

# Celebrity Beauty Brand Digital Marketing Strategy: A Case Study of Fenty Beauty

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**Abstract.** Rihanna began a trend of celebrity-owned beauty brands by inaugurating Fenty Beauty in 2017. As an outstanding celebrity brand, Fenty Beauty has generated \$100 in its first 40 days. Its success is greatly determined by its marketing strategies. This study focuses on the interaction between the rise of social media and marketing strategies. It is important to understand the current global cosmetics industry. Due to the rise of social media, the global beauty market utilizes it as a key marketing tool. Fenty Beauty, a celebrity-owned beauty brand, explores the possibilities of digital marketing and the application of celebrity endorsement. The launch of Fenty Beauty challenged legacy conglomerates by turning the beauty industry online. The brand's mission is to provide beauty for everyone and promote diversity, acceptance, and inclusivity. This paper will further analyze Fenty Beauty and its marketing strategies by using SWOT (strengths, weaknesses, opportunities, threats) analysis and marketing mix theory (product, price, place, promotion) through a new e-marketing lens.

**Keywords:** Digital Marketing; Celebrity Endorsement; SWOT Analysis; Marketing Mix.

## 1. Introduction

### 1.1 The Global Cosmetics Industry and Its Marketing Strategies

In recent years, it has become a trend for celebrities such as singers and actors to launch their own cosmetics companies. Celebrities have a natural influence on the beauty industry, as many of them have at some point served as brand ambassadors for large beauty brands before, and so have obvious advantages and insights into starting their own brands. Additionally, the global beauty industry has been constantly expanding since the explosion of social media, reaching a marketing value of \$511 billion in 2021. The expansion of digital channels has resulted in the beauty market having an annual compounded growth rate of 4.75% [1]. Taken together, these factors have encouraged celebrities in investing in their own beauty ventures.

To achieve global success, beauty brands frequently adopt a customer-centric approach. As a highly competitive industry with customers who tend to constantly seek new products, beauty brands must stay creative while also fulfilling the needs of diverse customers. Accordingly, innovative products fill ever-changing customer demands, with unique products attracting more customers, while globalization has led to an uptick in diversity as a marketing strategy. In 2017, Rihanna's Fenty Beauty label successfully used both marketing approaches with its famous 40-shades foundation, sending a "beauty for all" message over social media directly to a young generation of consumers and filling a diversity gap in the cosmetics industry [2].

Beauty promotion varies according to customer demographics and Millennials have been found to turn to social media and online reviews with shopping, with 29% of Millennials using digital reviews to make their purchases. Unsurprisingly, brands that actively use social media platforms for their marketing gain priority with young consumers, and there has been a significant rise in e-commerce, where the beauty industry is ranked number 2 in the global share of social media actions, comprising up to 32% of the market [3]. As a brand that was launched through social media channels such as Instagram, Facebook, and Twitter, Fenty Beauty is one of the pioneers of social media advertisement.

### 1.2 Celebrity Endorsements

In his work "Branding and Celebrity Endorsements", Martin Roll observes that celebrities can serve as brand spokespeople by extending their personalities, popularity, and social positioning to

endorse a particular business. Celebrity endorsement has historically been regarded as a clear differentiator in markets proliferating with local, regional, and international companies [4]. In the case of Fenty Beauty, the entire brand was created by the celebrity Rihanna, making the ties between Rihanna and Fenty Beauty there from the inception, thereby showing an enhancement to this already existing relationship. Rihanna’s name and reputation are therefore staked to this brand, and if she faces any scandals or damage to her image, Fenty Beauty is likely to be impacted as well. Celebrity endorsement has several key factors, the first of which is the celebrity’s own attractiveness which is positively related to the appeal of the products. The attractiveness of the celebrity, however, can cover a wide range. In Rihanna’s case, her characteristics, physical appearance, and talent are central factors creating a positive image for both herself and Fenty Beauty. The second significant factor is the celebrity’s credibility. If a celebrity has low credibility or if their name is tarnished by scandals, their associations, including their brand, will be negatively impacted immediately. Since a celebrity function as a bridge between a brand and its consumers, consumers must develop trust in the brand. Rihanna has been a well-known celebrity for many years, meaning she has a strong connection with her followers and fanbase; however, if her reputation declines due to credibility issues, it will likely damage Fenty Beauty’s consumer base. Finally, the effectiveness of celebrity endorsement can be hugely dependent on the compatibility between the celebrity and the brand image. This can be applied to various features of the celebrity, including personality and passion. While Rihanna is the creator of Fenty Beauty, the brand has also kept in line with Rihanna’s image as a pop singer, which has created mutual advantages for both Rihanna and Fenty Beauty [5].

