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NYU | STERN

# Final Presentation

**“How Can Shape Tape Remain the #1 Concealer in the US?”**

Emily Batts, Samantha Klein, Jeal Patel, Hannah Patrick

# Let's Re-Introduce Ourselves



**Emily Batts**



**Samantha  
Klein**



**Jeal Patel**



**Hannah  
Patrick**

# Hypothesis

In order to remain the number 1 concealer brand in the US, Tarte should create a **micro-community for Tartelettes** that will engage customers and build off the brand's success on social media and brand loyalty.

Building a community for their **core customers** to engage will lead to engagement with their **core products** including Shape Tape.



# Questions Driving Our Research

01

Social Commerce is successful for the brand, but is there room for growth on the platform?

03

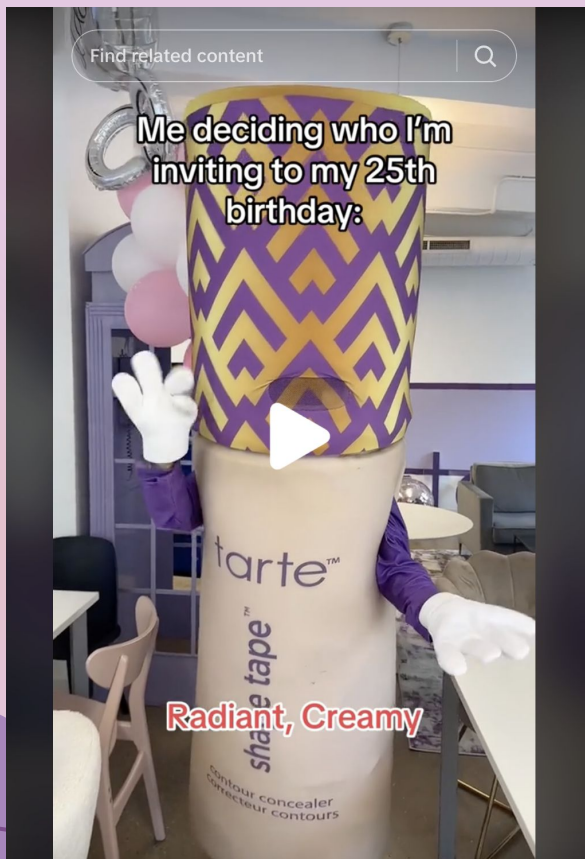
What makes a consumer choose a concealer over others and how can Tarte attract these customers?

02

What factors contribute to loyalty in a makeup brand and their products?

04

What do makeup consumers *really care* about?



01.

# Social Commerce

Social Commerce is successful for the brand, but is there room for growth?

By 2027  
**8+ million**

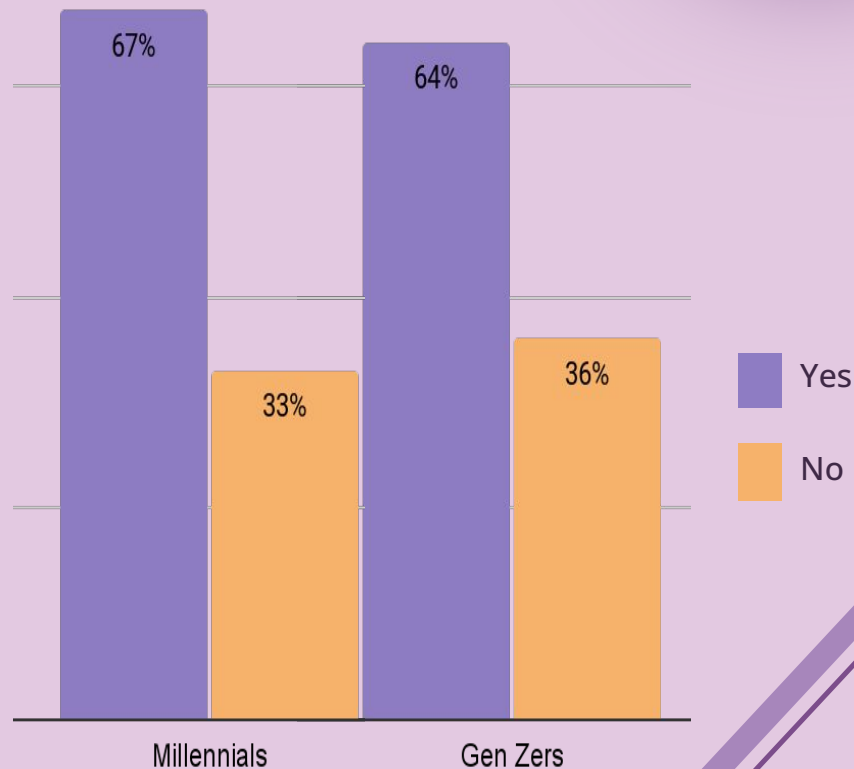
more U.S. consumers will become  
**social commerce shoppers.**

