

**Cosmetics Brands and Sustainability:
More than just an image?**

A qualitative analysis of sustainability integration in the
branding strategy of niche cosmetic brands

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COSMETICS BRANDS AND SUSTAINABILITY: MORE THAN JUST AN IMAGE?

A QUALITATIVE ANALYSIS OF SUSTAINABILITY INTEGRATION IN THE BRANDING STRATEGY OF NICHE COSMETIC BRANDS

Abstract

The cosmetics industry is actively shifting toward reducing its impact on the environment. Companies are developing innovative formulations, eco-friendly packaging, reducing waste and carbon emissions, conducting research of alternative materials, as well as investing in the social and ethical aspects of the beauty world. Although sustainability has been widely used in branding strategy in various industries, it still lacks theoretical knowledge and there has not been yet extensive academic research on the topic. This study aims to contribute to sustainability scholars by focusing on its role in branding. It explores the methods of integrating sustainability in branding strategy. It focuses particularly on niche cosmetics brands that actively promote sustainability on Instagram. Unlike the big cosmetic brands, these brands normally have a smaller market share, but enjoy a higher level of loyalty and a lower level of penetration. Moreover, these brands tend to be more transparent with their audience, and, therefore, can serve as a great example for the entire industry. Firstly, five in-depth, semi-structured interviews were conducted with brand representatives, followed by the content analysis of Instagram posts of the same brands. The data was then analyzed qualitatively, via thematic analysis. The findings of the study indicate that the key to the successful integration of sustainability in branding strategy lies in full disclosure of all the processes in a way that is clear to the audience. Overall, the brands seemed to agree that Instagram is an essential tool for sustainable development that can potentially lead to a 100% circularity of the cosmetics industry.

Keywords: sustainability, CSR, cosmetics industry, branding strategy

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1. Introduction

Nowadays companies from different industries are working at full capacity to satisfy their customers' needs, refusing to recognize the extent of the problem and the science that underpins it (Chandler, 2019). However, if we want new generations to have a better and safe future, it is important to take actions toward becoming more sustainable.

One of the industries that have recently been very active in applying sustainable practices in the cosmetics industry. These practices have already changed consumers' behavior towards the purchase of goods, as well as the formulations of products towards more natural, organic, vegan and safe (Sahota, 2014; Pulverail, 2014; Wei, 2020). On top of that, people are getting more aware of the impact that their consumption has on the environment (March, 2018). All this puts a lot of pressure on the cosmetics industry. Currently, the global cosmetics industry produces over 120 billion units of packaging every year (March, 2018), which in most cases is not recyclable, and ends up dumped into the oceans, destroying marine life and contaminating our diets (Plastic Oceans, 2020). Moreover, the cosmetics industry has a negative impact on the environment for wasting energy (Cosmetics Europe, 2019), water (March, 2018), as well as air pollution (AAAS, 2018). For these reasons, more and more cosmetics companies are developing innovative formulations, eco-friendly packaging, reducing waste and carbon emissions, conducting research on alternative materials, as well as investing in the social and ethical aspects of the beauty world (Duber-Smith & Rubin, 2013).

The above-mentioned practices not only play a big role for the society and environment but also became a central part of the branding strategies of many niche cosmetics brands. Unlike the big cosmetic brands, these brands tend to have a small market share and enjoy a higher level of loyalty and a lower level of penetration (Wang, 2016). They actively promote the notion of sustainable beauty through social media platforms and set an example for the whole industry.

1.1 Research question

This study aims to make sense of the sustainable initiatives of niche cosmetics brands and analyze how such initiatives can be translated into branding strategy. This study will focus on five niche cosmetics brands, namely Nøie, Davines, The Gift Label, Whamisa, and Hello Klean, as they are all actively shaping their discourse around the notion of sustainability. **The research question is therefore presented as follows:**

How are niche cosmetics brands integrating sustainability as part of their branding strategy?

To answer this research question, the following sub-questions will be examined:

1. What is the brands' definition of sustainability?
2. What sustainable initiatives do niche cosmetics brands address on Instagram to establish their brand image?
3. What are the differences and/or similarities in sustainability communication between the selected companies?

The sub-questions facilitate answering the research question. This research will be based on two qualitative methods: semi-structured in-depth interviews with brands' representatives and content analysis of written, verbal or visual communication messages on Instagram. These methods are intended to reveal whether niche cosmetics brands consider sustainability to be a brand philosophy, or whether they are using it as a marketing tool.

1.2 Scientific and social relevance

Despite that sustainable beauty has been subject to criticism due to its vague definition (Sala et al., 2015; Dernbach, 2016; Shah, 2018) and ambiguous goals (Hickel, 2020), the practice has been adopted by many companies (Chandler, 2019). Sustainable beauty has gained great popularity in business industries. However, academically, the sustainability of cosmetic industries receives limited attention. Currently, the scientific literature is mostly focused on other industries that are implementing sustainable practices into their business models (Yang, Song, & Tong, 2017). The cosmetics industry, on the other hand, still has not seen a thorough investigation on sustainable initiatives. Moreover, there are still some aspects of sustainable beauty that remain underexplored, like its influence on branding strategy. Furthermore, most of the analyses related to sustainable beauty are only focused on big cosmetics companies (Giroto, 2021; Sahota, 2014; Bom, et al., 2019), while this research is aimed at niche cosmetics brands that actively promote sustainability on their social media channels.

This research can also be scientifically important as the need for innovations is rising, and the new sustainable methods that niche cosmetics brands are developing are under research (Quantis, 2018; Airola, 2018; Bom, et al., 2019). It has been evaluated that across the cosmetics industry, more and more cosmetics companies are aiming to introduce

innovative initiatives to improve the environmental and social sustainability of their activities and products (Cosmetics Europe - The Personal Care Association, 2018). Sustainable innovations ensure recyclability from developing formulations to the end products (Bom, et al., 2019). Furthermore, these innovations are not only useful for the cosmetics industry but can also be transferred to other industries (e.g technologies for recyclable packaging) (Feng 2016; Beerling, 2018).

In terms of social relevance, it is more important than ever to raise consumer awareness of environmental and social issues, and since the cosmetics industry has a great influence on the climate crisis and environmental problems (March, 2018), this study becomes even more relevant. Though the primary decision for purchasing cosmetic products still depends on consumers' preferences, environmental and ethical initiatives are becoming increasingly important (Liobikienė, et al., 2017). Consequently, consumers are forcing the cosmetics industry to become more sustainable, while the media and those brands that are already promoting their actions towards sustainable development, encourage others to take actions to strengthen their position on the market (Bom, et al., 2019).

This research is also socially relevant as cosmetics play an essential role in today's society (Sahota, 2013). According to the European Commission (2015) “any substance or mixture intended to be placed in contact with the external parts of the human body” should keep them in good and healthy conditions. For this reason, cosmetic companies need to select the best ingredients for their products. However, since sustainability topics are becoming more important for society, cosmetics companies are facing the challenge of creating not only the safest but those products that have minimal or zero impact on the environment (Bom, et al., 2019). The majority of niche cosmetics brands that devote their existence to sustainability are, therefore, of the greatest importance for the whole industry, as their initiatives can be used on a bigger scale.

Overall, this research is significant for management, as it helps the cosmetics brands that are entering the market or are looking for ways to improve their position on the market, to understand what it means to be a sustainable brand and how to incorporate this notion in their branding strategy.

1.3 Chapter outline

This section refers to the thesis structure in order to cover the topic of the study and provide the relevant methodological and theoretical explanation to answer the research question.

The second chapter comprises a theoretical framework in which the main topics of the study are discussed. It starts with discussing the most important elements of branding, and how they can be used for integrating sustainability into the branding strategy. Then, it continues with corporate social responsibility, the role of sustainability in it, followed by a section that reviews different ways of communicating and marketing sustainability to consumers. The final section of the theoretical framework presents the notion of sustainable beauty, the impact of the cosmetics industry on the environment, and sustainable initiatives that niche cosmetics brands are taking to reduce this impact.

The third chapter focuses on the methodological approach of the study. It explains why a qualitative approach is applicable to get insights on how niche cosmetics brands communicate sustainability and discusses the data collection process extensively. Moreover, it presents a short overview of each brand that participated in the research, explaining why they were selected for the particular research.

Chapter four proceeds with the discussion of the results. The chapter is divided into five subsections based on the five emerging themes of the analysis: sustainability as defined by niche cosmetics brands, sustainable practices executed by niche cosmetics brands, communicating sustainability on Instagram, integrating sustainability in branding, future goals, and expectations. It discusses each of these themes by providing fragments of the interviews complementing them with the existing literature.

The fifth and last section presents the main findings and answers to the research question are presented, followed by the theoretical and practical implications, research limitations, and directions for future research.

2. Theoretical Framework

The following section outlines the theoretical framework of this research. At first, the strategic aspect and integration of sustainability are looked at, within the notion of branding. Then, the relationship between corporate social responsibility and sustainability is been reviewed and discussed, followed by the section on communicating sustainability on social media. The last section of the theoretical framework is dedicated to identifying sustainable beauty, the impact of the cosmetics industry on the environment, and sustainable practices that brands employ to reduce this impact. Finally, a definition of sustainable niche brands is given, as these brands lay the foundation of this research.

2.1 Branding

In an increasingly complex world, creating a strong brand that simplifies the consumer decision-making process, creates awareness and a positive reputation in the market is of major importance for companies (Keller, 2002). For a company to brand its product, it needs to provide consumers with an identification label for its brand, as well as to create a strong meaning around it (Keller, 2002). Hence, branding refers to a process of building a positive perception in the consumers' minds by consistently presenting the brand's vision and ideas, so that making decisions becomes easier, while the company's value increases (Keller, 2002; Chiaravalle & Schenck, 2015). The key to successful branding is to make consumers believe that a particular brand is different from the rest in the same category and that its attributes or benefits are meaningful and valuable to them (Keller, 2002). David C. Edelman (2010) also emphasizes that branding is all about creating differences, especially in the digital age, where social media is overloaded with information and alternatives.

2.1.1 Branding Strategy

Branding or brand development strategy is the blueprint that guides how a company communicates with its audience and provides direction on how to differentiate from competitors (Tow, 2018). Correct implementation of this strategy ensures a strong brand reputation and creates a multi-faceted character with specific personality traits, values, and emotions (Gunelius, 2020).

However, before developing any strategy, there is a multitude of elements that need to be considered. According to Lipman (2018), one of the most important elements of branding strategy is purpose. It is closely connected to the company's mission statement. It is

integrated into the brand's core values and culture and provides directions both for the customers and employees. A good brand purpose should not only identify what the company aims to give to its consumer but also serve a higher purpose (i.e. donating part of the company's sales to environmental restoration).

According to Ewans (2013), another highly important element in branding strategy is personality. He defines it as a set of traits that prescribe such elements as the tone of voice, brand values, etc. Identifying these traits to create the right persona for the brand is a long and complicated process. However, if done correctly, a customer will be able to associate himself with the brand, thus willing to purchase the brand's products or services.

Customers' emotions and customer loyalty also play a major role in developing a strategy (Gobe, 2001). Emotions are directly connected to customers' willingness to purchase a company's goods or services. Positive emotions that a brand can evoke include happiness, inclusion, trust, love, excitement, etc. Customers' loyalty, in turn, is a goal that every brand in a competitive market should have. It implies that, if a customer supports a brand, he should be rewarded. Such rewards generally include loyalty programs, discounts, giveaways, or special events (Hyatt, 2021).

The final important element that Lipman (2018) points out is employee activism. This element implies that alongside the assigned responsibilities, every employee should embody the goals, personality, values, and goals of the brand. It ensures that customer experience remains consistent throughout the whole customer journey.

These elements establish a strong foundation for the brand to develop a strategy that will differentiate it from its competitors and leave room for further growth. Mckeown (2016) emphasizes that a branding strategy cannot remain static. Therefore, a brand constantly needs to monitor the market, analyze its customers and be ready to change with its environment.