**1.3 SWOT Analysis Theory**

SWOT analysis is a tool for demonstrating critical information in cases requiring decision-making or strategizing and is usually employed in brainstorming sessions for its ability to incorporate various views as a team and effectively visualize them. According to Marilyn M. Helms, the graph of a SWOT analysis should be a 2\*2 grid with the top row containing internal strengths and weaknesses and the bottom row demonstrating external threats and difficulties [6]. Internal factors may include human resources, physical resources, financial status, past experiences, and ongoing programs while external factors may comprise legislation, future trends, economic factors, and the environment; more factors may be added depending on the situation. Considering these four major categories, decision-makers can develop strategic awareness of a business’s current status. Moreover, SWOT analysis can also help managers explore various future possibilities and adjust their plans accordingly, providing a simple, direct and simple way to communicate with other team members [7].

**1.4 Marketing Mix Theory**

The original marketing mix usually contains four parts: product, price, place and promotion. It is originally developed by McCarthy and has been widely used over the years by companies as one of the key marketing theories (see Fig. 1). Marketing mix is usually used to systematically understand and analyze consumers’ buying intentions. Due to the adaption of digital platforms, communication between consumers and businesses becomes much more convenient nowadays. Yudelson redefines the 4Ps to fit in the new context of the digital era as the traditional mix faces significant limitations in 1999.

<p><b>Product</b>                  Planning                  Branding                  Packaging                  Servicing</p>	<p><b>Place</b>                  Channels of Distribution                  Display                  Physical Handling                  Fact Finding and Analysis</p>
<p><b>Price</b>                  Pricing</p>	<p><b>Promotion</b>                  Personal Selling                  Advertising                  Promotions</p>

**Fig. 1** McCarthy’s 4Ps and the 12 policies of Borden [8]

The original concept of product in the marketing mix is a product or a service that is produced and offered to consumers in the market. And the redefinition of products, according to Yudelso, is all benefits through time that the consumers gain from business transactions. McCarthy originally defines price as the amount of money that the consumers pay for the product or service, whereas Yudelso argues that it is everything given by the acquirer to obtain the product. Place was defined as the location where a product or service is purchased and is now extended to everything that is done and necessary to smooth the process of exchange. Finally, promotion means communication techniques used by marketers in the marketplace, whereas now it is defined as all the information that is transmitted among parties. Marketing has changed due to digital development [9].

## 2. Fenty Beauty case study

### 2.1 Social Media and Influencers in Marketing

Since its launch, Fenty Beauty’s marketing strategy has emphasized the idea of “universal beauty”, meaning makeup products for everyone and the diversity of the American market, as reflected in its products’ various shades. The brand’s vision is repeatedly shown on its social media pages, strengthening the brand’s image and targeting customer impressions. Fenty Beauty’s Instagram account advertises the brand vision with social media influencers of different races and ethnicities wearing their products, again implying the makeup’s universal appeal and adaptability to everyone. Moreover, these social media collaborations have a wide range of physical features, including shapes, sizes, and skin tones, allowing consumers to see whether Fenty Beauty’s products will fit them.