This represents a

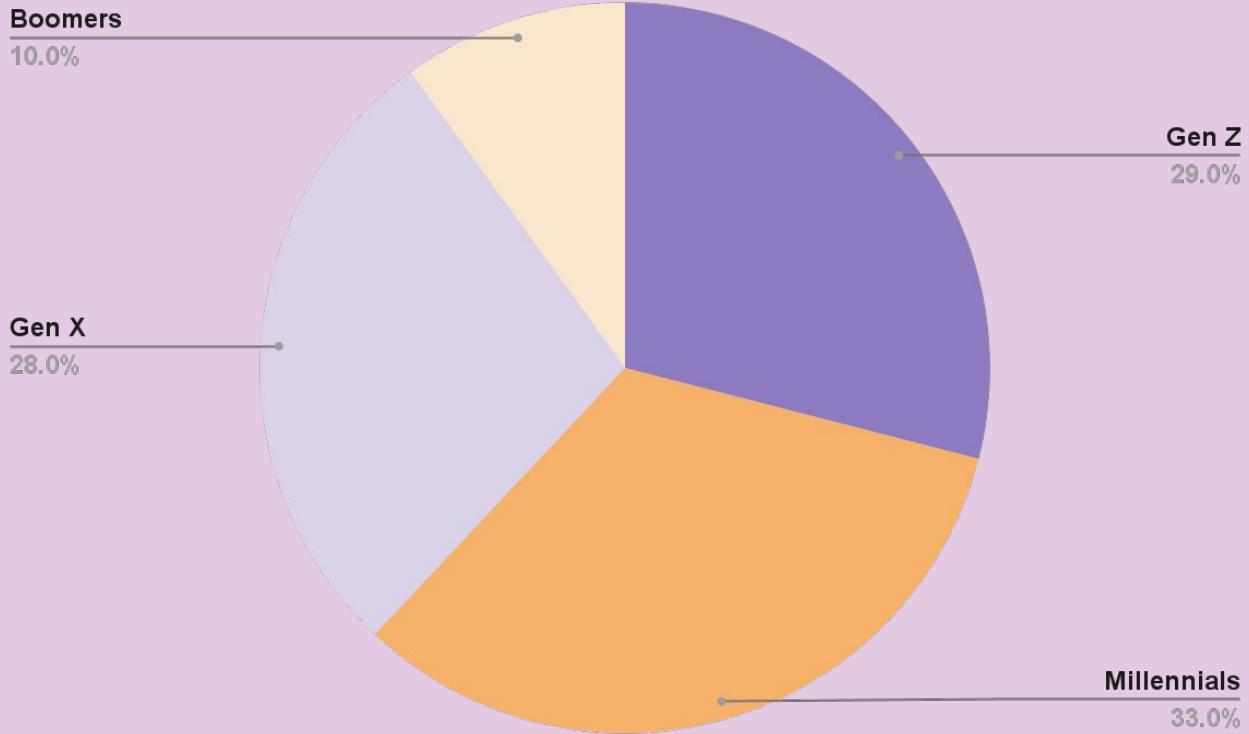
**10.6%**  
**growth**

in U.S. **social commerce consumers.**

Consumers who **spent more on beauty items due to social media influence** in the United States in 2023



# Distribution of Social Commerce Spending By Generation



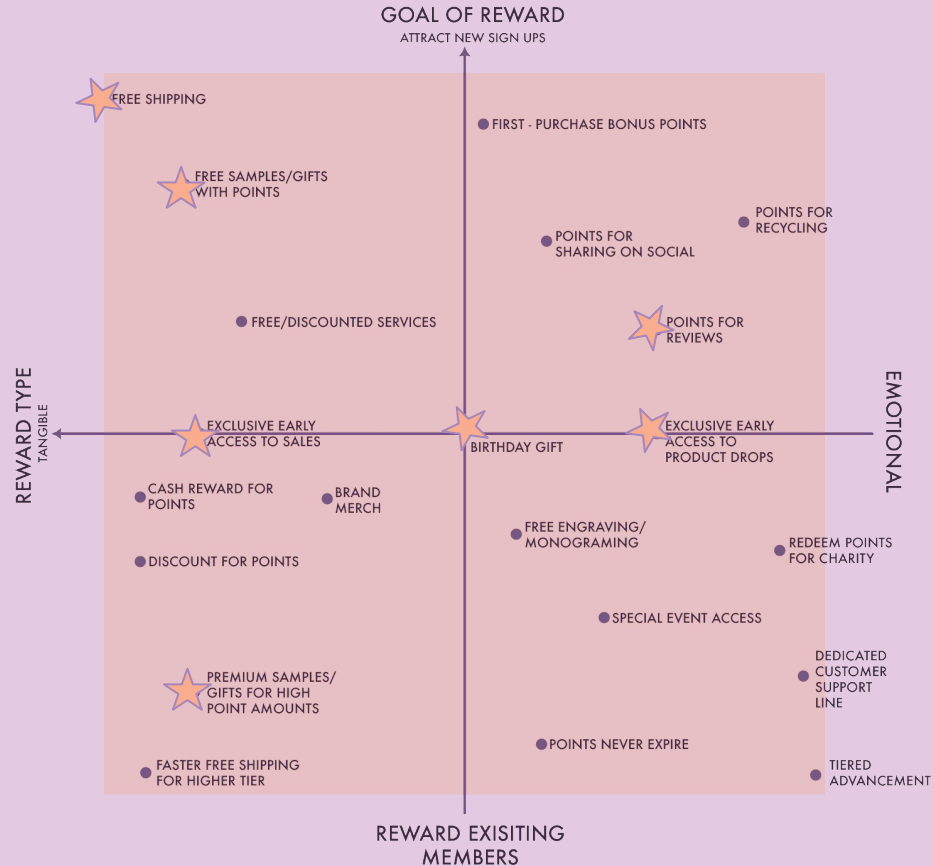


02.