2.1.2 Integration of Sustainability in Branding

Nowadays, companies from different industries are increasingly recognizing and adopting the concept of sustainability in their brand (Kuma & Christodouloupoulou, 2013). A large amount of literature revolves around sustainable practices and how they can be used to facilitate a company's reputation and profitability (Lehner & Halliday, 2014; Biedenbach, 2016; Lein, 2018). For instance, the research by Sen, Bhattacharya, and Korschun (2006) has proven that companies with high environmental performance often receive positive feedback from the community, resulting in a strong brand reputation and increased

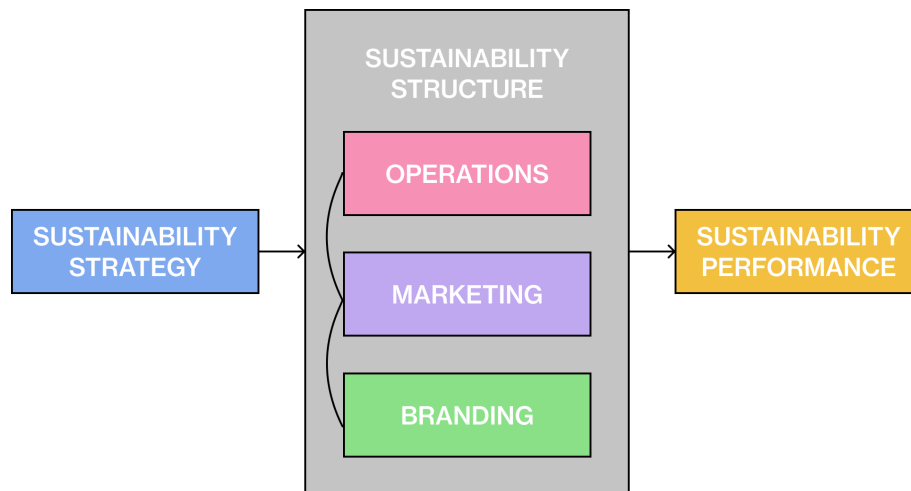
willingness to buy from, work for or invest in the company. Pätäri et al. (2012) has also discovered the financial growth of those companies that introduce sustainable initiatives in their management, operations, and communication. In addition, the research by Luo and Bhattacharya (2006) shows that sustainable initiatives positively affect customer satisfaction, and as a result, increase the market value of a company. These results indicate that sustainable activities can boost a company's value, both financially and socially, and show the importance of integrating sustainability in branding.

Sustainability is one of the biggest trends among various industries (Lubin & Esty, 2010) and plays an important role in strategic planning (Kuma & Christodouloupoulou, 2013). Therefore, for a company to achieve desirable outcomes, it needs to integrate sustainability in its strategy and support this strategy with an appropriate structure (Kuma & Christodouloupoulou, 2013; Chandler, 2019). Kotler (2011) emphasizes that this structure can be developed only if all the departments of a company are involved. Furthermore, he points out that only cohesive implementation of sustainable practices can maximize returns, especially if this information is shared with the audience. In fact, communicating sustainable practices and their outcomes to stakeholders, both in CSR reports and other communication channels, increases competitive advantage in the marketplace (Sharma et al., 2010; Nikolaeva & Bicho, 2011).

2.1.3 Framework for integrating sustainability in branding

A study by Kuma and Christodouloupoulou (2013) proposes that the best way to integrate sustainable practices into a company's operations is through branding. Moreover, they emphasize that if a company can manage to build a connection between the brand and sustainability, as well as carefully market it, it will not only be able to gain a competitive advantage, but also facilitate sustainability-oriented activities in society.

To illustrate the integration process of sustainability, the researchers developed a framework that is shown in Fig.1 below.



*Figure 1. Integration for sustainability – framework,
(Kuma and Christodouloupoulou, 2013)*

Since sustainable practices can have a huge impact on the brand by creating various associations, including those that are related to values of morality, social and environmental responsibility, this framework can serve as a guide to attracting sustainability-oriented customers image (Kuma & Christodouloupoulou, 2013). Its main idea revolves around the process of implementing sustainable practices in the company's operations, communicating them to the audience, and transforming them into associations that later become a part of the company's brand.

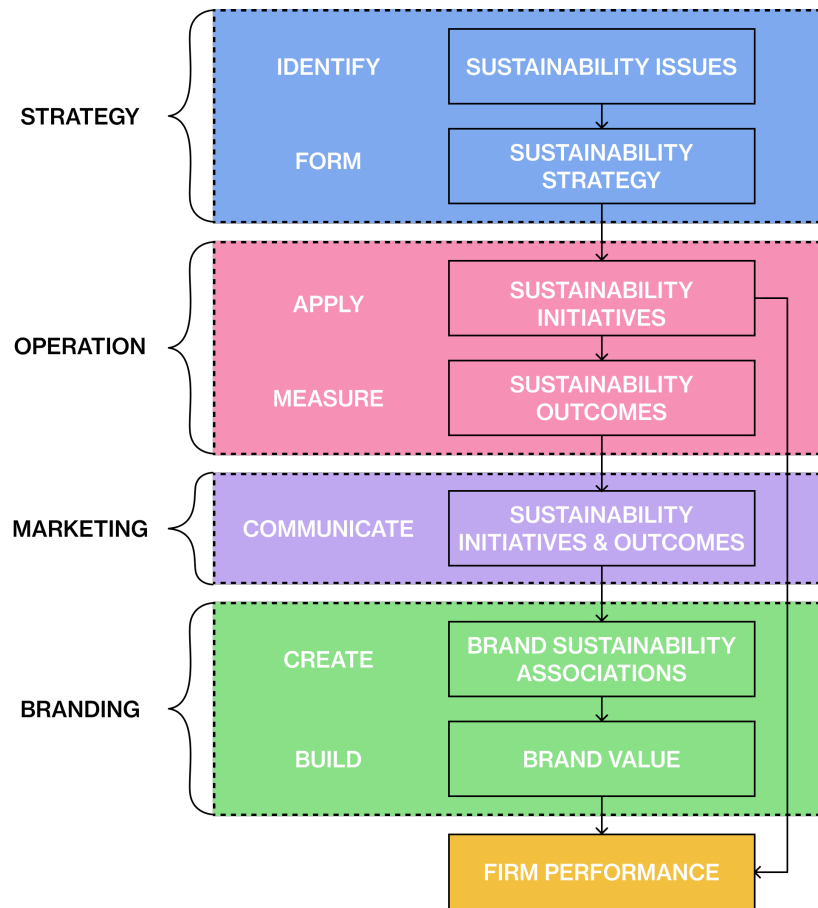
According to Kuma & Christodouloupoulou (2013), there are several ways how a company can integrate sustainability into its brand. Firstly, a company can communicate its sustainability initiatives through advertising, product packaging, or other promotional elements. Secondly, a company can implement these initiatives into sustainable features of its products, and later disclose them in both companies and CSR reports. By executing these strategies, a company can build a sustainability-oriented brand and become more acknowledged by the customers (Kuma & Christodouloupoulou, 2013). As soon as customers or any other stakeholders become aware of the sustainability efforts of a company and feel involved in improving the environment around them, they simultaneously become a part of the brand value creation process (Henderson & Arora, 210).

To implement the framework proposed by Kuma and Christodouloupoulou (2013) three steps needed to be taken. Firstly, a company needs to identify the issues that can be solved through its sustainability initiatives and develop a sustainability strategy. It is important to

consider both industrial, social and environmental aspects when assessing these issues. Moreover, to create a sustainability strategy that will be market-oriented, these issues should be relevant to all stakeholder groups (Hult, 2011; Smith, Drumwright, & Gentile, 2010). When the necessary data is collected, a company can create a strategy that sets out the principles on which their sustainability practices should focus.

The second step includes planning, implementing, and measuring the outcomes of the sustainability strategy. During the planning stage, a company should decide which environmental or social activities will be implemented and whether they align with its overall activities. This way the company will be able to increase the purchase intentions of customers (Ellen, Webb, & Mohr, 2006). After implementing sustainability initiatives, a company needs to assess its results and report to the stakeholders.

The third step is dedicated to communication and brand management to link the company's sustainability strategy to performance goals. There are several channels of communicating the outcomes of this strategy, including sustainability reports, advertisements, social media, or product packaging. If a company successfully communicates its sustainability actions to the public, strong brand connections and associations of sustainability, responsibility, and mindfulness can arise. As a result, a company will be able to improve its brand image, as well as increase the value of the brand for consumers (Henderson & Arora, 2010).



*Figure 2. Integration for sustainability – implementation,
(Kuma and Christodouloupoulou, 2013)*

Based on the framework presented above (Fig. 2) a few conclusions can be made. First, to successfully implement a sustainable strategy, a company needs to treat sustainability with the utmost importance, meaning that it has to be at the core of the company's mission. Moreover, building a brand around sustainability can enhance brand value, facilitate financial growth, create a competitive advantage in the market, and at the same time improve the well-being of the environment (Kuma & Christodouloupoulou, 2013).

This framework will be used in current research and help understand to what extent sustainability is part of the niche cosmetics branding and how it is reflected in their strategy and desire to create brand associations.

2.2 Sustainability as part of Corporate Social Responsibility

Corporate Social Responsibility (CSR) and Sustainability are the terms that can easily be mixed up, as they both focus on the company's efforts to contribute positively to environmental and social impacts (Bahu, 2020; GreenKPI, 2021). However, corporate social

responsibility is a broader concept than sustainability. According to the United Nations Industrial Development Organization (2017) CSR can be described as a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. It covers the relationship between corporations and the societies with which they interact, focusing on the responsibilities that are inherent on both sides of these ties. Moreover, CSR provides a framework that helps firms to prioritize among various stakeholder groups and adjust the internal strategic planning process to increase the long-term viability of the company (Chandler, 2019).

However, CSR initiatives have often been criticized for deferring to the company's fundamental goal of making a profit (Christensen et al., 2010). This makes it difficult to the companies to validate their CSR efforts. Moreover, these efforts can only be successful if there is sufficient consumer demand for such goods and services (Vitell, 2015). Within the cosmetics industry, such concepts as clean, organic, and vegan beauty becoming industry hot topics (Wei, 2020). More and more people are demanding sustainable products resulting in a 15 percent annual growth rate of the green cosmetics market (Acme Hardesty, 2020). Thus, if a company can promote its responsible initiatives to society, it has more chances to gain a competitive advantage over those companies that fail to do so (Yang et al., 2010; Weiner, 2017).

When it comes to sustainability, it is usually considered to be part of corporate social responsibility (see Fig. 3) and incorporates social and environmental concerns into the company's strategy and operational structure (Chandler, 2019).

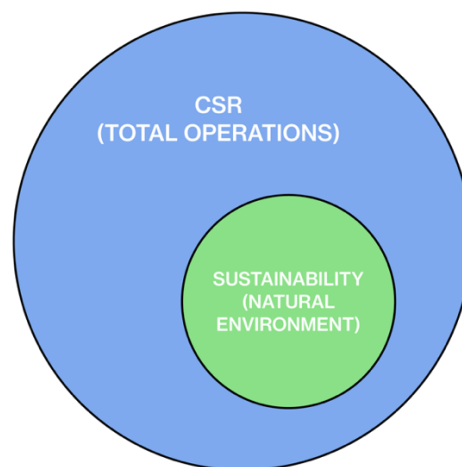
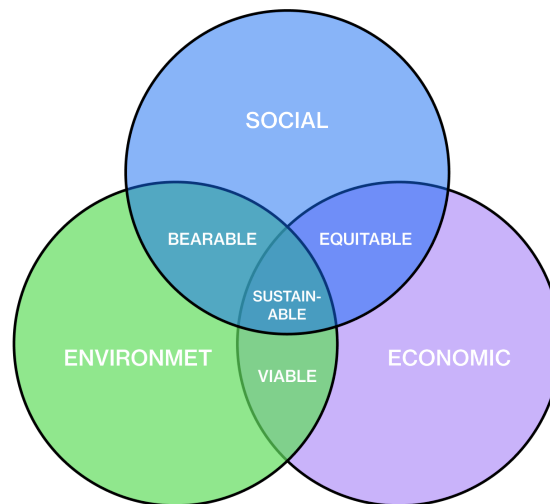


Figure 3 “Sustainability vs. CSR”, (Chandler, 2019)

This term can be interpreted in many ways. The Brundtland Commission of the United Nations defines sustainability within the concept of sustainable development, which emphasizes the importance of meeting the needs of both the present and the future generations (Sahota, 2013). According to this definition, sustainability is based on three pillars, which are shown in the figure below.