### 2.2 Marketing Factors Analysis

#### 2.2.1 SWOT Analysis

Fig. 2 illustrates the central strengths, weaknesses, opportunities, and threats of Fenty Beauty as a cosmetic brand in the cosmetics market. Fenty’s strengths are obvious, as an influential signer, Rihanna’s global fan base has developed over years. Customer loyalty is a special strength for Fenty Beauty when compared to other beauty brands. Not only does Rihanna’s fanbase includes a variety of potential customers of different financial statuses, but these potential customers are also extremely diverse in terms of gender, race, ethnicity, cultural background, and so on. Meanwhile, the wide range of products in terms of product type and shade strengthens the availability for different types of customers with various demands. Studies show that brand image is positively related to customer loyalty in the cosmetics industry [10]. This positive relationship further bonds customer loyalty and brand image together. These customer-centered strengths can provide an outstanding foundation for Fenty Beauty to expand globally.

<b>Strengths</b> <ul style="list-style-type: none"> <li>- Customer loyalty</li> <li>- Celebrity effect</li> <li>- Wide range of products</li> <li>- Unique brand image</li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>- Lack of availability for low-income consumers</li> <li>- High pricing</li> </ul>
<b>Opportunities</b> <ul style="list-style-type: none"> <li>- Global expansion</li> <li>- Social media influencers marketing</li> <li>- Innovative new products</li> </ul>	<b>Threats</b> <ul style="list-style-type: none"> <li>- Competitive market</li> <li>- Other celebrity beauty brands</li> <li>- Substitutes</li> <li>- Public trust</li> </ul>

Fig. 2 SWOT Analysis of Fenty Beauty

Fenty Beauty's weaknesses include its lack of availability in different regions and relatively high prices. When it was first launched in 2017, Fenty Beauty is exclusively available at Sephora, a multinational high-end beauty retailer, in the United States. It was only in March 2022 that it expanded to another retailer, Ulta [11]. Thus, Fenty's sales channels are relatively limited compared to pharmacy brands, such as Maybelline and L'Oréal, whereas these sales channels also cause relatively higher prices when compared to pharmacy cosmetics. As a study shows, 31% of people who have no interest in buying products from celebrity beauty brands said they do not trust celebrities to have good quality beauty products [12].

However, Fenty Beauty has aimed at global growth, and working with LVMH has offered it great opportunities to do so [13]. Although Fenty Beauty was exclusively available at Sephora during its first launch in the United States, it was also launched in 17 countries around the world, laying the foundation for its future expansion worldwide as the brand gradually grows. Furthermore, combining digital marketing and new product launches enhances the effectiveness of the brand promotion. As stated previously, Fenty Beauty collaborates with beauty gurus and social media influencers to demonstrate their products through makeup tutorials, videos, and pictures.

Finally, the highly competitive beauty market is the top threat to Fenty Beauty. As previously mentioned, the beauty industry is a gigantic global market, and consists of many legacy conglomerates. In addition, there are other celebrity brands in this highly competitive market, such as Rare Beauty by Selina Gomez, which is also launched at Sephora. These factors lead to another major threat to Fenty Beauty, existing substitutes. It is a challenge for Fenty Beauty's products to stand out among these similar competitors. Moreover, the public does not have strong enough faith and trust in celebrity-owned brands. It could be difficult for Fenty Beauty to stay trustworthy when celebrity brand scandals occur.

### 2.2.2 Marketing Mix Analysis

Fenty Beauty focuses on a central statement of universal beauty and can fully demonstrate that idea through its products. For example, the "glass bomb universal lip luminizer" not only has the word "universal" in its name but is also a lip product designed to fit every individual. Fenty beauty also keeps improving its "Pro Filt'r Soft Matte Longwear Foundation" by constantly adding new shades of it. Fenty's products are mostly targeted to fill the gap in the market for people of color, solving consumers' pain points. Thus, Fenty's customers also obtain recognition through their purchases.