# Loyalty

**What factors contribute to loyalty in a makeup brand and their products?**

# How Consumers Value Loyalty Program Perks

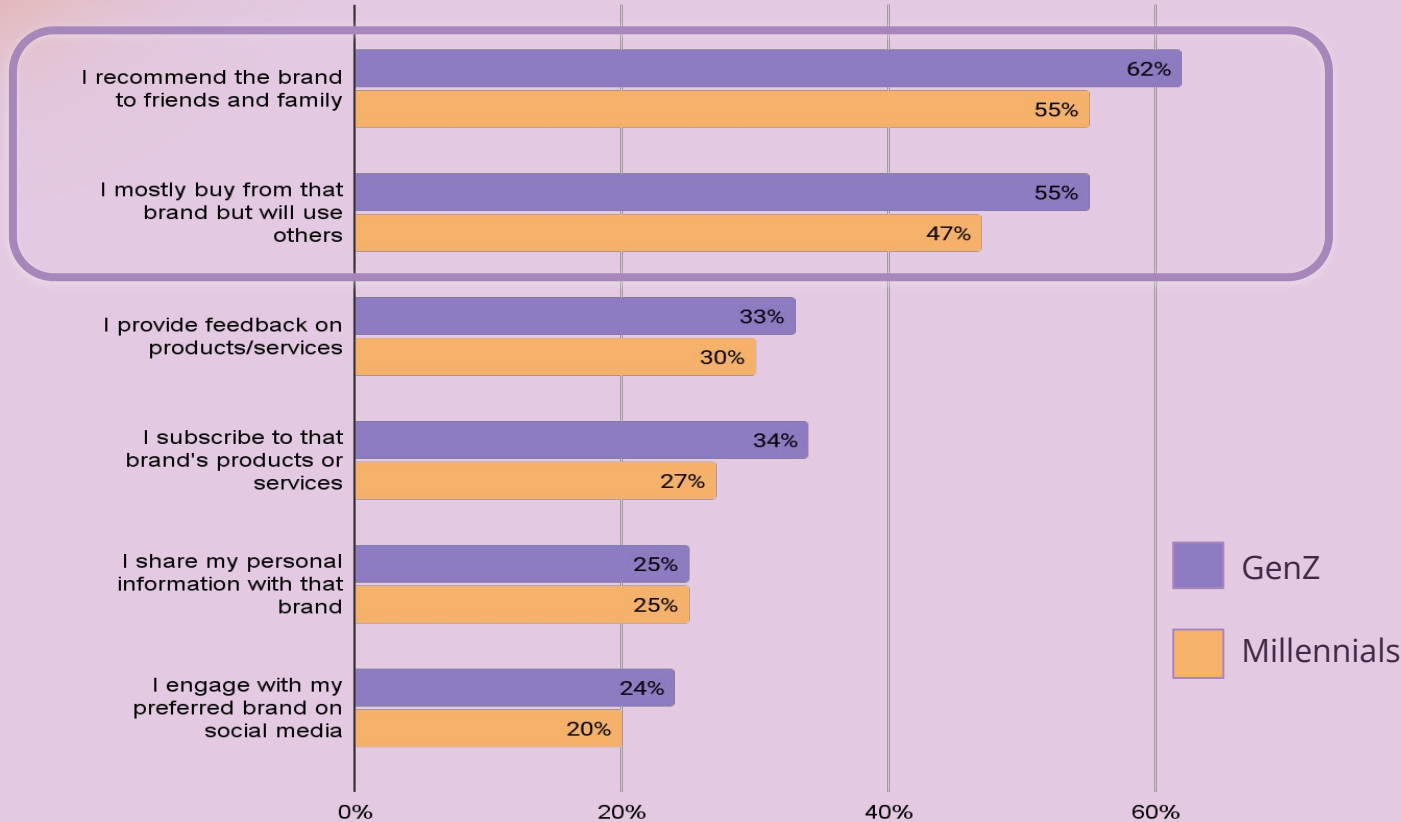


# MILLENNIALS & GEN Z

**Millennials** are the leading age group of consumers looking to increase their participation in loyalty programs

While, **Gen-Z** are more likely to try a new brand because of loyalty programs

# How GenZ & Millennial Consumers Show Loyalty



**100% AGREED\***

- ✦ MY UNDEREYES LOOK SMOOTHER
- ✦ IMPROVED THE LOOK OF MY DARK CIRCLES
- ✦ REDUCED THE LOOK OF MY REDNESS

\*based on a consumer panel study of 32 subjects



**03.**

# Consumer Behavior

**What makes a consumer choose a concealer over others and how can Tarte attract these customers?**

# How Loyalty Impacts Consumer Behavior



**3 out of 4** members of top-performing loyalty programs changed their consumer behaviors and generated more value for the business

