success in countries like the UK and Korea. These early successes clearly indicate that the Benefit brand has the potential to become one of the top worldwide beauty brands." Switzerland, Scandinavia and Italy are among the countries being targeted in 2007 through key speciality retailers such as Sephora and Douglas. Marshall notes further potential in Europe and Far Eastern markets: "China is going to be a must for us." But he adds, "The potential in the US is greater than anywhere else in the world. I don't think the brand has created the presence it should have across the country. We need to replicate on the east coast what we do effectively on the west coast. The momentum in

the States will be increased dramatically in the next couple of years."

Much is planned for product development this year too. There will be a number of new Fake-Its, and Benefit is totally relaunching its make-up category with Love Your Look, colour cosmetics that are easier to select from and more closely reflect the brand's image. Marshall mentions potentially extending the repertoire to cover sunglasses, bags and purses in the future: "We believe the franchise is so strong that it could be extended to cover a plethora of different product categories. But if we do, it should be fun, with nicknacks, keepsakes and collectables."

Benefit has seen many changes since its inception, but one crucial aspect has been preserved: "We have maintained the personality of the brand," says Bojarski. And it's one that appeals to women below and beyond the core age group of 25 to 35. "That has been the biggest surprise for us," she affirms. "Benefit is cool with teens, yet mums and even grandmothers use it. To have a brand that doesn't turn a teenager off because their mum is using it is quite extraordinary." Who knows, maybe 30 years on, the exotic dancer shares her Benefit products with her granddaughter.