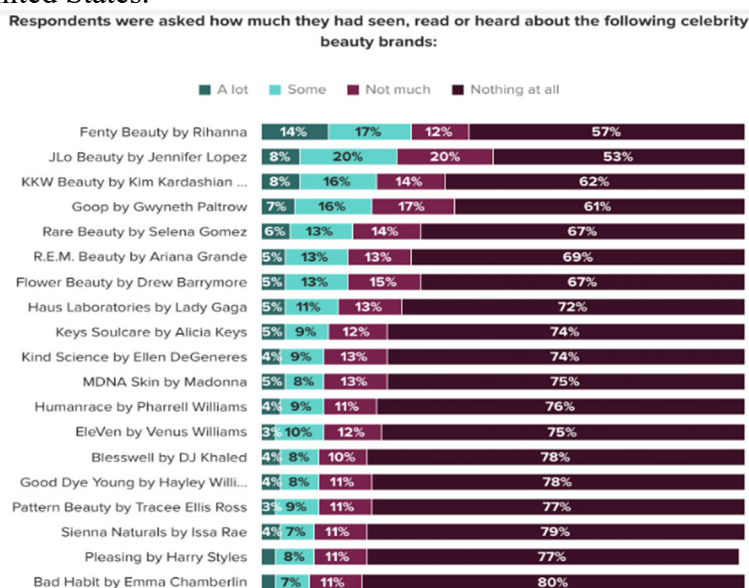
Most of Fenty Beauty's products are ranged from \$20 to \$50. Prices can also be low as a few dollars when they're on sale. Consumers can be attracted by the wide range and flexibility of products. Fenty Beauty positioned itself as one of the high-end beauty brands but with lower prices compared to traditional luxury brands. Thus, it is able to gain consumers with small budgets who seek high-quality cosmetics products.

In terms of placement, Fenty is available both in stores and online, creating great advantages to raise brand awareness. This also allows consumers to physically try the products on and purchase them in a very convenient way. Sephora stores are usually located inside shopping malls, providing a great opportunity for Fenty to be recognized by the public.

Lastly, Fenty Beauty uses social media the way their customers do to promote their products. For example, Rihanna herself posted tutorial videos on YouTube and Instagram whenever there was a new product launch, such as the "Body Lava" launch in 2018. Rihanna demonstrates the products by using them while chatting with her fans and followers in a casual way. This strategy strongly enhances the connection between the brand and real people, making it more authentic and trustworthy. In 2022, Fenty Beauty's Instagram account now has 11.7 million followers. The followers will be easily notified if there is a new launch or sale.

### 3. Discussion

It has been 5 years since the launch of Fenty Beauty, and it has achieved great success among all celebrity beauty brands. As shown in Fig. 3, Fenty Beauty is the most well-known celebrity beauty brand in the United States in 2021. 36% of women and 25% of men have heard of Fenty Beauty, as well as 46% of Gen Zs and 49% of millennials [12]. However, approximately 57% of people have never heard of it. It is key to convert potential consumers only if they are aware of the brand and show interest in purchasing its products [14]. Therefore, Fenty Beauty still has a great opportunity for future expansion in the United States.



Poll conducted Dec. 3-6, 2021, among 2,200 U.S. adults, with a margin of error of +/- 2%. Figures may not add up to 100% due to rounding.

**Fig. 3** Most consumers aren't aware of celebrity beauty brands [8]

### 4. Conclusion

This paper explored marketing strategies and factors of Fenty Beauty as a celebrity-owned beauty brand based on SWOT analysis and marketing mix analysis. It takes Fenty Beauty as an example of digital marketing as social media has become a major part of our lives. This paper focused on Fenty's customer relationship as it takes a special spot in the makeup industry. Fenty Beauty managed to raise brand awareness by promoting its idea of "Beauty for all" since its grand launch in 2017 and continues to move along with the new fashion trends. It is a symbolic case that connects celebrity endorsement and social media marketing. The limitation of this paper is that it does not discuss the existing and possible disadvantages of digital marketing. Researchers should continue the study of digital marketing applications in the real world and seek new advanced strategies in the future.

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