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Best Face Forward: Carragheen SkinCare Boutique Pte Ltd

Carragheen SkinCare Boutique Pte Ltd is a one-stop beauty haven for the modern woman who juggles multiple roles. It provides a range of services designed to pamper, soothe and rejuvenate, helping customers rediscover their natural beauty and confidence.

Steadfast in the belief that no one formula works for everybody, each new customer first undergoes a comprehensive consultation with a trained therapist. For skincare and facial therapies, for example, a skin analysis is first conducted to understand the type and condition of the skin. Following a homeopathic diagnosis, a customised care plan is then developed. The care plan will comprise treatments that will most benefit the customer's unique concerns.

Carragheen's services include skincare, face and body therapies, eyelash extension, and depilatory services, performed by skilled therapists. Each beauty therapist is carefully hand-picked by founder Cheryl Ng for their experience and knowledge, and continues to undergo skills upgrading so that customers can enjoy the best possible experience at every visit.

The business of beauty

If the eyes are the windows to the soul, then eyelashes must surely be the curtains framing those windows. But curtains serve more than mere decorative functions; given the right fit, fabric and design, they enhance and influence, and play a part in providing a different perspective. Such is the power of visual cues – and this power is not lost among the general public. In fact, during a recession when industries are expected to report a plunge in business, the beauty industry tends to buck the trend and register positive growth. This expansion is largely attributable to the belief that better-looking people stand a higher chance of landing a much-sought-after job, especially in a shrinking economy.

Research shows that of the six segments of the beauty industry – skincare, haircare, make-up, perfumes, toiletries and deodorants, and oral cosmetics – skincare commands the lion's share. Worldwide, skincare accounts for some 34.1 percent of total market share, ahead of haircare in second place at 24.1 percent, and make-up in third place, at 16.6 per cent, respectively.¹ With a burgeoning middle class, the trend looks set to continue as new generations of savvy young people with high disposable incomes join the workforce. More inclined to self-pampering than their parents, the emerging workforce appears to have no qualms in splurging on products and services in the name of relaxation, revitalisation and indulgence.

As of some six years ago, a 2008 International SPA Association report was already detecting the trend – that an increasing number of Singaporeans are spending on services to treat themselves. The report revealed that the city-state had the highest active spa-going population *across the world* (67 per cent), far outstripping other cities in Asia, and ahead of cities in Europe and the US. A recent article showed that the industry continues to do well, with the beauty and wellness services industry in Singapore chalking up some S\$1.25 billion in customer spending.²

¹ www.statista.com/statistics/243967/breakdown-of-the-cosmetic-market-worldwide-by-product-category/

² "Singapore's monster of a beauty industry goes digital – and it's about time", Liang Hwei, Vulcan Post, 13 November 2014; <https://sg.news.yahoo.com/singapore-monster-beauty-industry-goes-080006628.html>

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Like other businesses, Carragheen aspires to ride on the crest of growth in the beauty and wellness industry. In particular, it hopes to grow its clientele for eyelash extension, and had approached the UOB-SMU Asian Enterprise Institute (AEI)'s flagship Consulting Programme for assistance.

More than meets the eye

The team of student-consultants tapped on what they learnt in class to manage the real-life project, working under the supervision of an industry expert as the Project Advisor. Using a combination of research techniques, the secondary research yielded salient data about the global and local beauty and wellness industry, which were used to perform the competitor analyses. The analyses helped determine Carragheen's standing, and provided clues to the strength of its brand among its peers.

For primary research, the team conducted in-depth interviews and an online survey to discover the marketing mix or 4Ps, namely product, place, promotion and price. The online survey, which reached out to existing users as well as non-users of eyelash extensions, also sought respondents' attitudes and views about physical appearance, and their perceptions of physical appearance vis-à-vis different professions.

Armed with qualitative and quantitative findings, the student-consultants proceeded to devise a set of practical recommendations based on the SME's requirements. The recommendations considered Carragheen's unique value propositions, and its brand position in the eyes of its existing customers, as well as its target audience. They addressed the 4Ps with clear propositions that leveraged the company's strengths, with a view to deepening its relations with its existing customers, and attracting new ones.

An eye on new perspectives

Carragheen, which had approached the UOB-SMU AEI's Consulting Programme to help develop marketing strategies for the company's eyelash extension services, was "pleased with the recommendations", especially the plans relating to "social media and the many methods of building awareness for the company", shared a company spokesperson. The recommendations were "practical" and "do-able"; she especially appreciated the details, such as a step-by-step guide on how to utilise certain online tools so that the company can optimise their usage.

The methodical and scientific basis of the research strategies used by the student-consultants did much to assure the SME that it was "going in the right direction". Already, the company has implemented several recommendations, while other proposals have been held back due to manpower and other resource constraints.

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