



ELENI



CHRIS



FREE THE BIRDS

BRAND ELEVATION

ELENI & CHRIS SALON SIGNATURE COLLECTION

Client company: IC SCANDINAVIA

For publication: REDACTED CONFIDENTIAL DATA

Date: 30 NOVEMBER 2018

EXECUTIVE SUMMARY

Eleni & Chris is owned by IC Scandinavia, a company founded by Norwegian mother and daughter Inger Ellen Nicolaisen and Christinah Nicolaisen. Both are strong entrepreneurial figures within Scandinavian hair and beauty. Each wanted to leverage their reputations to create successful premium hair and beauty ranges formulated with high quality, unique ingredients from the Scandinavian landscape. But neither had previously had their own product range.

Eleni & Chris' inaugural range was the Eleni & Chris Salon Signature Collection, the development of which defined the master brand architecture which was used for the development of subsequent product ranges – including: skincare, styling, men's skincare and cosmetics.

The Signature Collection's launch needed to establish Eleni & Chris as the Scandinavian experts in haircare; create a platform for future growth; secure distribution; and take market share from larger, established rivals.



3rd LARGEST SALON DISTRIBUTOR

The strategy was high risk. Yet despite this, the gamble more than paid off:

- In Norway, Eleni & Chris haircare sales rose (redacted confidential data) (vol) in 2017 against a -3% sales decline (vol) for the total haircare marketplace and soared (redacted confidential data) (vol) in H1 2018 against a -5% sales decline (vol) in the total haircare marketplace

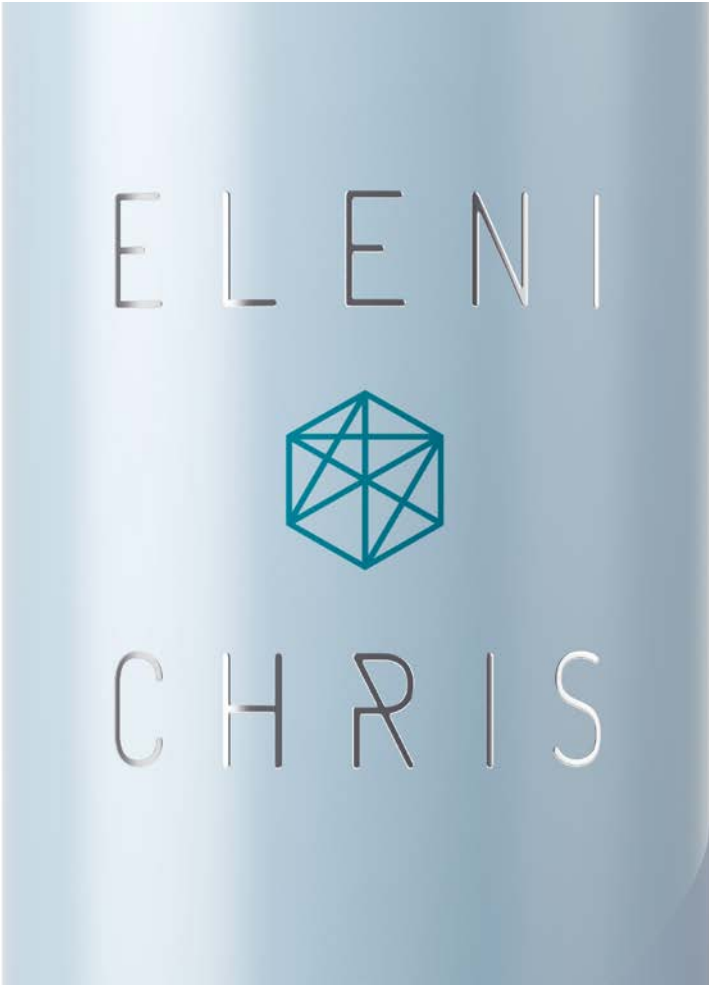
(Source: KLF, Norway's Cosmetics Association)

