

Article for Happi Magazine- April 2008

1. Name, occupation, company, location:

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2. How would you describe ethnic hair care as a niche market?

The first question really is: How do you qualify the word ethnic? Given the landscape of our country and census predictions for the next 20 years, the American population in many major cities will all be considered ethnic. I personally think it's an antiquated attitude to believe that consumers want to purchase hair care based on a philosophy that further perpetuates 'ethnic' segregation. It's impossible to decide that because I'm "ethnic" I should have certain buying habits and fit into a certain buying category. I have watched several consumers both 'ethnic' and non 'ethnic' walk into a beauty stores and purchase multiple items from multiple lines because what's available to them from one line does not necessarily work for their hair or the multiple hair textures of their families. I think its time that major manufacturers start to reconsider the term 'ethnic'. Is it possible that they don't have to identify consumers as "ethnic" vs. general market? Is it possible that one product line could fulfill the needs of multiple consumers? It's almost like a personal insult for a consumer to walk into a retail store and be directed to a product line based on their skin color or perceived ethnicity. I have had many conversations with mothers of biracial children, and they don't have a clue as what to use on their kids hair. Should we assume that the products in the 'ethnic' section would absolutely be effective for their kids because they have one 'ethnic' parent? How does a sales person in a beauty store actually make an assessment of what ethnicity someone is? Maybe we should start to market products based on hair type instead of ethnicity. Its impossible to assume that because I fit into the category called 'ethnic' that my hair care needs are the exact same as everyone else's in that category. So what happens for many consumers is that they sort of have to figure it out for themselves. As a manufacturer, we struggle constantly when we market to store chains about what category we fit into. Currently we fit into the 'natural' and 'beauty/performance' category. The true category that best defines us is 'hair care for humanity'. We are slightly ahead of our time. I don't think that category exists yet for major manufacturers. We have been doing it very successfully for a long time now. What's so complicated about creating a line that fulfills the needs of all consumers? There is a serious need to reevaluate this category concept. To think of 'ethnic' as a niche market is short sighted and major manufacturers need to wake up and realize that not only are they insulting the general public, they are missing a huge opportunity.

3. What qualities are sought out by consumers shopping for ethnic hair care and why?

The answer to this question is simple, 'ethnic consumers want products that work. Currently products that are marketed to the 'ethnic' consumer across the board, contain the same ineffective ingredients. Petro chemicals, mineral oil, etc. There have been many studies done by marketing companies about

the spending habits of 'ethnic' women. The studies show that 'ethnic' women buy two products to the one product purchased by the 'non-ethnic' women. I have personally interviewed hundreds of 'ethnic' women in salons around the country. I have found that most 'ethnic' women have an average of 13 products in their bathrooms. When I ask "How many of the 13 products can you live without?", their response is pretty consistent. It's usually two of the thirteen. Contrary to what marketing studies show, I'm clear that 'ethnic' consumers don't necessarily need to use more products, it just confirms for me that they purchase products looking for something that works and it takes them several purchases to find something that they love. I have also asked them how they made their buying decisions. Their response is also consistent. My friend or family or a sales person in the store recommended this product. Ethnic women are also tired of having the beauty supply store as their only option to browse multiple product lines. I have been to hundreds of beauty supply stores and hundreds of higher end beauty stores, my personal shopping experiences have been consistent. In a beauty supply environment, there is not much assistance regarding what to purchase. In a higher end beauty store, I'm lead to the ethnic section where I have two product lines to choose from, in a store with about 150 product lines available for 'general market' consumers. Typically my choices are Mizani or Affirm, neither of which works for my hair, nor have natural ingredients. Stores like Ulta, Blue Mercury and JC Penny's need to wake up and stop insulting 'ethnic' consumers. What message does that send to 'ethnic' women shopping for hair care? Ethnic consumers are financially equipped to purchase products at a higher price point with superior ingredients. That's not typically what's available in the beauty supply store. The beauty supply store typically has a lower price point product available. The reason that exists is because the marketing studies done by major manufacturers suggest that 'ethnic' women have a price point ceiling on what they are willing to spend for their hair care products. Consistently, most of the products in the beauty supply store have the same ingredients, different colors, different scents and different packaging. Ethnic women are hungry for a nicer shopping environment where they can get assistance on what to purchase. There are obviously not enough store chains that see the value in providing more viable purchasing options for 'ethnic' consumers. As a small company, we have had some real staying power on the shelf next to some well established, well funded major brands. One of our most successful products retails for \$22.00. This product is predominately purchased by 'ethnic' men and women that tend to be more wellness conscious. Most of our clients that purchase in a Whole Foods, Beauty First, Vitamin Shoppe or Trade Secrets store go there to because their friend or stylist recommended the products. It just proves to us that a million dollar advertising budget does not necessarily improve product sales as effectively as simply putting a product in the market that performs well and can be used by everyone.