*Figure 4 “The three pillars of sustainability”,
(Purvis., Mao & Robinson, 2018)*

These three pillars are usually called the "triple bottom line", forming the ground for various sustainability standards and certification systems (Sahota, 2013). The main idea of a “triple bottom line” is that a company can be managed not only in a way to be profitable, but also to improve the lives of people and to preserve our planet (Elkington, 2018). This particular research will be mainly focused on sustainability, as an important subset of CSR that encompasses total firm operations. In particular, we will look at ways to create successful sustainability communication and explain the importance of green marketing.

2.2.1 Sustainable Communication

Today’s stakeholders do not only expect companies to have thorough sustainability processes and address major global challenges – but they also demand honest, transparent communication of their sustainable initiatives (Lidh, 2019; Luong, 2020). If a company openly communicates its efforts and challenges, it can gain more trust and recognition among customers, suppliers, investors, and other stakeholders (Luong, 2020).

According to Lindh (2019), sustainable communication is a marketing tool that companies can use to identify their relationship with sustainability. It can also be described as a business strategy for companies that integrate sustainability in their operational and strategic activities (Bhatia, 2018). A well-designed communication strategy can not only encourage employees to contribute to sustainable development but also increase competitive advantage since sustainability initiatives can differentiate a company from others in the market (Luong, 2020).

Luong (2020) emphasizes that to communicate sustainability effectively a company needs to ensure that its message is simple, honest and authentic, positive, and consistent with the brand image. Moreover, the communication objective must correspond to the maturity of the company's approach to sustainability, while the message precisely illustrates its results. After identifying the objective for sustainable communication, a company needs to decide on the audience that it is trying to reach out to (Lindh, 2019). The main goal here is to reach a more versatile audience with a targeted message across multiple channels. In fact, if a company employs a combination of channels and adapts content and messaging to meet specific customers' needs, it will be able to deliver its story to a broader audience (Luong, 2020).

2.2.2 Green Marketing

The term "green marketing" was first introduced by Jacqueline Ottman in her book "Green Marketing" in the early 80s. By this term, she implied the process of promoting products or services based on their environmental benefits. "Green marketing" is frequently used in industrial and academic circles, and is often referred to the company's efforts towards "Sustainability and Corporate Social Responsibility" (Duber-Smith & Rubin, 2013).

The popularity of green marketing has been increasing alongside the profound growth of the natural and organic products industry, including food, beverages, personal care, and household sectors (Organic Monitor, 2010). However, according to the Global Survey (2019), while the number of consumers that are familiar with the term increases (74% of adults globally are aware of the term "Sustainability"), less than 20% can give the definition and only 12% can give an example of a sustainable company (Duber-Smith & Rubin, 2013). Such low indicators suggest that companies fail to communicate their sustainable initiatives.

In this regard, Duber-Smith and Rubin (2013) recommend starting by identifying the key drivers of sustainable initiatives that can later help develop a plan of their

implementation. Firstly, a company needs to understand that the interest in sustainable goods and services has increased significantly (International Trade Center, 2019). Therefore, a sustainable marketing strategy is needed to properly position products and target them to these customers. Secondly, a sustainability strategy can be useful to maintain clear advantages over other companies in a highly competitive market (Escaler, 2020). In this regard, sustainability practices can be beneficial for the company, as it is considered that “green” products are normally perceived better by consumers (Rosmarin, 2020). Moreover, a proper sustainable strategy can establish a strong brand reputation with the customers (Ripkauskaitė et al., 2019). In fact, 73% of people are willing to pay more for products from sustainable brands (Sprout Social, 2018). Developing a sustainability strategy is also important, since the global concern around climate change, air and water pollution, global warming, increased carbon footprint, and other topics, is constantly rising (Duber-Smith and Rubin, 2013). Therefore, marketers must address sustainability issues in their marketing strategies. Lastly, companies play an important role in educating consumers about sustainability and promoting sustainable movements in society (Kadirov, et al., 2008). Therefore, embracing sustainability is not only beneficial for companies but society in general.

If a company carefully studies these imperatives and implements sustainability in its business model and marketing strategy, it will have a chance to improve its position on the market (Duber-Smith & Rubin, 2013). To understand how green marketing can be used in the cosmetics industry the following section will describe the notion of sustainable beauty, explain what impact the industry has on the environment and what actions can cosmetic companies take to prevent this impact. At the end of the section, a concept of niche cosmetics brands will be presented, with an emphasis on their contribution to sustainable development.

2.3 Sustainable Beauty

Over the past few years, consumers of beauty products have become increasingly aware of formulations, the origin of ingredients, and the possible influence that these products and their packaging can have on the environment (Jackson, 2021; Zuccaro, 2021). However, the notion of sustainable beauty is often misinterpreted and can be confusing to those consumers who have little knowledge in the field of sustainability (Bennett, 2021).

Based on the literature review, there are many different standards and definitions of sustainable beauty. One of the most common definitions of the term refers to products using

environmentally-friendly formulations, production practices, and packaging methods (Acme Hardesty, 2021). To become sustainable brands often aim for a quartet of eco-labels: recyclable, cruelty-free certification from Leaping Bunny, certification for good business practices (i.e. Fair Trade or B-Corp), and organic ingredients (Sicardi, 2020). Most of the time, these eco-labels only cover specific products and not the entire product line of the company, as they are still considered to be voluntary accreditations. However, there is a clear need for making them mandatory, as statistics show that the cosmetics industry has one of the biggest impacts on the environment (March, 2018). Therefore, in the following sub-section, the environmental impact of the cosmetics industry will be examined.

2.3.1 The Impact of the Cosmetics Industry on The Environment

The cosmetics industry is one of the industries notorious for its negative impact on the environment. It contributes to environmental pollution and depletes natural resources in various ways. According to Zero Waste, the global cosmetics industry produces over 120 billion units of packaging every year (March, 2018). Most of the beauty products come packaged in plastic, wrapped in paper, protected by cardboard sleeves, and decorated with mirrored glass. These materials can decompose for almost 1,000 years or less if not properly recycled. However, as the Garnier study showed, 34% of the world's population do not recycle bathroom products because of the inconvenience. So, a huge amount of these items just ends up in landfills, polluting our environment. In fact, more than ten million tons of plastic (not necessarily cosmetics products) are dumped into the oceans every year, destroying marine life and contaminating our diets (Plastic Oceans, 2020).

Plastic is not the only problem with the beauty industry. Water, being the key element within this industry, is being wasted in large amounts. In fact, there are even concerns that water demand could outstrip supply (March, 2018). But it is not entirely the fault of the brands. In the UK alone, 142 liters of water a day is used, which simply goes down the drain. In response to this data, many brands are currently working to not only save this resource but also to raise awareness about the importance of access to clean water (after all, 844 million people still live without it) (March, 2018).

Another negative effect of the beauty industry is air pollution. In fact, the study of the AAAS (2018) proved that perfumes, hairsprays, and deodorants emit the same level of chemical vapors as the emissions of cars in the form of "volatile organic compounds" (VOCs). These combine with other particles in the air, producing harmful ozone and

pollution PM2.5 (AAAS, 2018). This type of pollution is very bad for human lungs and leads to respiratory diseases – such as asthma – in children and adults (The Climate Reality Project, 2018).

Lastly, increasing demand for cosmetics products has led to the deforestation of multiple areas (Greenfield, 2016). The reason for it is that tree-based products, such as wood, paper, and cardboard are widely used in the packaging of cosmetics products (Cosmetics Europe, 2019). Every year, more than two billion trees are logged for packaging alone (Risi, 2019). When cutting them down, carbon dioxide that is stored in them is released into the atmosphere, which contributes to global warming. In fact, 23% of the carbon dioxide emissions caused by human activities are the result of deforestation. By comparison, the emissions caused by all vehicles on the roads are estimated by the World Wide Web without a car at 14% (The Guardian, 2018).

2.3.2 Sustainable Practices in Cosmetics Industry

Despite the negative impact that the cosmetics industry has on the environment, many companies are rapidly developing and utilizing sustainable practices (Duber-Smith & Rubin, 2013). Ethical sourcing is one of the commonly used practices used in the cosmetics industry that refers to the implementation of vital measures to increase the transparency of the supply chain and ensure the full traceability of natural products used in beauty products to meet customer needs (Pulverail, 2014). It is based on two principles:

1. Sustainable development, which includes the preservation of the environment (e.g. by harvesting at the appropriate time and replanting for the future);
2. Fairtrade, which aims to improve the quality of life of the local communities.

Packaging is another area where cosmetics brands are trying to reduce the environmental impact of their products (Cosmetics Europe, 2019). Companies are looking for different ways to make their packaging as sustainable as possible. Some of them are now using Post-Consumer Regrind (PCR) plastics (recycled plastic). Others use long-lasting bottles, compacts, and tubes that can be refilled (Bargh, 2020). Several cosmetics companies started using natural raw materials, such as bamboo and wood fiber, for their packaging (Organic Monitor, 2010).

Energy and waste management also play an important role in the cosmetics industry nowadays (Richman, 2012). It is a comprehensive process that aims to control all stages of the product lifecycle from raw materials to the final use of the product. If applied properly,

companies in the cosmetics industry can make a significant contribution to addressing the growing global sustainability challenges posed by increasingly scarce resources.

The opportunities for energy management range from making the current energy resources throughout the product lifecycle more efficient to utilizing renewable energy sources (Bennet & Brown, 2014). As waste management, there are increasing opportunities to eliminate this concept by recycling and reusing materials at all stages of production, as well as encouraging both employees and customers to be more environmentally conscious.

Green formulations and ingredients are another practice that is becoming increasingly common among cosmetics brands (Beerling, 2014). Companies invest in developing high-performing products with more natural alternatives. The reason for this is that people are becoming more aware of different ingredients and substances that are used in beauty products, and the impact they can have on their health and wellness (Giroto, 2012). Green formulations and ingredients also imply sustainability, meaning that the extraction of raw materials does not have a negative impact on the environment and the local population (Beerling, 2014). Products that were sustainably sourced are labeled with the Fair Trade and Rainforest Alliance logos, which makes it easier for customers to make a better choice while shopping (March, 2018).

2.3.3 Sustainable Niche Cosmetics Brands

In general, niche brands target a narrow group of consumers who have different needs from those of the general market. They tend to have a small market share and enjoy a higher level of loyalty and a lower level of penetration (Wang, 2016). A niche can be defined based on various factors, including values, geography, price, income, quality, interests, and hobbies (Ward, 2020). When a brand targets a niche market, it can gain reduced competition, focused business efforts, expertise, and brand loyalty.