**64%**

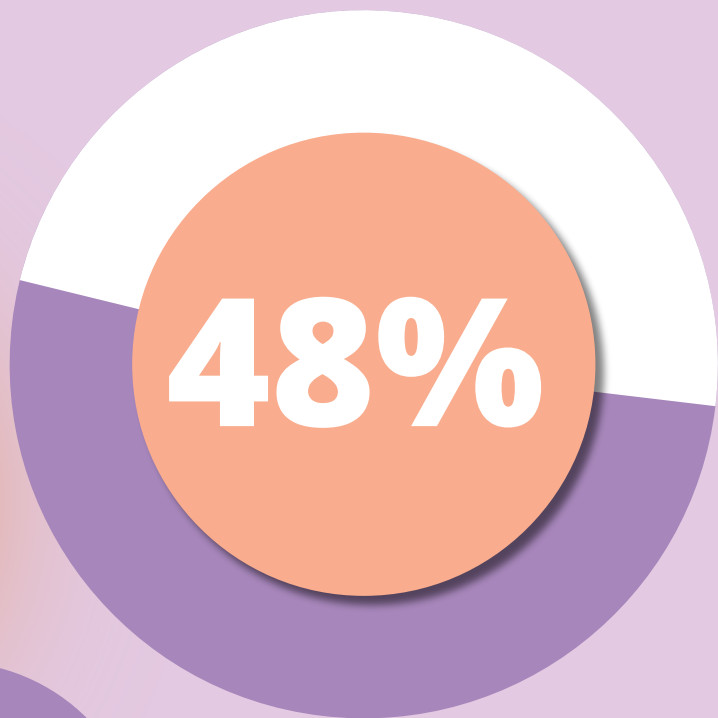
are more likely to purchase more frequently

**35%**

are more likely to choose brand over competitors

**31%**

are more willing to pay a higher price to stay with a brand



of app users prioritize beauty apps that promote **tips on how to use the products** & help users meditate & relax



04.

## Real People Research

What do makeup consumers *really care* about?

# The Ulta Shopper

**WHERE:**  
Ulta on 86th Street,  
Manhattan

**WHEN:**  
Tuesday, July 9th,  
10:30am

**HOW:**

- Observe customers interact with the brands
- Inquire about their shopping habits around makeup in general, not disclosing we were doing research for Tarte

Resource	Used & Engaged with Tarte	No Knowledge of Tarte
Customer 1		
Customer 2		
Customer 3		
Customer 4		
Customer 5		

## Key Takeaways

- Most customers were **heavily influenced by social media** to try a product, and came into the store to make their final decision
- Customers will come to Ulta even if they are Sephora shoppers if they want an **exclusive product**
- If a customer heard of tarte they knew about shape tape, 1/5 customers knew about the brand and tried the concealer. Otherwise they had never heard of the brand or concealer
- **All 5 customers actively used concealer.** None of them currently use shape tape
- Anyone who hadn't heard of the brand were willing to try the concealer, anyone who had already tried shape tape didn't want to go back to it

# Tartlette's -on-the street

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## Key Takeaways

- Most interviewees expressed that they would head to **social media to seek advice** from trusted influencers or go to their friends for recommendations on a new concealer to try
- Only one person had previously used shape tape and was the oldest woman we interviewed.
- When people were asked what would make them feel comfortable choosing a concealer online, people mentioned **glowing reviews, A.R. try-on software, and personal/influencer recommendations.**
- Every person was **eager to give shape tape a try!**

\*\* No brands or free samples were disclosed prior to each survey \*\*



# Listening To Comments About Shape Tape

## Enthusiasm and Love for Products: 🥰❤️🥰❤️

- o Many users express love for the Shape Tape concealers with heart and smiling emojis
- o Some comments indicate that users have all three versions and switch based on needs

## Positive Feedback and Specific Preferences: 💜🔥💜🔥

- o Users highlight their preference for specific versions of the concealer "the og shape tape for sure!!!," "Creamy!"
- o Excitement about product features is evident

## Brand Endorsement and Community Engagement: 🥰🥰🥰🥰

- o The brand itself engages positively with the users "We love them ALL"

# Connecting The Dots



**Loyalty programs**  
are proving increasingly  
important to the makeup  
consumer



**Reviews, A.R. Try-on &  
personal/influencer  
recommendations**  
While trying on the product is  
important, the consumer  
chooses a concealer based on  
recommendations they  
resonate with.



**Social media and  
influencers**  
are consistently the  
number one way people  
discover and choose new  
products

# What is a Micro-Community?

**Exclusive spaces** where people, who share the same purpose can come together. As a result, businesses don't need to keep promoting themselves on it. Instead, they can **build solid customer relationships** by sharing ideas and valuable content



# Who Else is Doing This?

OUAI

NARS

Dior

Rare Beauty

**BREAD™**

  
SEPHORA

# FAN SPECIFIC INSTAGRAM PAGE



**diorbeautylovers** Follow Message +A ...

2,180 posts 1.7M followers 79 following

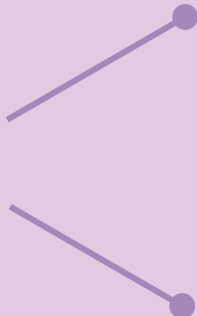
**Dior Beauty Lovers**  
Community  
Welcome to @diorbeautylovers the community page of Dior Beauty junkies! Share your love by tagging @diorbeautylovers to... more  
30 avenue Montaigne, Paris, France 75008  
[on.dior.com/shop](https://on.dior.com/shop)