4. Do you think scent sways an ethnic consumer to buy a certain product (i.e. lavender to relax)? If so, how?

I think we all know the power of scent. As a manufacturer, I personally am more concerned with using combinations of essential oils that actually have an impact in the performance of the product. Technically, if essential oils originated on the continent of Africa it seems to me that 'ethnic' women would have an affinity for them. Why don't manufacturers use essential oils more often? The number one reason is cost and the number two reason is cost. I have noticed that many manufacturers use

fragrances that they believe ethnic consumers are drawn towards. Of course they drawn to them. What other opportunities have they had to develop a more sophisticated palate for scents used in hair care products? I think many manufacturers are very naïve, and not asking the right questions to the right consumer population. I believe 'ethnic' consumers have been conditioned to respond to certain scents. Many products lines marketed to ethnic consumers tend to be sweet or have synthetic powdery fragrances. There has not typically been enough variety in the scent of 'ethnic' products available for ethnic consumers to develop a broader sense of what scents they prefer. If powdery and sweet is all you know, how do you develop an appreciation for anything different? I think the availability of essential oils will create reconditioning for 'ethnic' consumers about scent. The more they purchase natural based lines, the more sophisticated their sense of scent will become. Every human being responds favorably to great blends of essential oils. If it smells great, it makes you feel good about using it. I don't think you can once again decide for the consumer what their going to respond to. I believe as 'ethnic' women make more and more natural based hair care purchases on line, (usually based on recommendation), their sense of scent will become more sophisticated and they will lean towards more natural scents for products that they consume. Once again, I think its an insult to assume that what we like is sweet, powdery scents that resemble car air fresheners. When the focus study was done, were pure essential oils part of the mix or where we limited by the series of scents that manufacturers already decided we would be drawn to?

5. Do certain ingredients play a part in the sale of an ethnic hair care product? If so, why?

I think a lot of manufacturers represent themselves as using natural ingredients. Unfortunately those ingredients listed on the label, are used in the product in such minute amounts that they don't have any impact on the performance. It's called advertising. At the end of the day, 'ethnic' women will be loyal to products that work. They know the difference immediately. They don't care if it was made in your kitchen or made by P&G. The problem is that manufacturers have not listened to the 'ethnic' consumer because many manufacturers don't value what they have to say. The second problem is that most product lines have not been formulated and designed by the end user. I developed and formulated each one of our products and as a stylist and 'ethnic' consumer, I am the end user. In the grand scheme of things 'ethnic' consumers represent 13 to 25% of the total market. That does not represent enough revenue for many manufacturers to get interested. Once again, check the census predictions, that category will become more diluted and evolve into a new category as the county evolves.

6. What will be the "next big thing" in ethnic hair care for 2008?

The next big thing for ethnic hair care will be when major manufactures stop being ignorant and drop the term 'ethnic' or develop a new category that best serves consumers. Its time for all store buyers as well as manufacturers to investigate other category options such as natural and 'hair care for humanity'. In the 70's when the only product purchasing option for 'ethnic' consumers was 'hair grease' typically

purchased in drug stores, it was the first time in history that categories became important. It was a way for manufacturers to say "hey we have a few products for you all over here". Not much has changed today. That approach is insulting, inaccurate and insensitive to the needs of 'ethnic' consumers. Ethnic women are tired of feeling like they don't have more options when purchasing hair products in most traditional beauty stores like an JC Penny's, Ulta or Blue Mercury. We sell products to the styling staff of JC Pennys salons all over the country. They purchase them out of pocket, use them on their clients and at their stations. Why? Because, stylists want products that make their jobs easier. And they know what works. Yet JC Penny clearly is a sleep. Why would a salon that employs so many 'ethnic' stylists and have so many 'ethnic' customers not provide more retail purchasing options for their customers or professional product options for their staff? Then the JC Penny stylists have to send their clients across the mall to purchase Jane Carter products in a Trade Secrets store owned by Regis. Many beauty store buyers feel that the choices available to their 'ethnic' customers are sufficient. They are wrong and clearly very few of them are 'ethnic'. How would they feel if they were limited to two product line choices in a store full of products for the 'general market'? If they don't wake up, the exact same thing that happened to Blockbuster when Netflix's came on the scene will happen to them. They will lose the ethnic consumer. Ethnic consumers want what they want. If they don't have more choices available, they will go where ever they have to ,to find what they want. Our customer at Jane Carter Solution wants a product that performs. It's become clear to us that price point is not an issue. They don't have any problem paying a higher point or ordering on line. Many stores are missing the mark completely. As a consumer, you either go to make a purchase for something specific or browse the store to try to figure out what to use. When you only have two options, you look elsewhere. Our success has been purely word of mouth recommendations and editorial mentions. That's why Jane Carter Solution as a small brand has been able to compete with some much larger brands. And in 2008 'ethnic' consumers are still directed to a specific section of the store where their purchasing choices generally consist of two product lines. Shame on these retailers. Good for us. What makes us different as a manufacturer is that we listen to what our current as well as potential customers are requesting. I know how they feel. I'm an 'ethnic' woman, with multiple hair types and textures within my own household and typically I don't prefer either of the two options that are available to me in most beauty stores. If manufacturers would just think out of the box and listen to their customers as well as stylists who work in their beauty stores, and pay attention to the changing population, they would understand that there is a demand for additional as well as natural based product lines for 'ethnic' consumers. Price point is not an issue, effectiveness is. The beauty supply store should not be the only option available for 'ethnic' women to shop for hair care. "Ethnic' consumers will pay any amount of money for what works. There are several 'cult' lines that are not sold in the typical beauty supply store or beauty stores that 'ethnic' consumers will seek out to purchase. Our country is changing rapidly; consumer needs are changing just as rapidly, if you don't believe it, pay close attention to the upcoming election! Jane Carter Solutions' commitment for 'ethnic' consumers is to provide outstanding products as well as encourage them to read labels and make healthier buying choices for their hair care products.