While focusing on a niche market can be very beneficial, there are still some disadvantages that are important to consider (Ward, 2020). Firstly, a niche brand can become too dependent on a product or service, making itself vulnerable to market changes and stagnant growth. Secondly, as a niche brand becomes more successful, it gets more competitors. Once one brand has established and tested a profitable niche, others will come quickly. Therefore, a lot of niche brands are constantly investing in sustainability development, introducing new technologies, and trying to establish a stronger relationship with their audience (Utroske, 2019)

In this research, cosmetic brands that focus on the niche market will be examined. These brands promote the notion of conscious beauty to customers by certifying products under the main five pillars – Clean Ingredients, Cruelty-free, Vegan, Sustainable Packaging, and Positive Impact (Wei, 2020). It is important to note that while sustainable products have a lot of benefits, it is difficult for niche brands to remain noticed and stand out among the multitude of green labels (Dishman, 2020). In fact, only ten years ago a company could have simply announced that it cared about the planet and enjoy all the attention and trust from stakeholders (Edwards, 2010). While now consumers are more educated and which forces companies to be even more accountable.

2.4 Knowledge Gap

To sum up, the proposed theoretical framework guiding this research consists of the sustainability integration framework (Kuma and Christodouloupoulou, 2013) and green marketing theory (Duber-Smith and Rubin, 2013) that may facilitate an understanding of how niche cosmetics brands are integrating sustainability as part of their branding strategy. Furthermore, a literature review was conducted of sustainability as a part of corporate social responsibility, followed by a discussion on the impact of the cosmetics industry on the environment and sustainable practices that companies implement to prevent this impact, as well as a brief overview of niche cosmetics brands. Although there is a significant amount of literature on sustainable beauty (Sahota, 2014; March, 2018; Jackson, 2021; Zuccaro, 2021; Bennett, 2021) and branding strategies (Kuma & Christodouloupoulou, 2013; Lehner & Halliday, 2014; Biedenbach, 2016; Lein, 2018; Lipman, 2018), research on the branding of sustainable cosmetics brands is much more limited and focused primarily on big corporations, sustainable formulations and greenwashing. The study by Cosmetics Europe (2019), for example, presents the most common sustainable initiatives that can lead to the circularity of the cosmetics industry, but it does not explain how these initiatives can be integrated into the branding strategy. Moreover, the literature that is available on the branding of sustainable cosmetics brands mostly considers the cosmetics industry in general rather than concentrating on specific brands individually. This research contributes to the literature by filling the gap on integrating sustainability in the branding strategy of niche cosmetics brands.

3. Methodology

This section discusses the methodology that will be used for this research and explains why the chosen methods are applicable to get insights on how niche cosmetics brands communicate sustainability.

3.1 Research design

Qualitative methods were selected for this research, as they are considered to be the most appropriate when examining a phenomenon in the environment, which is usually supported by a social meaning that occurs naturally (Van Esch, 2013). Previous research on sustainability communication across various industries was either based on surveys of consumers about their attitude towards the sustainable messages they receive from brands (McDonald & Oates, 2006; Schiano et al., 2020), or content analysis of newspaper articles about the sustainability of certain brands (Neto & Pinto, 2019). To find the answer to the research question: *how are niche cosmetics brands integrating sustainability as part of their branding strategy*, two methods will be applied, namely semi-structured in-depth interviews and the content analysis of Instagram posts. Such a mix of research methods will allow for a new depth of understanding the sustainable initiatives by niche cosmetic brands.

On the one hand, interviews will provide insights into the companies' understanding of sustainability, intentions to run a sustainable business, as well as give an idea of how they strive to be more sustainable in the future (for instance, what measures they are planning to take). Interviews are essential for this particular study, as they will provide the researcher with relevant information about each niche cosmetic brand, and, therefore, be able to conclude how sustainability practices are integrated into the companies' branding strategy. According to Lindlof and Taylor (2017), in-depth interviews are best done for the following reasons: retrieving previous experiences, cultivating trust, gaining a better understanding of viewpoints. Therefore, this method will be useful to understand how brands define sustainability and what initiatives they address on Instagram to establish their brand image.

On the other hand, content analysis will be used to link sustainability to certain key aspects. In other words, it will provide insights on how niche cosmetic brands communicate their sustainable practices and to what extent. Content analysis is appropriate for this research as it allows to organize visual and textual data and identify repeated patterns to establish existing links (Julien, 2012). Moreover, it enables the coding of large volumes of data into smaller parts (Neuman, 2011). Therefore, this method provides the researcher with an

opportunity to organize and reduce the amount of data obtained from Instagram posts and analyze their meaning in the context of niche cosmetics brands' sustainability communication.

Another advantage of content analysis is that it does not require the direct participation of other people and instead offers the examination of people-generated data, namely social media content. Julien (2012) also emphasizes that this content can be examined not only in terms of various themes to which it may be allocated but in terms of specific words and the recurrence of their meanings too. In relation to niche cosmetics brands, this method will reveal the differences and/or similarities in sustainability communication between the selected companies, as well as provide insights on the way sustainability is integrated into the branding strategy.

Thus, a mix of two qualitative methods has been used, namely semi-structured interviews and content analysis. The rationale for using both methods is to obtain as much evidence as possible to answer the research question. Moreover, it will allow looking at the topic both from the perspective of the consumer and the brand. The following parts will provide a more detailed explanation of each method.

3.2 Operationalization

The following section explains the operationalization for using a mix of two qualitative methods: semi-structured in-depth interviews and content analysis. This is necessary as each method has its concept or objective that is to be observed or measured by the researcher.

3.2.1 Semi-structured interviews

Semi-structured in-depth interviews were conducted for this study. This type of interview is based on several key questions that allow focusing on a specific area that needs to be explored, but at the same time do not limit the conversation from deviating into other related topics. This way the interviewer can get more detailed information and study the questions from different angles (Stewart, Treasure & Chadwick, 2008). Moreover, as interviews have an open-ended structure, meaning that all the interviewees were asked similar questions, the researcher was able to make a more precise conclusion when comparing the interview transcripts.

Furthermore, interviews allow to not only study the participants' statements but monitor the non-verbal cues that accompany them (Barbour, 2014). To do this, it is important to establish trust with interviewees before the meeting and ensure that the setting is pleasant and private (Lindlof & Taylor, 2017). When done correctly, a friendly connection with the interviewee can be established and the conversation will go smoothly. However, it is important to remember that the interview must remain "a conversation with a purpose" (Bingham & Moore, 1959).

The purpose of this study is for brands' representatives to express their attitude toward sustainable initiatives in the cosmetics industry, and how they integrate them into their brand strategy to analyze the branding strategies of selected brands, the researcher ensured that the questions asked during the interviews, could provide enough information on why a particular brand decided to integrate sustainability in its strategy. Moreover, interviews were used to understand how brands communicate sustainability on social media, whether it affects their branding strategy, and whether it can serve as an effective marketing tool to attract new customers. Therefore, an interview guide (Appendix C) was created to ensure that the researcher asks engaging questions that focus on specific topics, and can lead to data full of insights. The interview guide was based on questions that have previously been used by Toemen (2017), Hansson & Eriksson (2016), and Slot (2019) in their research and have proven to be valid for studying sustainability topics. It consisted of 4 main topics, namely, general information, sustainability, brand reputation, and social media.

3.2.2 Instagram

Instagram was chosen as a data collection resource. This platform is considered to be one of the main channels that most brands use to communicate with their target audiences (Fleming, 2018). Instagram allows to create awareness, build relationships with communities and generate activations that are not possible on any other platforms. Before Instagram became a popular communication tool, brands had to communicate their message through publications and editors. This prevented them from being original and transparent as their message always had to go through a third-party lens. But since Instagram became a part of people's lives, brands can control their narrative and visuals, and as a result deliver a direct message to their audience (Ricard, 2018). Moreover, Instagram provides important information on the audience itself. It shows what is the exact target audience of the brand,



what are the best ways to communicate with them, as well as what are their preferences and expectations from the brand (Hordern, 2017).




The study by Meppelink (2013) shows that Instagram is also widely used to communicate sustainability messages in particular. He notes that various brands are often seen to inform their customers on sustainability topics and the impact that their purchase behavior has on the environment through Instagram. In fact, Instagram is not only important for brands to build relationships with the target audience, but also for creating awareness on sustainability and encouraging people to become more responsible (Borne, 2016).

3.3 Sampling

To select the sample for interviews and content analysis a purposive sampling was used. This method is widely used in qualitative research, as it is the only method that is appropriate when there are only a limited number of primary data sources that can contribute to the study (Sanders, et al, 2012). The participants were chosen based on whether they communicate sustainability practices on their Instagram pages and if they fit the following criteria:

Table 1. Sampling Criteria

1.	Mentioning sustainable initiatives in the profile header	 <p>thegiftlabel Follow ▾ ⋮</p> <p>1,028 posts 67.5k followers 3,307 following</p> <p>We make gifting easy and fun!</p> <p>Shopping & Retail</p> <ul style="list-style-type: none"> Give love with bold and big-hearted gifts Give goodness with sustainable products Give surprise with personal quotes Give back to communities <p>www.thegiftlabel.com</p>
2.	Using any of the main five pillars of conscious beauty – Clean Ingredients, Cruelty-free, Vegan, Sustainable Packaging, and Positive Impact	 <p>whamisarussia Follow ▾ ⋮</p> <p>918 posts 29k followers 27 following</p> <p>Органическая косметика WHAMISA</p> <p>Product/Service</p> <ul style="list-style-type: none"> №1 «Лучший органический бренд косметики» 2020 Ферментированная косметика премиум-класса ORGANIC, VEGAN, CRUELTY FREE <p>Сот-во: @whamisa.pr</p> <p>Сайт↓</p> <p>ru.whamisa.com</p>

3.	<p>Using emojis that are associated with nature and sustainability (i.e. 🌱🍃♻️)</p>	 <p>davinesofficial Hear that? 🦋 Get ready to unwrap something special. Our NEW Shampoo Bars have:</p> <ul style="list-style-type: none"> 🌱 100% recyclable, sustainably sourced and FSC-certified packaging ♻️ 🌱 Thoughtfully sourced active ingredients that are saved from extinction + protect biodiversity 🌿 🌱 No sulfates, preservatives or silicones 🌱 Up to 97.4% biodegradable formulas <p>Discover more, link in bio!</p> <p>#davines #essentialhaircare #essentialsolidshampoo #sustainablebeauty #essentialshampooobar</p>
4.	<p>Using photos and graphics that associate with nature and sustainability</p>	 <p>(Translation: Is it possible to recycle our packaging?)</p>
5.	<p>Mentioning sustainable initiatives in captions of the posts.</p>	 <p>noieskin We love planet Earth 🌍</p> <p>And today, we're celebrating it by asking this simple question: When was the last time you took a fresh breath of nature?</p> <p>Spending time in nature is important to our well-being. In fact, it's scientifically proven* that as little as 10-20 minutes in nature on a regular basis has a beneficial effect on our mental health 🧠🌱</p> <p>And we think that's a pretty good reason to go out and recharge in nature, today.</p> <p>Happy Earth Day 🌱</p> <hr/> <p>👍💬📌</p> <p>88 likes</p> <p>APRIL 22</p>

After ensuring that the brands complied with all the requirements for the Instagram page, their websites were reviewed to make sure that they mention their sustainability practices there, and only then proceeded with arranging the interviews. The amount of arranged interviews depended on the brands' interest and willingness to be interviewed.

The five niche cosmetics brands that best met the established sampling criteria were selected for the interviews, namely Nøie, Davines, The Gift Label, Hello Klean, and Whamisa. The table below provides details on the country of origin and focus area (niche) of each brand.