- In Sweden, it has become the third largest distributor to the professional salon distribution network – a major achievement given it is third only to global goliaths (redacted confidential data), which have 50+ SKUs each, compared to Eleni & Chris' initial six product range

(Source: Eleni & Chris and Rase Gruppen)

- Eleni & Chris Salon Signature Collection gained listings in the US through Neiman Marcus (in-store and online) in March 2018
- Eleni & Chris was one of just 7 brands chosen from 70+ exhibiting at London's Indie Beauty Expo to be added to Feelunique's Spark Beauty indie brands platform in November 2018
- Eleni & Chris haircare products have won 3 prestigious awards since 2017 and have received outstanding editorial features from international press including: Vogue, E! -Online, Refinery29, Byrdie and Allure

In just 3 years, Eleni & Chris has become a fast-growing, highly-acclaimed, award-winning international haircare and skincare brand with no price promotions and only limited marketing spend, thanks to brand positioning, identity and packaging design



PROJECT OVERVIEW

THE BRIEF

The plan was to launch the Eleni & Chris brand with the Eleni & Chris Salon Signature Collection – a premium salon professional haircare range, competing against the likes of global, larger, well-established salon professional brands.

Their pre-launch objectives were:

- Establish the Eleni & Chris brand as the Scandinavian experts in haircare, becoming an effective challenger to larger, well-established competitors
- Achieve sales target (redacted confidential data) Norwegian Kroner sales within the first year
- Achieve a distribution target of 130 salons within 3 years

The Eleni & Chris Salon Signature Collection also needed to be a platform strong enough to support the brand's further evolution for new products in styling, skincare and cosmetics.

But the pair faced numerous obstacles at launch:

- The market was dominated by a small number of major players
- The market was characterised by little innovation. Major players regularly launched extensions, but with few completely new brand launches
- With just six products in its first range, Eleni & Chris' start-up was tiny in comparison to its more established competitors

- In this market, recommendations make or break a brand; so winning over the stylists who are the salon professional haircare market's gatekeepers was key
- It was questionable whether a premium brand launch in an industry facing pressure on pricing was a good idea

Our brief was to create the premium salon professional range, developing:

- **Brand Positioning**
- **Brand Story**
- **Visual and Verbal Identity**
- **Packaging**

We needed to ensure the brand was premium – sophisticated and unpretentious; which celebrated the provenance of the unique natural ingredients from the Scandinavian landscape; harnessed the founders' personalities; and provided a powerful platform for future diversification and growth.

A visual architecture was required that would both support the salon professional range's launch and enable the brand to flex with subsequent product launches into different categories. And it was critical that all of this was executed effectively and consistently across every touch-point – from packaging and physical retail to digital space – with an international appeal, whilst being immersed into Scandinavia.



OUR DESIGN SOLUTION

Inspiration for our branding, positioning and design came from two sources. The first was mother and daughter co-founders Inger Ellen and Christinah who, though very different in background and approach, share an extraordinary level of drive, passion, and creativity, rooted in and inspired by their Scandinavian home. The second was the unique provenance and beauty of Scandinavia itself.

Our thread across the brand's entire visual story was the idea of contrast to reflect the dual nature of Eleni & Chris; the dynamic energies of the brand's founders and the Scandinavian environment, which is one of extremes. We encapsulated the Eleni & Chris brand DNA in the proposition 'Beautifully Different'.

BEAUTIFULLY DIFFERENT

Our design expressed contrast via a simple diagonal graphic device, which can be flipped; matt versus shiny textures; and lighter colours set against darker ones. The striking nature of Scandinavia is echoed by our muted colour scheme punctuated with hot accents. Our packaging is clean, stripped back, minimal, and effortless – like Scandinavian beauty itself.

We designed the 3D geometric master brand logo to be layered with different meanings depending on where and when it's used: science, expertise, alchemy, and preciousness of the Scandinavian ingredients.



Brand marketing featured contemporary, elegant typography orientated around a geometric interpretation of the cloudberry - hero ingredient in Eleni & Chris' product formulations.