Followed by waityouneedthis and meganrunionmcr

LILY KATIE SAI GALA CHASE VICTORIA MARIANNA

POSTS REELS TAGGED

COMMUNITY SPECIFIC PAGE ON BRAND WEBSITE



Community Profile | Profile | Groups | Gallery

Start a Conversation | Upload to Gallery | Notifications | Messages

# BeautyINSIDER COMMUNITY

Search or ask a question

68839 members Online now | 3109639 posts

Ask questions, join challenges, and get recommendations from people like you

Hey there! New here? 3 Steps to Get Started. >

What is the Beauty Insider Community? Read our FAQs >

Need help? Ask our Customer Support team >

Join Community to Receive your First Badge

### Trending Groups

View all Groups

- Beauty Confident... 118,789
- Besides Beauty 36,953
- Nailed It 30,319
- Everything Eyes 198,852
- Haul Stars 49,172
- Oily Skin 60,171

### Trending in Gallery

View all in Gallery

- AshLapido
- channa13
- mishmish9

All Posts | Ambassador Curated Posts | Support | Start a conversation

Most Recent | Popular | Unanswered | My Bookmarks

Featured in Trending at Sephora | Ambassador Curated

## Important Changes to Beauty Insider Community Private Messages

Posted 07-25-2024 08:52 | Updated 8 hours ago

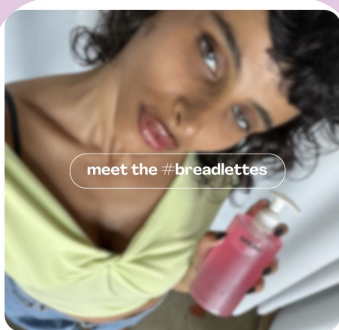
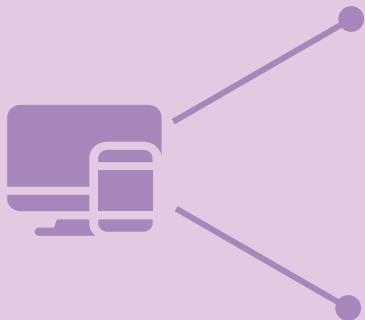
**SephoraBIC** ADMIN INSIDER

Beginning August 1st, 2024 at around 9am Pacific Time, the default Forum private message setting will be set to "OFF" for all m ...[read more](#)

### Getting Started

- Community Guidelines
- Community FAQs
- Introduce Yourself!
- Community Cheat Sheet
- Community Rank System 101
- Community Badges 101
- 3 Steps to Getting Started:

# INVITATION ONLY PLATFORMS



## Connect with fellow #breadlettes

Our community is a space for you to chat, share & stay in-the-know on all things BREAD. Ready to join?



## Claim your Harriette collectible

This is your key into the BREAD community, which unlocks access to chat, rewards, events & more.



## Complete challenges to earn

Each week you can earn by submitting surveys, sharing feedback, creating content & more.



## Collect & redeem coins

Your engagement in our community pays off. The coins you earn from completing challenges can be redeemed for discounts on our website.

**PRODUCT  
EDUCATION**  
Knowledge/Learning Content  
Peer Validation/Authentic  
Endorsement

**CONSUMER  
INSIGHTS**  
Direct Customer  
Feedback  
New Ideas  
Beta Testing  
Adoption

**COMPETITIVE  
ADVANTAGE**  
Community Qualified Leads  
Expansion Opportunities  
Brand Differentiation  
Reinforcing Brand Values