Table 2. Interview Participants

Brand	Country of origin	Niche	Example of a product	Brands mission
Nøie	Denmark	Customized skincare products based on individual skin profiles, scientifically proven ingredients, and shared knowledge within a community. Company asks to take an online skin test that will determine the ingredients used in the product.	Face cream (50ml) – €39.50	“To increase the quality of life for people with skin concerns and to create a new honesty about a taboo issue.” – Nøie, 2021
Davines	Italy (Russian branch)	Premium hair care products both for personal and professional use. The company uses ingredients of natural origin, are generated with renewable electric energy and packaged minimizing the environmental impact.	Oi Hair Oil (280ml) – €45.00	“By creating beauty sustainably, we encourage people to take care of themselves, of the environment in which they live & work, and of the things they love.” – Davines, 2021

The Gift Label	The Netherlands	Personalized skincare and lifestyle products, available individually or in gift set.	Body wash “Rock this day” (1000ml) – €27.99	“It is our passion to create products that are loved.” – The Gift Label, 2021
Hello Klean	Germany	Multi-functional shower essentials (hair care products, filters, sculp brushes) that banish impurities from the skin and hair by purifying harsh water from unwanted chemicals and icky buildup.	Shower Filter – €39,00	“The ingredients need to deliver results, they need to be safe, and they need to be kind to you, to others and to our plant.” – Hello Klean
Whamisa	Korea (Russian branch)	Vegan, organic skincare brand perfecting the art of fermentation only using naturally-derived ingredients from flowers, fruits, seeds, and roots.	Organic Flowers Cleansing Oil (153ml) – \$30.00	“Inspired by the power of nature and traditional fermentation methodology, we are dedicated to sourcing organic and sustainably harvested botanicals to formulate clean and safe products.” – Whamisa, 2021

To receive a more versatile view on sustainability and branding of niche cosmetic brands, some interviews were conducted with the founders of the chosen brands, who have the most expertise on how to run such business and could reveal their intentions for incorporating sustainable values in their brand, which is related to the purpose of this research. Other interviews were conducted with the heads of the marketing department, who were able to give their insight on communicating those values on Instagram and other social media channels. By receiving this information, the researcher was able to understand the brands’ attitude toward sustainability and to see what impact it has on their branding strategy.

Moreover, this information can later supplement the results of qualitative studies on sustainability in the cosmetic industry that were conducted earlier.

3.4 Data collection and analysis

Interviews

The data collection process for the interviews started with finding the participants, using the Instagram search engine and personal network. The interviewees were mainly contacted via Instagram Direct and e-mail between March and April. 5 out of 40 potential participants agreed to share their insights on running a sustainable business. Interviewees were asked to sign the consent form (Appendix D) that a recording would be made during the interview and that the data obtained would be used for further analysis. All 5 interviews took place in May.

When all the interviews were conducted, the recordings were transcribed and coded (see the example of a transcript in Appendix E). Some of the interviews required translation, as they were conducted in Russian. The coding analysis consisted of highlighting the most frequently mentioned topics, phrases, and words, as well as those that are most relevant for the study. These codes were then put into a table, compared, and formed into bigger themes. These themes were used for the final analysis in relation to the theory and the research question. The coding frame can be found in Appendix A. The most prominent themes are discussed in the analysis section. The answers of brands' representatives were considered reliable and valid for this research since no other sources can provide insightful information regarding the activities, strategies, and intentions of these brands.

Content analysis

After identifying that Instagram is a reliable platform for this research, a qualitative content analysis was performed. According to Schreier & Flick (2013), this method is the most appropriate to analyze written, verbal, and visual communication messages, as it allows to understand how different parts of the material compare and relate to each other. Qualitative content analysis can be carried out in two ways: with inductive or deductive approaches. This study will be based on the first one. This approach is also sometimes called data-driven (Schreier, 2012) or text-driven (Krippendorff, 2013), and is characterized by a search for patterns. These patterns are identified by looking for similarities and differences in the data, and later merging them into themes on various levels of abstraction and interpretation.

For this analysis to be applicable and saturated, the same niche cosmetics brands as for the interviews were used. To make sure that the results of the analysis are valid and up-to-date, 10 latest posts of 5 niche cosmetic brands were used. This sample was selected using the cluster method to ensure that the collected data can provide a wide range of codes. The final sample consisted of 50 posts.

The next step after selecting the appropriate sample of visuals is to code them. Open coding was performed for every post. This method is aimed at expressing data in the form of concepts, defining and developing categories based on their properties and dimensions (Strauss & Corbin, 1990). Firstly, the selected posts were coded, meaning that every element of the images was detected and examined thoroughly. The obtained codes were compared and used to form categories. These categories were merged into broader themes and were then used to answer the research question.

For this study, three elements were considered, namely type (visual or textual), content (information contained in the image), description (information that is written under the post). There was a division between the codes. The first group is related to the codes derived from visual elements (photos, graphics, and animations), while the second group includes the codes obtained from textual elements (posts descriptions and hashtags). Codes from both groups were placed into a coding frame and further formed into categories and subcategories. This way it was possible to understand whether niche cosmetics brands consider sustainability to be a brand philosophy, or whether they are using it as a marketing tool.

A coding frame was used to measure concepts found in the visual and textual content on Instagram accounts of 5 niche cosmetic brands that integrate sustainability in their branding strategy (the sampling criteria is explained in the following section). To analyze the visual composition of the images the researcher considered various variables, including colors (warm or cold), the aesthetics (whether the image has an informative or narrative effect). Besides that, the researcher used the study of Smallegange (2017) as a foundation to create a coding frame for the most prominent categories found in images, captions, and hashtags. Once the categories were determined and the topics/concepts were inferred, the observations were linked to the theory. Therefore, the content analysis helped identify what can be considered as evidence and what cannot.

When the open coding process has reached saturation, the methodological guidelines of Saldana (2008) were used to establish the coding frame. The coding frame was based on data-driven analysis, which consisted of categories and their codes. The categories consisted

of aspects that the researcher was most interested in, while the subcategories consisted of what was found in the data (images, captions hashtags) about those aspects. The coding frame was formed as a coding tree and was continued until saturation was reached and no new categories or subcategories were found in the data.

4. Results

The following key themes were found throughout the coding process of interview data analysis: *transparency in communication, building community, unique product offering, educating consumers, reducing footprint*. These themes can be used as guidelines for building a branding strategy and integrating sustainability in it. Niche cosmetic brands can become a perfect trigger for creating a change in the industry and the mindset of the society, and, therefore, contribute to its success. Transparency and consistency are very important factors in that sense, as they make stakeholders trust the brand. However, any information that brands want to pass on to the audience needs to be understandable, meaning that instead of simply providing facts (i.e. scientific findings, productional details), a company needs to gradually introduce them to the topic with clear examples and simple wording. Therefore, by integrating sustainability in branding and building a community of like-minded people, niche cosmetics brands will be able to become more valued by the industry and society in general.

Based on the content analysis, it can be concluded that niche cosmetics brands use Instagram to integrate sustainability into their branding through visual and textual representation. Instagram has the potential to create a responsible community, raise awareness on sustainability topics, as well as build positive associations around niche cosmetics brands. The main themes derived from the content analysis are *sustainable beauty, transparency, and wellness*. If a company integrates these themes into its branding and uses them to communicate on Instagram, it will be able to improve its brand reputation. Being transparent on the platform will ensure stronger connections with existing audience and an increase in new customers. As a result, a company will enjoy better sales, while the industry will have the potential to become fully sustainable. It is also important, that brands deliver a consistent message that aligns with their overall activities and strategy (Kuma & Christodouloupoulou, 2013). In the following sections, the findings of the current research will be introduced.

4.1 Sustainability as defined by niche cosmetics brands

This section aims to answer the first sub-question: *What is the brands' definition of sustainability?* At the beginning of each interview brands' representatives were asked to define sustainability terms. Some of them approached it individually or collectively, but either way, their unique approach ensured the differentiation of their brands in relation to the term sustainability. The book "How to avoid climate disaster" by Bill Gates was often

mentioned as one of the reasons for setting up a sustainable cosmetics brand or in some cases introducing sustainable practices into existing business models. Respondents consider this book as a powerful impetus towards sustainable development. It brings the understanding of the negative impact various industries have on the environment, thus, encourages brands to reduce their footprint and create sustainable innovations. The goal of addressing sustainability was to understand the participants' perception of the term, how familiar they are with sustainability pillars, and what role does sustainability play in their branding strategies. Based on the literature review, there are many different definitions of sustainability. The most common definition of the term within the beauty industry refers to products that use environmentally friendly formulations, production methods, and packaging (Acme Hardesty, 2021). To become sustainable, brands often strive to achieve four main eco-labels: recyclable, cruelty-free certification from Leaping Bunny, certification for good business practices (i.e. Fair Trade or B-Corp), and organic ingredients (Sicardi, 2020). These standard and certification systems are closely related to the three pillars of sustainability, or the "triple bottom line" framework that encourages businesses to monitor and manage their economic, social, and environmental impact (Elkington, 2018). This concept often came up during interviews, pointing to its importance in the process of shaping branding strategies for sustainable cosmetic brands.

During the interviews with the marketing manager of Davines and the cofounder of Nøie, the scientific definition of sustainability was introduced. In particular, they mentioned the three pillars of sustainability and explained how they interpret it within their company:

"It is hard for me to speak for the whole company, but, personally, I believe that if a company keeps track of its impact on the environment, society, and economy, and takes appropriate actions to reduce this impact, then it is on the right track to becoming sustainable. At Davines, we always keep these pillars in mind, in fact, they lay the foundation of our company's mission. It was our adherence to these pillars that allowed us to receive the B Corporation Certificate, which, to be honest, is a very complicated process." (Interview 2, p. 4)

While Davines representative focuses her definition of sustainability on the triple bottom line framework, the representative of Nøie complements this definition with another important aspect of sustainability – circularity:

“For us sustainability equals circularity. So, if we can become 100% circular, then I can go out and say that we're sustainable.” (Interview 1, p. 3)

He then explains that there is a big difference between sustainability and responsibility, and that most of the people misinterpret these notions, wrongly calling a brand sustainable:

“There's a lot of people that look at Nøie and say, wow, you are a sustainable company. And I'm quite the opposite. I say we are not sustainable because we have not solved these issues. We are a responsible company, but we are not a sustainable company yet. So, reaching 100% circularity would be when we're a sustainable company. And that means that we are going to ensure that our packaging is recyclable. But that doesn't mean that our customers will recycle it. So, we also have an obligation to encourage our customers to actually recycle and to work together with local authorities to improve recycling and how it is done.” (Interview 1, p. 3)

Carly, the founder of Hello Klean, also emphasizes that sustainability is a complex term, that is influenced by many factors. She believes that brands should serve as guides for the community to live a healthy and responsible life:

“Sustainability means that we have a responsibility to the world that we live in, and we shouldn't plummet it of its resources. We need to move away from that mindset of constant consuming. We, at Hello Klean, want to try to reduce waste where possible and try to encourage our audience to recycle, and not only recycling plastic but recycling bioplastic and all those things that, are difficult to recycle today.” (Interview 4, p. 2)

According to Lynn from The Gift Label, sustainability has to be normalized in our society. It is something she learned growing up and now trying to transmit to the society within her brand:

“When I was young, my grandparents always told me you should not use the heating so much because it's not good for the environment. And, I think it influenced who I am now and how I think. It got stuck in my head that you should not only worry about

yourself, you always need to take one step further than your own life to take care of everyone and everything around you.” (Interview 3, p. 5)

Finally, the representative of Whamisa noticed that despite that sustainability has become increasingly prominent across the globe, its definition may differ from one country to another. This happens because the level of sustainability awareness is highly dependent on the country’s history, government regulations, and the media (Rahman, 2020). Maria believes that sustainable development is inevitable, and it’s in brands’ hands to accelerate this process in those countries that are considered to be less developed in this sense:

“If I am really honest with you, I am still learning myself, but I will try to explain. You probably know firsthand that Russia is really far from sustainability. I am afraid to say that a lot of people do not know what recycling or carbon emission means. That’s why it is hard for us as a brand to promote sustainable ideas because there is a very little amount of people that would understand or care about what we do to the environment. But at the same time, I love this challenge, and I believe that brands like Whamisa have a chance to make our country more responsible, and I enjoy being part of it.” (Interview 5, p.2)

The challenge, mentioned by Maria, is a common topic that was raised in all 5 interviews. It implies educating audiences of the brands on environmental issues and sustainability initiatives, as well as encouraging them to consume more responsibly. Scholars refer to this process as sustainable communication. They emphasize that the key to successful sustainable communication is honest and transparent communication of their efforts and challenges (Lidh, 2019; Luong, 2020). As a result, a company can gain trust and recognition among customers, suppliers, investors, and other stakeholders (Luong, 2020). However, approaches to sustainable communication may differ depending on the segment that a target audience belongs to (Fernando, 2021). To compare the approaches that selected niche cosmetics brands to use and to get a deeper understanding of their definition of sustainability, the Instagram pages of these brands were analyzed.