ENDORSEMENTS

“We have many repeat customers who buy Eleni & Chris products again and again due to their sleek design. The graphic lines accent the way the products look on the shelves. Many customers buy the products as a set since they fit so nicely together.”

(Source: Cecilie Bakke Andersen, Nordic Marketing Director, Raise Gruppen)

“What I really like about the products is that they are not too loud. The calm colours fit into our salons and give the customers the calming spa feeling. The products are easy to sell because they look so different from other similar products.”

(Source: Andrea Lyman, CEO, Nikita Hair, USA)

MARKET OVERVIEW

Scandinavian Market is flat:

- At the time of the Eleni & Chris launch, the Scandinavian salon professional haircare market was at best static, at worst down in real terms when price increment was factored in.
(Source: Statistics Norway)
- Haircare sales were down: -11% in 2016, -4% in 2017, and -8% in 2018 (vol)
(Source: KLF)
- Hair styling sales were down: -26% in 2016, -13% in 2017 and flat in 2018 (vol)
(Source: KLF)

Retail sales also in decline:

- The Norwegian retail haircare market for low to mid-range priced products sold in grocery stores/pharmacies was down -1.6% in 2015 (vol), with grocery stores down -10% (vol)
(Source: KLF)
- Sales by value across all channels (Professional, Grocery, Pharmacies) were down in H1 of 2018 by -8%
(Source: KLF)

- Many existing salon professional premium brands were facing erosion of salon sales by a growing 'grey market' of older consumers
(Source: KLF)
- The salon professional haircare market represents 18% of the total haircare market in Norway and Sweden (in 2017 it was 19.4%)
(Source: KLF)

Industry figures for haircare marketing in Scandinavia do not exist as the market is too small for separate data analysis. However, various reports demonstrate key global trends affecting the sector:

- Demand for natural and food-based ingredients rising worldwide - across the homecare and salons sectors, alike
(Source: Mintel)
- Interest in Scandinavian beauty ingredients and treatments growing fast
(Source: Cosmetic Design Europe)
- Swedish consumers are becoming increasingly concerned about the potential harmful effects of chemicals – which can cause allergic reactions, and hormone disruptors – in some conventional hair care products
(Source: Euromonitor)

A key boost for Eleni & Chris' launch was news that the haircare market was set to expand from US\$69.7bn in 2016 to US\$87.6bn in 2023 – an increase of 25.68%

(Source: Reuters)

KEY FACTS

Launch date: August 2015

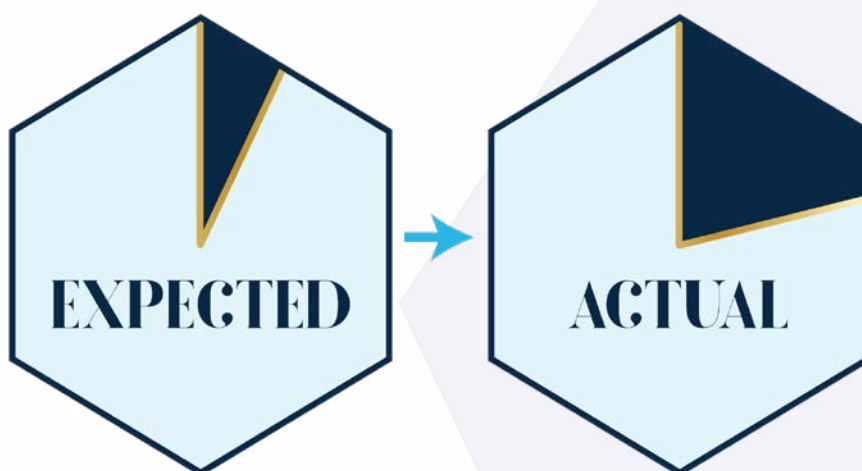
Design fees: £38,000 (design fees were recouped within four weeks of launch in 2015)