**INCREASED  
ENGAGEMENT**  
Product Adoption  
Increased Customer  
Satisfaction  
Customer ROI

**BRAND  
GROWTH**  
User Generated  
Content & SEO  
Testing/Feedback  
Brand Awareness  
Referrals/Word-of-  
Mouth

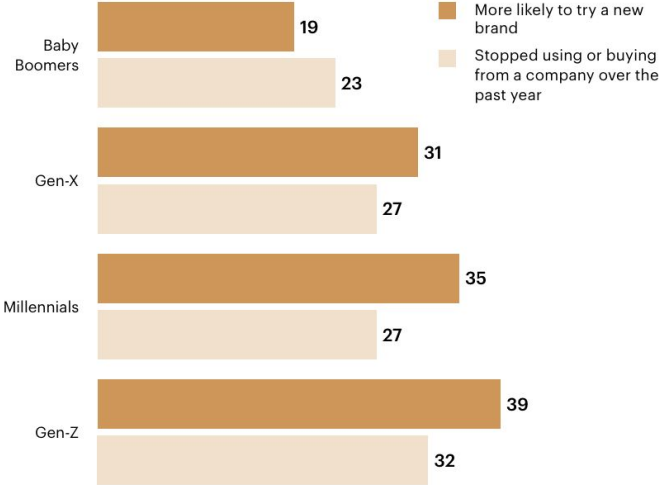
**BENEFITS OF  
CUSTOMER  
COMMUNITIES**

# APPENDIX: A

Exhibit 2

## The younger the consumer, the more important it is to incentivise loyalty

Consumer behaviour by group  
%

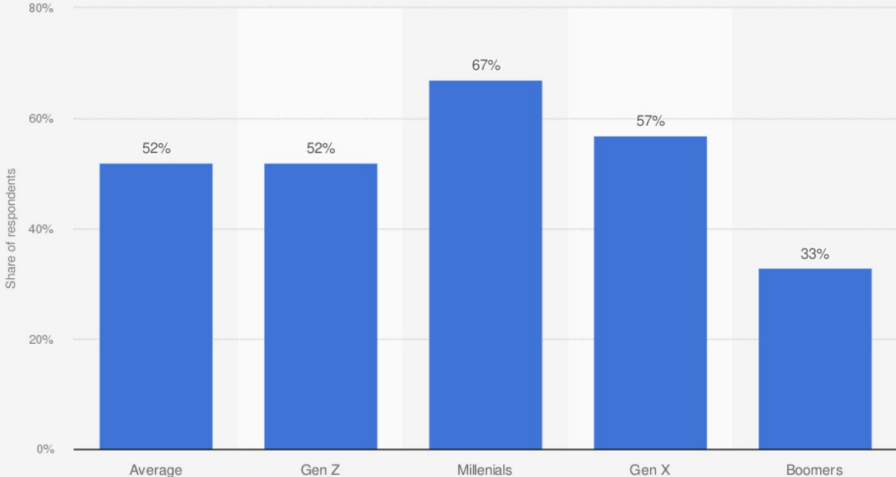


Q: How likely are you to try a new brand for each of the following business types? Base: 4036

Q: Think of a company that you stopped using or buying from in the past year. Base: 1065

Source: PwC

## Share of consumers intending to increase their participation in loyalty programs in the United States as of November 2022, by generation



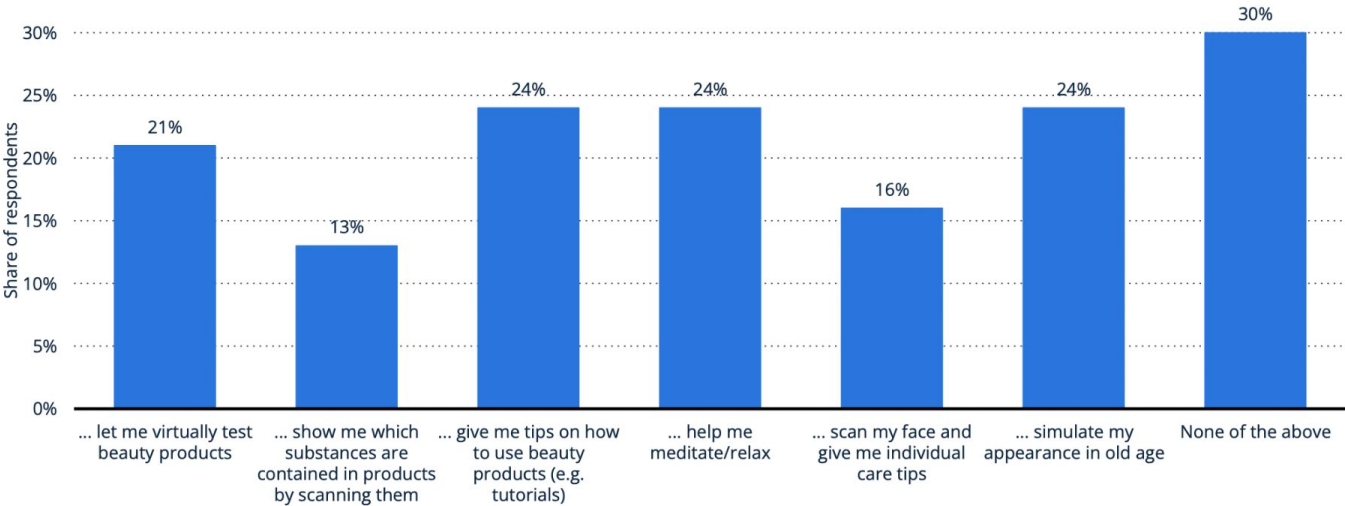
Sources  
Marigold; Econsultancy  
© Statista 2024

Additional Information:  
United States; Econsultancy; October and November 2022; 1,561 respondents; 18-75 years