Since both representatives of Davines and Nøie have a more scientific approach to defining sustainability terms, their Instagram pages were compared first. It turned out that both brands dedicate more than 70% of their content to educating their audiences. Moreover, they showcase a very transparent way of communicating, sharing both their achievements

and challenges. Both brands accept the fact that things cannot always be perfect, but trying to become a little better every day and spreading the word about sustainability across society, already makes a big difference. As Davines says on its Instagram page “Sustainability isn’t a goal but rather a lifestyle choice”. This quote perfectly sums up the idea that all the selected niche cosmetics are trying to broadcast through their social media channels. Sustainability is about changing the mindset of society by showing it an example of how to live a more responsibly, and what results this way of life can lead to.

The following section will delve deeper into the concept of sustainable beauty and describe in detail what practices niche cosmetics brands are making towards sustainable development.

4.2 Sustainable practices executed by niche cosmetics brands

This section addresses the second sub-question: *What sustainable initiative do niche cosmetics brands address on Instagram to establish their brand image?* During the interviews, two main categories of sustainable practices were identified, namely circularity, sustainable packaging, and raw materials. Each category will be discussed, presenting examples from the interviews and complementing them to the content extracted from the brands’ Instagram pages.

4.2.1 Circularity

The need for a circular economy approach in the cosmetics industry is becoming increasingly urgent (Sparknews, 2020). More and more companies in the industry are taking the necessary steps to loop the circle, rethinking their value chains and creating sustainable innovations (Utroske, 2020). However, the transition from linear to circular economy should be systematic, meaning that it requires collaborative effort in which all stakeholders play an important role (Spencer, 2021). According to Ziccardi (2020), the demand for circular beauty has been rising, especially after the outbreak of the Covid-19 pandemic that encouraged customers to rethink their approach to self-care and the world around them. She believes that such a high demand for clean beauty encourages companies to be more open, thereby leading to a quicker transition of the industry to a circular economy. Furthermore, Ziccardi (2020) also notes the role of niche cosmetics brands in this process, since they are actively developing new sustainable technologies and promoting the idea of “reduce, reuse, recycle”.

One of the companies actively supporting the concept of circularity is Nøie. They openly accept the fact that sustainability is a long journey that they have not completed yet, but the only way to do so is to become 100% circular. To reach this goal, they actively invest in carbon offsets that remove as much CO₂ as they emit, use recycled materials whenever possible and ensure that their packaging is also recyclable. The company believes that embracing circular economy principles and reducing its reliance on limited resources, can help eliminate the problems that the world is currently facing. The co-founder of Nøie also emphasizes that circularity can only be achieved through a constant and transparent dialogue with society:

“Unfortunately, we don't have very good stories to tell yet. We can only tell that we are on a journey and ... good stories are still to come. That being said, I think it's actually about sharing this journey with our customers, our community, and telling them that we can be better and how we are getting there, bringing them into the journey. I think we, as a brand, have an obligation to encourage our customers to actually recycle and to work together with local authorities to improve recycling and how it's done”. (Interview 1, p. 4)

The representative of Hello Klean shares similar views on the importance of circular economy in the context of sustainable development. She believes that change starts with small steps. In other words, the more people learn about sustainability from small brands like hers, the more likely it is that large corporations will also shift from linear to the circular economy. However, this transition is much more difficult for bigger companies, since it requires businesses to rethink everything they do (Utroske, 2020).

“I think that the cosmetics industry is very much dominated by these huge brands like Unilever. And even though now they're trying to leave behind less footprint and waste, it is not easy for them to change in terms of their entire industrial pipeline... For smaller brands, it is much easier. If for instance, one day I find an alternative to a plastic pump, then it would be very easy for me to coordinate with my suppliers to just have that swapped out. But for a global conglomerate, it's very hard to make such a switch overnight.”

Indeed, the current cosmetics industry is linear, meaning that any beauty product that is no longer used by the consumer, becomes waste (Romero, 2020). Zero Waste (2021) estimated that the amount of packaging will reach 12 billion tons if the level of consumption stays the same. It has also been confirmed that the transition to circularity can have a positive impact on reducing waste (Spencer, 2021).

Circular beauty is possible, but it needs a lot of time, effort, and budget. That is why it is important to encourage bigger companies to move towards the circular economy, as they have enough resources to make a significant change in the industry, and the world, in general (Culliney, 2021). There are two main approaches that companies can take to become circular in the cosmetics industry: extending the life cycle of products and using recyclable materials, ingredients, and packaging (Lim, 2021). Davines, for example, utilizes both methods. Based on one of the Instagram posts that were analyzed, Davines believes that circularity is the future of the cosmetics industry. During the interview, the Davines representative also mentions:

“The vision of Davines is circular and regenerative. We aim to restore the ecological balance between humankind and nature by giving back what we have already received.” (Interview 2, p. 5)

The term regenerative, as the interviewee from Davines explained later, refers to a model that can be sustained over time. In other words, it focuses on the needs of the current generation without jeopardizing the need and demands of future generations. The regenerative economy can only exist if the three pillars of sustainability (environment, society, and economy) are addressed equally. It aims to protect the resources it uses while giving value and well-being to as many people as possible (Davines, 2021). This approach offers a new perspective on circularity and provides more reasons for cosmetics brands to "reduce, reuse, recycle".

4.2.2 Sustainable packaging and materials

The cosmetics industry is currently focusing on improving the sustainability of its activities and product and is actively supporting various initiatives to fulfill its mission. These initiatives not only provide customers with products that have better sustainability credentials but also encourage habits of sustainable consumption (Cosmetics Europe, 2019).

Cosmetics brands are trying to reduce their environmental footprint throughout the entire lifecycle of their products, from the extraction of raw materials to the final recycling and disposal of waste. Various lifecycle analysis approaches (e.g. life cycle assessment, environmental, carbon, and water footprint frameworks) are used to determine a company's impact on the environment. The main goal of these approaches is to help companies prioritize their resources and improve the sustainability profile of their products (Cosmetics Europe, 2019). During the interviews, respondents mentioned some of the sustainability initiatives that they are implementing at various stages of their product lifecycle.

One of the initiatives that have been utilized by the selected niche cosmetics brands is using more recyclable and bio-based packaging materials. Based on the study by Cosmetics Europe (2019), tree-based packaging materials, such as wood, paper, and cardboard are considered to be some of the most popular alternatives to plastic. The reason for it is that these materials are biodegradable, manufactured from renewable resources, and easily recyclable. However, it turns out that using trees as a resource for packaging is not as sustainable as it sounds, because trees can take more than ten years to grow (Parker, 2019). Studies show that such excessive use of tree-based materials has led to a high risk of deforestation (Innovation Forum, 2019). Moreover, logging trees results in high carbon dioxide emissions (Risi, 2019).

To prevent global warming caused by deforestation, cosmetics brands are taking various actions. Nøie, for example, claims to be a CO₂ negative company, meaning that they are actively investing in carbon offsets to compensate for the amount of CO₂ they emit. The company is aiming to reach zero-emission, but until then is taxing itself for the carbon emission. During the interview, the representative from Nøie added that:

“Currently, we are working on a very exciting project, trying to calculate all of our CO₂ emissions. And in doing that, we will find out where we are polluting the most, and that's where we will start to enforce reductions. But before we have the data, we cannot do that. So, collecting the data, figuring out how much we actually emit, and where we pollute, and then start to actually focus on making concrete reductions.”
(Interview 1, p. 2)

According to the Instagram posts that were analyzed, Nøie also pays a lot of attention to sharing their journey with the community, and, consequently, encourage it to contribute

too. As part of the Climate Action Campaign, Nøie is planting trees with each order it ships and inspires its customers to take action too, by recycling the products they receive.



Figure 6 “Nøie Instagram Post #4”, (Nøie, 2021)

Another company that is fighting against deforestation – is Davines. The company offsets all the CO2 emissions related to the production of its packaging, the production site in Parma, as well as the subsidiary offices worldwide. The marketing manager of Davines in Russia shared the offsetting initiatives that she participated in:

“This year we started by planting trees in Samara. On April 29, the Davines team together with partners and clients managed to plant about 11 000 pine trees in Malyshevka village in the Samara region. Moreover, last summer we ran a campaign with our salon partners, during which 10% of every hair coloring with Mask and View dyes went to planting forests. As a result of the campaign, we managed to plant 40,000 trees in seven Russian cities.” (Interview 2, p. 5)

Another way to contribute to the decline in global deforestation is using less wasteful paper. Cosmetics brands are increasingly switching to certified paper. Unlike recycled paper, FSC-certified paper is made of responsibly sourced wood fiber (Siegle, 2013). Forest Stewardship Council is a non-profit organization that ensures that forestry is performed in an environmentally and socially responsible way (Taylor, 2019). While the recycled paper is made of pre-or post-consumer recycled materials, FSC-certified paper is composed of virgin

tree fibers. This method implies that paper producers work to protect the environment, prevent pollution, plant more trees than they cut down, avoid indigenous displacement and damage to wildlife (Rogers, 2020). The co-founder of Nøie explained that:

“Moreover, all our paper and cardboard packaging is FSC-certified, because we support responsible forestry movement... I hope to see other brands too, to become more responsible in everything that they do as well because it’s small things that matter.” (Interview 1, p.2)

Additionally, the representative of Hello Klean noted how important it was for them to avoid as much emission as possible, and to use only responsible materials for their products and packaging:

“Starting from day one, we set up our pipeline that we would have a warehouse in the US, that takes care of the local shipping there, one in Germany, and one in the UK, and one in the Middle East. And for the shipping packaging, we agreed to only use FSC-certified materials that are 100% recyclable.” (Interview 4, p. 4)

To avoid using tree-based materials, some cosmetics brands are switching to sugarcane paper. Existing waste (bagasse) is used to produce this paper, which is then turned into a usable product (Carniato et al., 2013). Therefore, sugarcane paper is more environmentally friendly to produce than wood pulp paper. Moreover, the representative of Whamisa added that:

“It also biodegrades faster and returns nutrients to the soil. That’s why all the box packagings at Whamisa are made of sugarcane paper.” (Interview 5, p. 4)

Glass is another material that is frequently used in the cosmetics industry. What is special about this material is that, unlike plastic whose recycle life is limited, glass can be recycled endlessly without damage to the end product (Freund, 2021). Post-consumer recycled or PCR glass is produced from a mixture of cullet (crushed glass collected during recycling programs) and the raw materials of glass in various proportions. Based on the study by The European Container Glass Federation (2020), the use of cullet not only saves glass raw materials but also decreases energy usage, as it melts faster with less heat, which also

extends the life of the furnace. Moreover, using cullet significantly increases the quality of glass, because no CO₂ or carbon dioxide is released when cullet melts, thus the glass has no bubbles, crystals, or streaks (Jacoby, 2019). The representative of Whamisa outlined that:

“Not only do we monitor the quality of our formulas and ingredients, but we also take the time to find more sustainable packaging solutions. We are always studying the most up-to-date research on how the materials are sourced, their compatibility, and eco-efficiency, and, of course, share this journey with our community. For example, in the recent Instagram post, we talked about our glass bottles for organic flower facial oils. They are made of 25% PCR glass and are fully recycled.”