RESULTS

Eleni & Chris Salon Signature Collection was an immediate success. As soon as it was placed in the context of competitors, the brand really stood out - its strong brand positioning and design quickly demanded consideration by stylists and consumers, alike. And the most powerful demonstration of this is how it over-delivered on pre-launch objectives:

Objective 1: Successfully establish Eleni & Chris brand as the Scandinavian experts in haircare, becoming an effective challenger to larger, well-established competitors:

SCANDINAVIAN SALON PROFESSIONAL MARKET SHARE

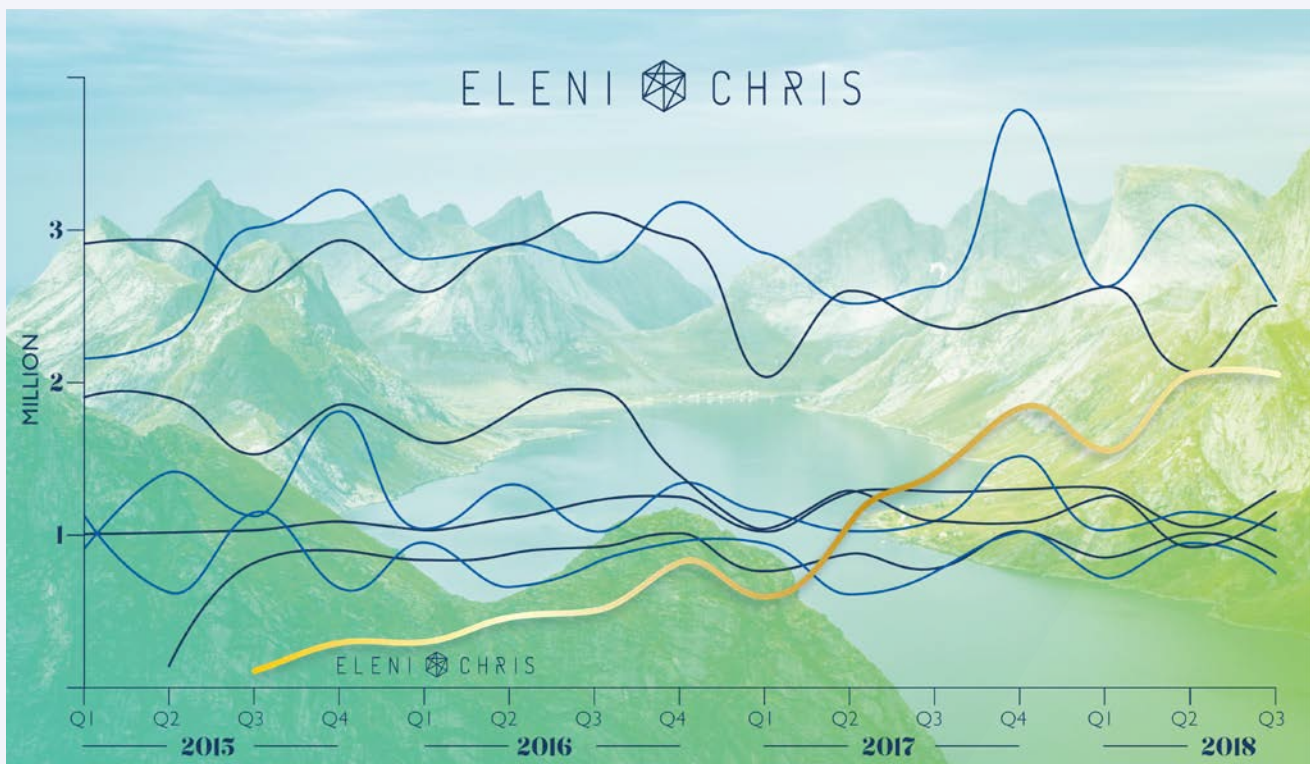


- Eleni & Chris set out to achieve (redacted confidential data) share (vol) of the Scandinavian Salon professional haircare market within 3 years. It's actual market share in 2018 is significantly higher (redacted confidential data)

