

Beauty Care



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Beauty for a buck? Dollar brands crop up with lowest prices at drug

The dollar is showing its muscles in the beauty department. "We know the strength and the draw of the 99-cent price point," said Shawn Haynes, vice president of sales for Markwins Beauty Products, a Markwins International subsidiary with a brand portfolio that includes Wet 'n' Wild, Artmatic, Jónel and value ethnic lines Black Radiance and Tropez. Markwins distributes Artmatic to the dollar channel. However, in chain drug and mass retailers, the company's brands, such as Wet 'n' Wild, use 99 cents as the opening price point. "Because we offer some of our items for a dollar every day, we have an advantage," Haynes said.

As drug stores feel the impact from the growing presence of dollar stores, some in the industry have speculated that a tightly managed dollar program might be just what the drug channel needs to pre-empt purchases of HBC products in dollar stores. A dollar program may invite a new customer group into their stores, as well.

Gary Schofield, the former president of Caboodles Cosmetics, and his new company, Smart Brands, have developed a cosmetics brand with the dollar store concept in mind called Ten Beauty, which offers women the 10 best shades to match the trend of the moment. Price points in the 207-SKU line range from \$1 to \$2.

"Dollar programs will help chain drug locate a customer they never had before," Schofield told *Drug Store News*, adding that until now, the low-income consumer has been a forgotten customer. Schofield also said Smart Brands' own consumer research indicates that extreme value customers cut across all demographic lines, including age, socioeconomic status and location.

Like Smart Brands, JA Cosmetics is another

new company that is shopping around a dollar cosmetics line, one that may help chain drug prevent dollar stores from nibbling away market share in one of its core categories.

JA Cosmetics is the newly formed beauty division of New York-based fashion company Justin Allan. Its first brand introduction is called E.L.F. (eyes, lips, face), and each item in the line—from lip gloss to face makeup—sells for a suggested retail price of \$1.

"E.L.F. takes a problem-solution approach to cosmetics. It answers worries," said E.L.F. founder and chief executive officer Joey Shamah. For instance, all of E.L.F.'s face makeup products, such as pressed powder and foundation, contain salicylic acid to promote clear skin.

Product packaging is color coded by category and employs icons to illustrate the use of the product, such as lips for its Hyper-shine Gloss. Products also are infused with scents, and the company is looking at adding scratch-and-sniff labels to the packaging in the future.

Shamah bills the value cosmetics line as multicultural. In fact, its trilingual packaging describes product benefits in English, Spanish and French. The line currently is in several local doors in New York City, and Shamah is looking to gain wall or countertop space in chain drug, mass and dollar stores.

Stanley Acker's company, Cosmetics 2000, has gained distribution for its dollar lipstick brand, Hugs & Kisses, in several variety stores and independent drug stores. The 48-color line includes such novelty shades as mood blue and pearl white. Cos-

CONTINUED ON PAGE 46



While dollar stores like Dollar Tree are broadening their HBC mixes, several beauty companies, such as Smart Brands with its Ten Beauty cosmetics line (right), are launching dollar brands in chain drug stores.