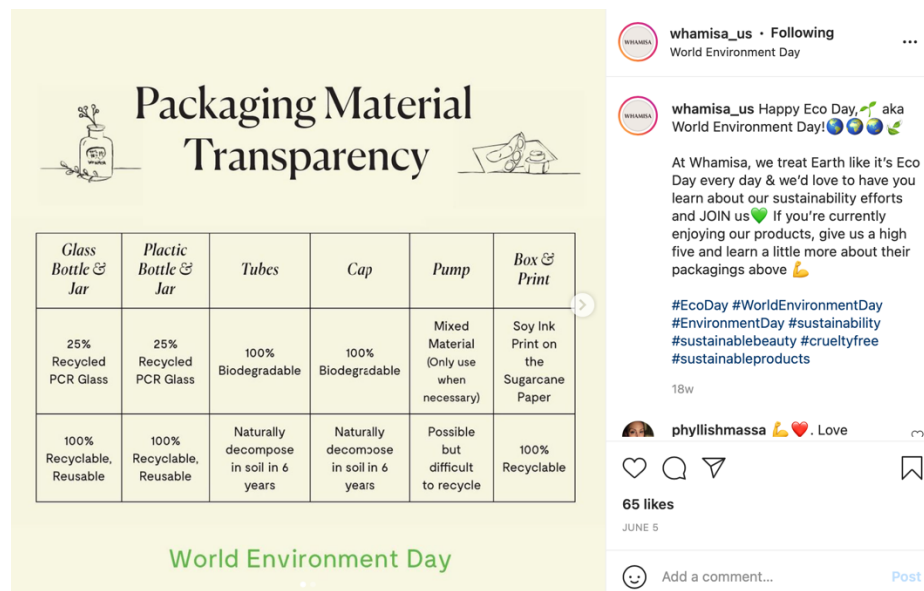


Figure 7 “Whamisa Instagram Post #1”, (Whamisa, 2021)

Ingredients play an important role in the cosmetics industry and are another area in which companies can sustainably develop. A lot of studies and experiments have been made to reduce the environmental footprint of cosmetics products. For example, a study conducted by one of the largest players in the cosmetics industry revealed the carbon footprint of 165000 product formulas. This information enables cosmetics companies to develop formulas with a lower carbon footprint or with a higher proportion of easily degradable ingredients (Cosmetics Europe, 2019). Another cosmetics producer has studied the water footprint and the biodegradability of its formulations over a wide variety of product categories. The data obtained during this study is now being used to create new products that have better environmental characteristics with the same benefits for the consumer (Personal Care

Magazine, 2017). Such a two-pronged approach has long been at the core of the Davines brand strategy. During the interview, the brand's representative explained that:

“Already 20 years ago we realized that beauty and sustainability should go hand in hand. That's why our motto is "Beauty + Sustainability". We believe that beauty is not only about taking care of yourself but also the world around us. Sustainability inspires us to improve our policies, innovate, and develop better formulations and designs. Most of our product lines, for instance, Essential Haircare or SU, are carbon neutral. Moreover, all of our ingredients are responsibly sourced and biodegradable, because it is much better to return to the earth, than to create waste, right?” (Interview 2, p. 5).

When it comes to ingredients, it is important to recognize the sustainability of their sourcing. Cosmetics companies are increasingly entering into partnerships with suppliers to ensure transparency and sustainability of their supply chain (Cosmetics Europe, 2019). Himeno (2018) also emphasizes that sourcing ingredients for cosmetics products typically involves more than two suppliers, causing significant risk of environmental, social, and ethical issues. To avoid these risks, there are special platforms and software that make the supply chain as transparent as possible. However, the representative of The Gift Label noted that it is much easier for a small brand to negotiate with its suppliers, and, therefore, establish transparent communication:

“We always keep pushing our suppliers, asking them what else do you have? Can you take out these ingredients? Can you use different materials? Can you use recycled plastic in the packaging? You know, as we keep pushing them, they will change as well. It's really about negotiating. If I say, we will not accept something and tell them we will go to another supplier, they realize that it will cause them their turnover, they will start changing.” (Interview 3, p. 4).

The quality of the ingredients also plays an important role in the cosmetics industry. In fact, more and more consumers are interested in the origin of the ingredients used to manufacture cosmetics products, and what effect they may have on their health (Himeno, 2018). That is why cosmetics brands have to put a lot of effort into researching the ingredients they are using and constantly look for more sustainable alternatives. The Gift Label, for example, has recently abandoned the use of PEG (polyethylene glycols) in their

hand soap. While this ingredient is widely used in many cosmetics products as a thickener, solvent, softener, and moisture-carriers (CosmEthics, 2014), some studies have proven that it can cause multiple kinds of cancer (Made Safe, 2019). The example below demonstrates how The Gift Label explains its community on Instagram about this change, why they find it important to share:

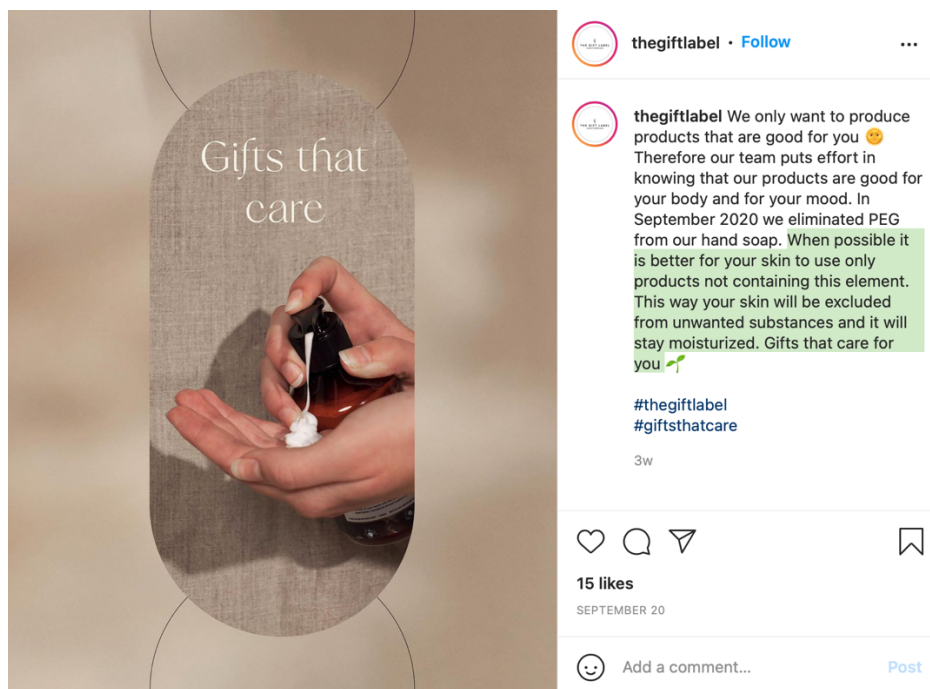


Figure 8 “The Gift Label Instagram Post #3”, (The Gift Label, 2021)

To ensure the effectiveness and safety of its products, Hello Klean also invests in clinical trials. During the interview, the founder of the brand shared the results of a test they did on their Clarifying Scalp Soak:

“Before introducing our Scalp Soak, we put it to the test together with a clinic in Spain. The experiment was conducted on five hair samples that were contaminated with various substances. But after using our Scalp Soak all these pollutants were removed, leaving hair in a very good condition. So, only after we received the results of the trial, we were confident enough to start selling it, because we really wanted to make sure it was suitable for all hair types and didn't cause any harm to people or the environment.”

Finally, when a company uses less packaging for its products, it not only preserves the resources of the planet but also reduces the carbon footprint from shipping (Cosmetics Europe, 2019). Koh (2021) notes that the packaging problem of the cosmetics industry became more urgent during the outbreak of the pandemic that increased beauty e-commerce sales by 20-30%. In response to accelerating online sales, many cosmetics brands started to rethink their approach to packaging and transportation. Firstly, the introduction of more "compact" products that require less packaging allowed more units to be shipped at once, thereby reducing the greenhouse gas emissions caused by their distribution. According to Wills (2014) reduction of aluminum used for the production of famous deodorants by 25%, requires 35% fewer trucks for its transportation. Working on a smaller, albeit equally important scale, Nøie is also working towards minimizing its carbon footprint associated with transportation. During the interview, the co-founder of the brand pointed out that:

“Making customized skincare leaves a footprint, but we’re working on reducing it. We are already trying to use less packaging, by cutting down on materials removing inserts and leaflets.”

Similarly, the representative of The Gift Label emphasizes the importance of local production in relation to sustainable transportation. In fact, if a recycled product is produced and imported from afar, could negate its sustainability benefits due to increased carbon dioxide emissions (Koh, 2021) For this reason, the owner of The Gift Label notes that:

“We manufacture everything in Holland, which is quite sustainable as we have a very low footprint in the transport... we don't do a lot of packaging around the products as well. So, you just buy a bottle, and that's it.”

Ultimately, all consumer products have an impact on the environment throughout their life cycle. However, looking at sustainable solutions presented by niche cosmetics brands, it is obvious that the beauty industry has a lot of potential to become more sustainable. These brands are constantly looking for new ways to reduce their environmental footprint: some in packaging design, some in sourcing their raw materials, and some offsetting more than they emit. Even on a smaller scale, these initiatives create a positive change and eventually lead to the circularity of the industry. However, no initiative can be effective if customers are not engaged in the process (Spencer, 2021). Therefore, cosmetics

brands are increasingly looking for ways to engage consumers, especially through digital media (Cosmetics Europe, 2019). To understand how brands are communicating sustainability on their social media, the Instagram posts of five niche cosmetics brands were analyzed. Moreover, the topic of engaging with the audience was addressed during the interviews. The results of both analyses are presented in the following section.

4.3 Communicating sustainability on Instagram

Taking another look at Kuma and Christodouloupoulou's (2013) framework (Fig. 2) of how to integrate sustainability into a branding strategy, it is clear that a company should first identify the issues that can be addressed through sustainability initiatives and then develop a sustainability strategy. For this reason, the environmental issues associated with the cosmetics industry and the initiatives that niche cosmetics brands are taking to address them were examined first. The next step, according to the framework (Fig. 2), is communicating these sustainability initiatives and their outcomes to the audience. This section is predominantly based on the content analysis of Instagram posts, supplemented by the information from the interviews, and is intended to answer the third sub-question: *What are the differences and/or similarities in sustainability communication between the selected companies?*

Over the last decade, social media has increasingly been used to highlight companies' sustainability activities (Sertdurak, 2020). Consumers not only expect companies to have thorough sustainability processes and address environmental issues, but they also demand honest, transparent communication of their sustainability initiatives (Lidh, 2019). According to the study conducted by The Nielsen Company (2011), almost 60% of online consumers trust messages posted on the companies' social media channels. It has also been proven that 86% of consumers are more likely to trust companies that communicate their sustainability efforts and outcomes (Sertdurak, 2020). Moreover, 82% of customers are more inclined to buy products that clearly show the outcomes of a company's sustainability initiatives, than ones that do not (Cone Communications, 2012). These findings prove that social media plays an extremely important role for companies because it allows them to inform consumers about their sustainability policies.

Luong (2020) emphasizes that to communicate sustainability effectively a company needs to ensure that its message is simple, honest and authentic, positive, and consistent with the brand image. Moreover, the communication objective must correspond to the maturity of

the company's approach to sustainability, while the message precisely illustrates its results. A well-designed communication strategy can not only encourage customers to contribute to sustainable development but also increase competitive advantage since a sustainability initiative can differentiate a company from others in the market (Bhatia, 2018).

Instagram is one of the main social media platforms used to attract consumers to sustainable beauty (Vapur, 2020). It provides an opportunity for cosmetics brands to communicate directly with their customers, using their unique tone of voice and versatile range of content (photos, videos, reels, and stories) (Cosmetics Europe, 2019). To illustrate how niche cosmetics brands, utilize Instagram, the last 10 posts of 5 brands were analyzed. The results of the content analysis showed that the main themes were: *sustainable beauty*, *transparency*, and *wellness*. Each theme will be discussed using examples from the brands' Instagram pages and insights obtained during the interviews.