(Source: Eleni & Chris and Raise Gruppen)

- Between launch in 2015 and H2 2018 Eleni & Chris has achieved significant (redacted confidential data) retail sales growth – a period during which competing brands lost both market share and sales volumes

(Source: KLF)



- In Norway, Eleni & Chris haircare sales rose significantly (redacted confidential data) (vol) in 2017 against a -3% sales decline (vol) for the total haircare marketplace and were up hugely (redacted confidential data) (vol) in H1 2018 against a -5% sales decline (vol) for the total Salon Professional haircare marketplace

(Source: KLF)

- In Sweden, Eleni & Chris beat many established brands to become the third largest distributor to salons after global giants (redacted confidential data), which have 50+ SKUs each compared to Eleni & Chris' initial six products

(Source: KLF)



Objective 2: Achieve sales target of (redacted confidential data) Norwegian Kroner sales within the first year:

- Exceeded sales target by +58% with first year sales of (redacted confidential data) Norwegian Kroner (NOK)

SALON DISTRIBUTION WITHIN 3 YEARS



Objective 3: Achieve a distribution target of 130 salons within three years:

- Exceeded target by 16% by achieving distribution in 151 salons in 2018



OTHER RESULTS

In just three years since launch, the Eleni & Chris Salon Signature Collection has become the fastest-growing brand within Scandinavian salons. And by exceeding home market sales/targets, Eleni & Chris have been able to start growing the brand by extending globally and into other product sectors.

Following their initial 6 haircare products; Keramin and Chromin range of shampoo, conditioner and treatment, Eleni & Chris extended their haircare range with a Sensimin, Volumin and a Gentlemin line. Eleni & Chris also launched a skincare range – including facemasks – and a hair styling range. Both a (redacted confidential data) line are to be launched in 2019. We have worked on the design for all of them. The new Skincare brand extension was successfully launched in top end NYC apothecary and pharmacy Clyde's, Madison Avenue in May 2017. Eleni & Chris is now actively pursuing partnerships with large-scale retailers, with conversations now well underway in the US and Middle East.

Eleni & Chris Salon Signature Collection gained listings in the US through Neiman Marcus (in-store and online) in March 2018.

Eleni & Chris was one of just 7 brands chosen from 70+ exhibiting at Indie Beauty Expo to be added to Feelunique's Spark Beauty up-and-coming indie brands platform in November 2018.

CLIENT COMMENT

“Without the positioning and brand design, Eleni & Chris Salon Signature Collection could never have been as successful as it is. We simply can't compete with the marketing and promotional budgets of big global salon professional brands, so the packaging design has to really work hard for us.”

“Salons are telling us that customers always ask about it because the design is ownable, has a strong on shelf impact, and is very differentiated from competitors.”

(Source: Joachim Schwartzbach, Vice President, Eleni & Chris)





OTHER INFLUENCING FACTORS

There was little sales promotion. In 2015, 2016 and 2017 there were no sales promotions where price was discounted, aside from special Eleni & Chris gift boxes for Christmas – a time when all big haircare brands heavily discount.

There was minimal marketing spend either. (redacted confidential data) Marketing spend was mainly on in-store activities.

Telling the compelling brand story was factored into Eleni & Chris's training strategy, centred on the brand story and positioning (rather than focusing solely on formulations and ingredients) to gain emotional as well as practical buy-in. The strong brand story created a powerful tool to engage salon staff.

In short, the main influence came from brand and design consistency combined with many new launches.

RESEARCH RESOURCES

IC Scandinavia internal data 2014-2016, and 2015-2018

Raise Gruppen salon internal data 2015-2016, and 2015-2018

Statistics Norway
KLF, Norway's cosmetics association

AWARDS

The Knot 2018 Beauty Awards, Best Hair Oil:
Eleni & Chris Pure Treatment Oil 2017 and 2018

Beauty Shortlist Awards, Best Product for Colour
Treated hair: Eleni & Chris Chromin Collection