# APPENDIX: B

## Beauty app usage among Gen Z beauty shoppers in the United States in 2021, based on the type of app

Beauty app usage by type among Gen Z in the U.S. 2021



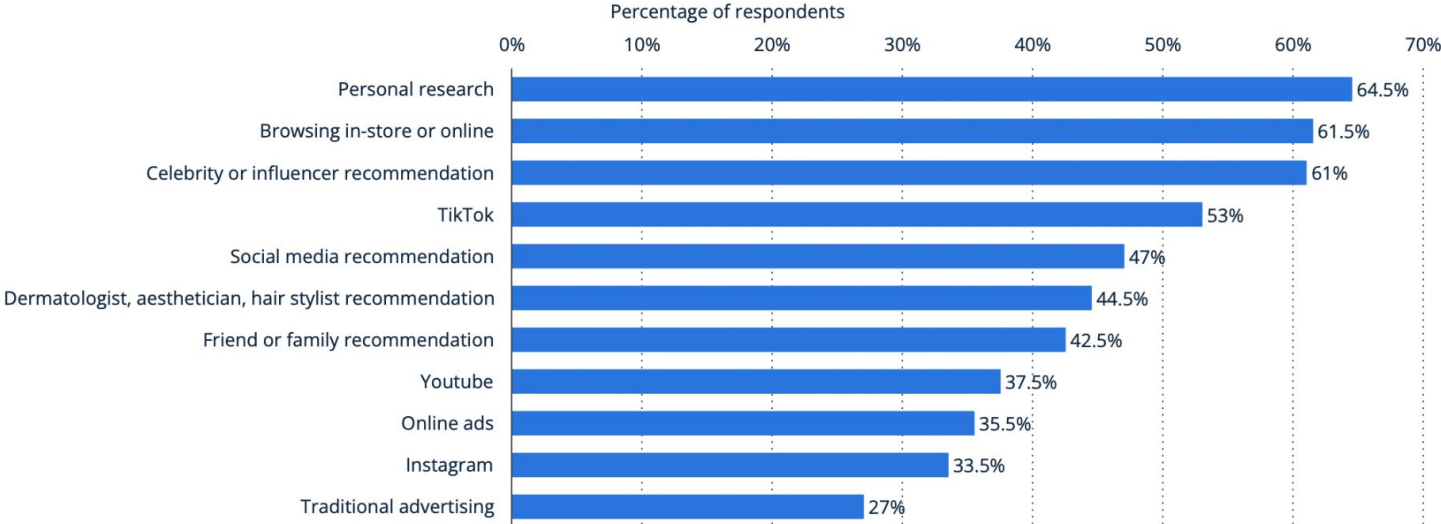
44 **Description:** According to the data from the Global Consumer Survey conducted in 2021, the most popular types of beauty app among female Gen Z consumers in the United States were apps that help the user meditate or relax, as well as apps that provide tips on how to use beauty products and apps that simulate aging. Some 16 percent of the survey respondents stated that they have used apps that scan a user's face and provide individual care tips. [Read more](#)  
**Note(s):** United States; June 7-12, 2021; 237 respondents; 16 years and older; Female residential online population who use decorative cosmetics or face care products  
**Source(s):** Statista Consumer Insights



# APPENDIX: C

## Most used channels for beauty purchases inspiration by Generation Z in the United States in 2023

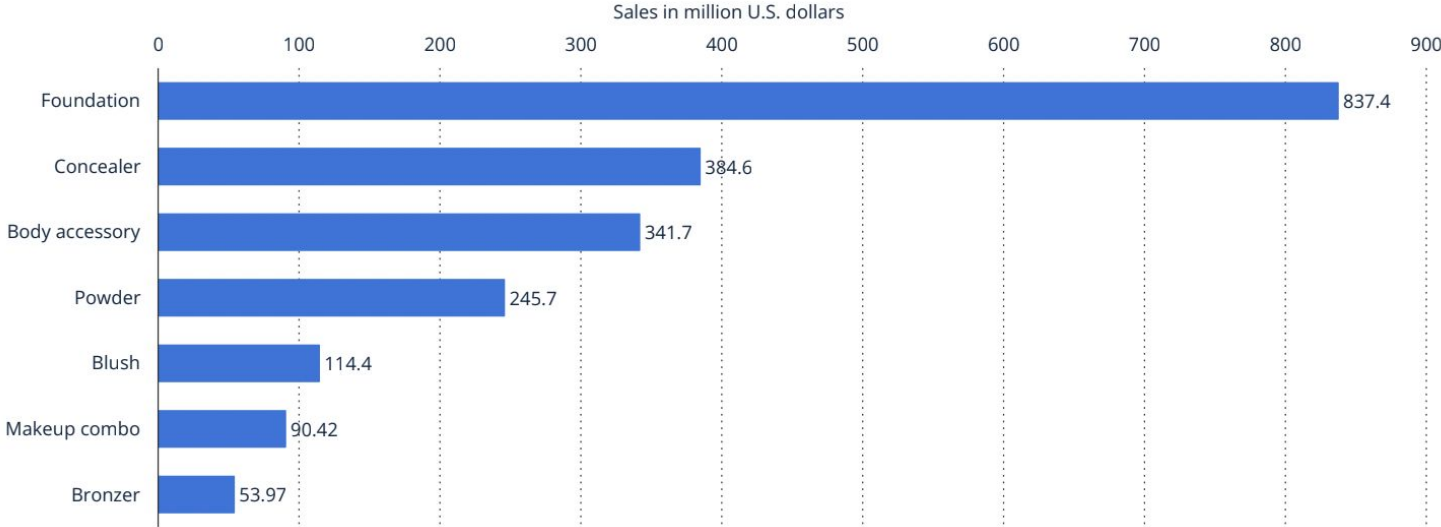
Gen Z's favorite channels for beauty products in the U.S. 2023



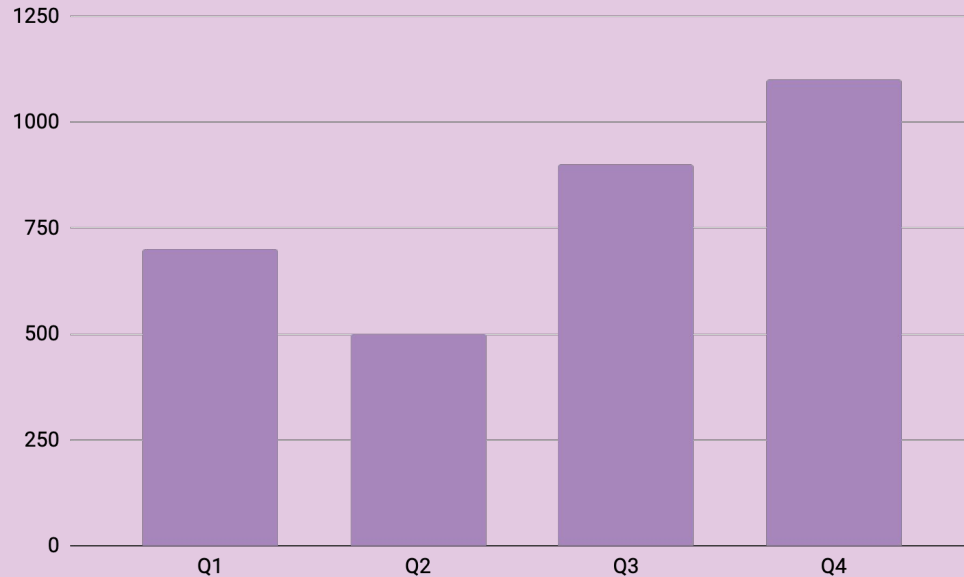
# APPENDIX: D

## Facial cosmetics dollar sales in the U.S. in 2023, by product category (in million U.S. dollars)

U.S. facial cosmetics sales 2023, by segment



# Project data

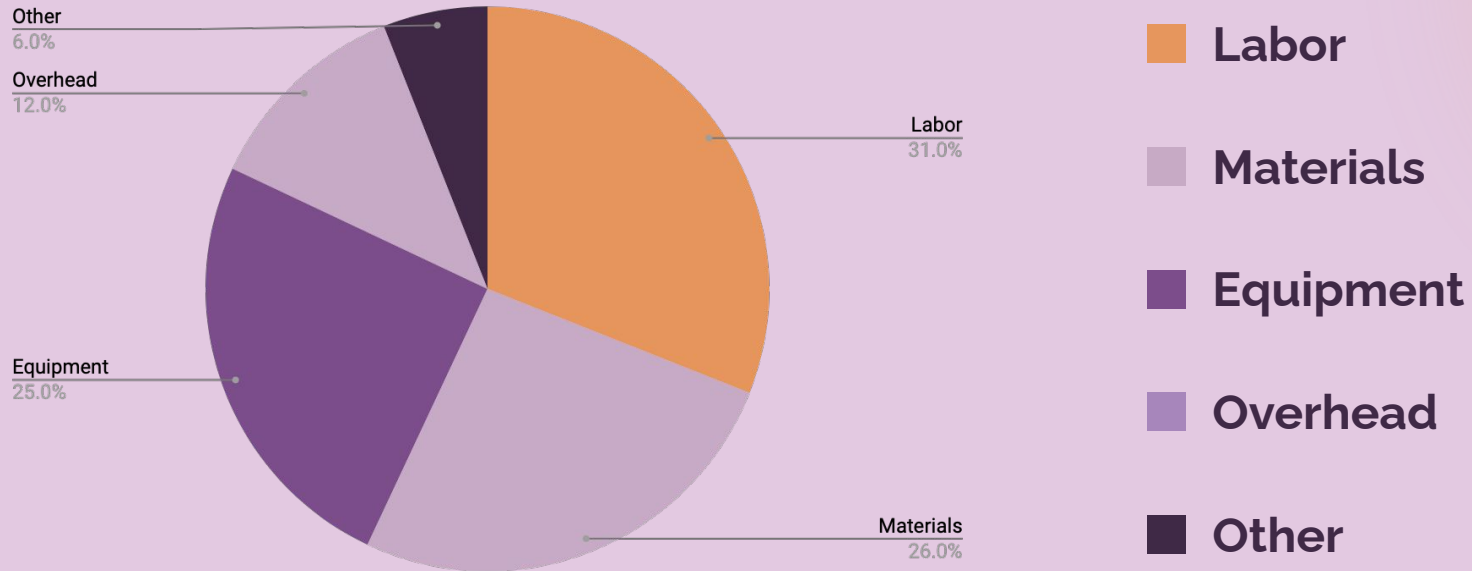


## Benefits of using graphs

Graphs in project proposals offer visual organization, enabling clear presentation of information in a structured format. They enhance the visual appeal, facilitate data comparison and improve overall clarity and professionalism of your project proposal

Follow the link in the graph to modify its data and then paste the new one here. [For more info, click here](#)

# Project expenses



Follow the link in the graph to modify its data and then paste the new one here. [For more info, click here](#)

# KPI dashboard

Resource	Utilization rate	Cost per unit
Labor	85%	\$50
Equipment	70%	\$100
Materials	95%	\$20
Rent	90%	\$1,000
Energy	80%	\$80
Software licenses	80%	\$200
Advertising	60%	\$500

120 u/day

Output per worker

2h

Time to complete a task



Follow the link in the graph to modify its data and then paste the new one here. [For more info, click here](#)