4.3.1 Sustainable Beauty

Sustainable or clean beauty generally refers to the products that are safe for people and the environment, using only recyclable materials and non-toxic ingredients for active results (Salehaldin, 2021). To date, there are approximately 567,000 search results for posts with the hashtag #sustainablebeauty on Instagram (Instagram, 2021). By comparison, the hashtag #sustainablefashion has just over 13 million posts, which shows that even though sustainable beauty is not as popular, it has a lot of potential. Indeed, the study by Dothe and Gopalan (2020) revealed that in recent years, the sustainable beauty movement has acquired a strong position in the cosmetics industry, and is growing at a staggering rate. This growth is also confirmed by the content analysis that was conducted on the posts of the niche cosmetics brands. Sustainable beauty was the most common theme found in the posts of selected brands. For instance, in Instagram post #2 (Fig. 9) The Gift Label highlights that their High Summer collection is vegan and the packaging is made of recyclable materials. The picture itself uses circular shapes that allude to the circularity that is often used in the context of sustainable beauty. Moreover, the text on the picture indicates that the company is not just trying to sell another hand soap, but their products have an added value, which is expressed in concern for the health of consumers and the environment.

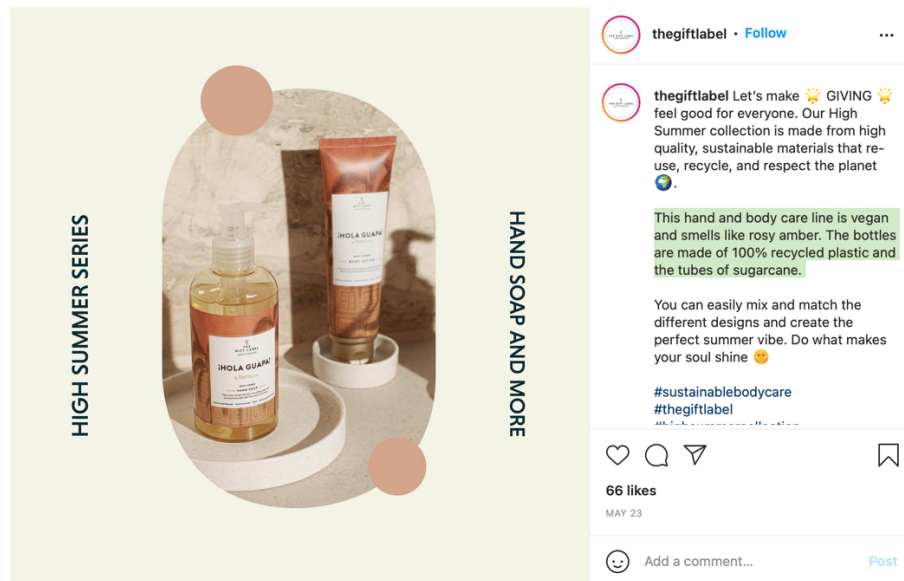


Figure 9 “The Gift Label Instagram Post #2”, (The Gift Label, 2021)

Another post (Fig. 10) found on the Whamisa Instagram page can also be attributed to the theme of sustainable beauty. Similar to The Gift Label, the hashtag #sustainablebeauty is used along with five other hashtags that relate to the same topic. The next thing that immediately catches the eye is a pile of juicy cactus stems in the center of the image, pointing at the Whamisa logo and the text written below it. This text reads as follows:

“A journey from the ‘people obsessed with cosmetics’ searching for high-quality, responsibly-sourced natural ingredients to craft into effective beauty formulas.”

This message describes the passionate people behind the brand, that aim to develop products with the best profiles for their customers and minimal damage to the environment. It is also interesting to note that the two dominant colors on the image are green and blue. According to Newsroom (2015), color is one of the first things consumers pay attention to, while the association with certain colors can create an immediate impression of the brand. Just like any color, green can symbolize various things, but the most common is environmental sustainability. Blue, in turn, implies reliability, safety, and responsibility. This color is often used in such industries, as aviation, finance, and healthcare, as it symbolizes information, security, and knowledge (Lindblad, 2021). Some studies even suggest that nowadays blue is becoming ‘greener’ than green in terms of creating an impression of environmental consciousness (McGinnis, 2015). Therefore, the use of both colors creates the impression of a sustainable brand, and at the same time evokes trust in customers.



Figure 10 “Whamisa Instagram Post #5”, (Whamisa, 2021)

Blue and green are also common colors on the Davines page. For example, Instagram post #7 (Fig. 11) depicts a new shampoo bar wrapped in light blue packaging with an abstract drawing of flowers. The product is photographed at such an angle that the customer's eye is immediately drawn to the B-Corporation logo, the certification label ensuring that a company meets the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose (B Lab, 2021). Moreover, the caption to the post lists the items that confirm the product's compliance with the concept of sustainable beauty. These items include recyclable, FSC-certified packaging; sustainably sourced and safe ingredients; biodegradable formulas. Each item is complemented by green emoji (🌱♻️💚) that create an impression of freshness and trust. In fact, an emoji is a powerful tool that can increase shares on Instagram by 33% and interactions with a post by 57%. They engage with the audience's emotions on a deeper level, making the brand message more relatable and interactive (Aboulhosn, 2020). Zote (2021) also emphasizes, that to use emoji effectively, it is important to understand the audience. Therefore, proper research of the demographics is needed (Barnhart, 2021).



Figure 11 “Davines Instagram Post # 7”, (Davines, 2021)

Social media engagement is highly dependent on the customers’ experience with the brand. In fact, customers are most likely to message brands on Instagram, when they had a great experience (59%) or customer service issues (37%) (Chen, 2020). In the case of sustainable beauty, the representative of Nøie explained:

“When it comes to the aesthetics of a brand it needs to feel nice. The skincare product is something very intimate for many people, and especially if you're struggling with skin concerns. So, the appeal of the product needs to be nice, it needs to be something you associate with something nice. See, if you walk into a pharmacy in any European country, you'll see the same kind of products, they are all white and very medical-looking. They're not associated with something very nice, instead, I think of something very lifestyle-oriented, whereas we're trying to create a brand that's quite different from that, but has the same properties.” (Interview 1, p. 5)

He also emphasizes that Instagram is a great platform “for getting feedback” from customers. People like to be involved in the process of creating the products they use, even if it is such a small detail as the color of new packaging. This kind of engagement on Instagram creates an intimate connection and ensures transparency that consumers demand so much nowadays (Cover, 2021).

4.3.2 Transparency

Indeed, transparency was found to be the second common theme on Instagram pages of niche cosmetics brands. They openly share the composition of their products, how they source their raw materials and what measures they are taking to combat the climate crisis. Such an approach to social media communication provides an opportunity for these brands to remain competitive with the bigger players in the cosmetics market. A study by Sprout Social (2018) has shown that 73% of people are willing to pay more for products that offer complete transparency. In return, these brands can earn consumers' trust, increase their sales and strengthen brand reputation. The same study revealed that 63% and 52% of consumers expect healthcare and consumer goods industries to be transparent on Instagram. This data proves that cosmetics brands have to embody transparency on their social media.

To establish transparency as a principle on Instagram, Hello Klean likes to step back and listen to its audience. During the interview, the founder of the brand explained that when “you are a small brand, it is very important to encourage a dialog”, where customers can give their feedback and, therefore, “help improve your business”. She then added that “when you're a brand, you're stuck a little bit in your brand vision, while someone from the outside can know it better”. Indeed, the community is a great source of information that should not be underestimated. Paying attention to the audience's reaction and conversation on social media can help brands evaluate their current performance and guide them on where to focus next (Cover, 2021).

Driving honest communication also inspires more people to take actions towards becoming more sustainable (Sprout Social, 2018). The representative of Davines noted that:

“We like talking to our audience, seeing their reactions and comments. It's fascinating. They inspire us to constantly research and develop more sustainable solutions. And you know, it can be hard sometimes, because some of our clients are very educated, sometimes even very extreme with their opinions, and these people require a specific approach. That's why before posting anything, we like to double-check everything ten times to make sure we are certain about what we are sharing.” (Interview 2, p. 8)

The representative of Nøie also emphasizes the importance of transparency, as it drives change both from the brand and its community. The caption for Nøie's Instagram post #5 (Fig. 12) is a clear example of how to elevate transparency from all stakeholders. They start by asking their audience about the Climate Action Campaign, thereby introducing them

to the topic. Then, they dedicate a few sentences to describing the goal they are trying to achieve by planting trees and encouraging their customers to join the movement towards sustainable change. Such an open dialogue helps Nøie to “build community” and “drive change within the industry” (Respondent, 1).



Figure 12 “Nøie Instagram Post # 5”, (Nøie, 2021)

Similar to Nøie, Whamisa is sharing its sustainability efforts with its community on Instagram. Interestingly, in post #3 they use text both in the image and in the caption. Based on the study done by Sprout Social (2020), 30% of consumers engage with text-based posts, compared to 68% for image posts. Text-based posts are more persuasive, as they transmit important messages in a shorter period of time (Tug, 2020). Therefore, using text instead of an image can be more useful to engage transparent sustainability communication.



Figure 13 “Whamisa Instagram Post # 3”, (Whamisa, 2021)

The topic of transparency is also particularly relevant in the cosmetics industry, as it directly affects the beauty and wellness of customers (Sprout Social, 2020). Already in the early 2000s, people began to seek the truth behind the covers of beauty magazines and commercials. They were browsing through forums to find honest reviews on the products from other customers. However, trust is very fragile, so over time, people start questioning those reviews and increasingly demand transparency from brands themselves (Provenance, 2020). Almost 95% of customers claim that cosmetics brands need to be more honest and transparent about ingredients in their products (The Honest Product for Cosmetics & Personal Care, 2019). The representative of Hello Klean also highlights that not only ingredients and processes should be transparent, but this information should be translated into an easier description:

“Our product is quite technical. But we are not just saying we use KDF for our Shower filter, we are trying to translate it into easy-to-understand, relatable things. We present our product as a beauty accessory, instead of going too much into the science, and just making it relatable, and having it more associated with aspiration stuff and wellness.” (Interview 4, p.6)

That said, transparency is about providing full disclosure on all the processes in a way that is clear to the audience, especially about the things that matter the most. One of these

things, as mentioned earlier, is wellness. The following section aims to explain how this topic is broadcasted by niche cosmetics brands and how it is integrated into their branding strategy on social media.

4.3.3 Wellness

Over the past couple of years, cosmetics brands have increasingly focused on the topic of wellness, expanding their identity and product lines into the broader lifestyle and wellness categories (Vasiliou, 2020). This process has especially been accelerated after the outbreak of the Covid-19 pandemic. More and more people are focusing on personal wellness (Morgan, 2020). In fact, 80% of consumers intend to be more mindful of their self-care routines and habits (Gramigna, 2020). The Covid-19 has revealed that self-care is not a luxury, but a health necessity (Ongevalle, 2020). Moreover, with anxiety and depression on the rise during the pandemic, a lot of people are using social media to look for some de-stressing and self-care tips (Breedon, 2020).

Amid the rise of wellness content, many cosmetics brands have stepped up efforts to help people recover from the pandemic and improve their skincare and mental health (Vasiliou, 2020). Whamisa, for instance, has posted a self-care checklist (Fig. 14), that gives “suggestions for making your weekend a little more special & meaningful”. Seemingly distant tips from the brand's products indicate that Whamisa cares about the well-being of its customers. Moreover, promoting self-care in a more accessible way ensures a stronger, more intimate relationship with the audience. In fact, creating an emotional bond with customers is a commonly used approach that is 88% more likely to result in successful campaigns (Kunz & Jahn, 2014). And again, the use of text-based posts shows their intention to deliver an important message quicker.

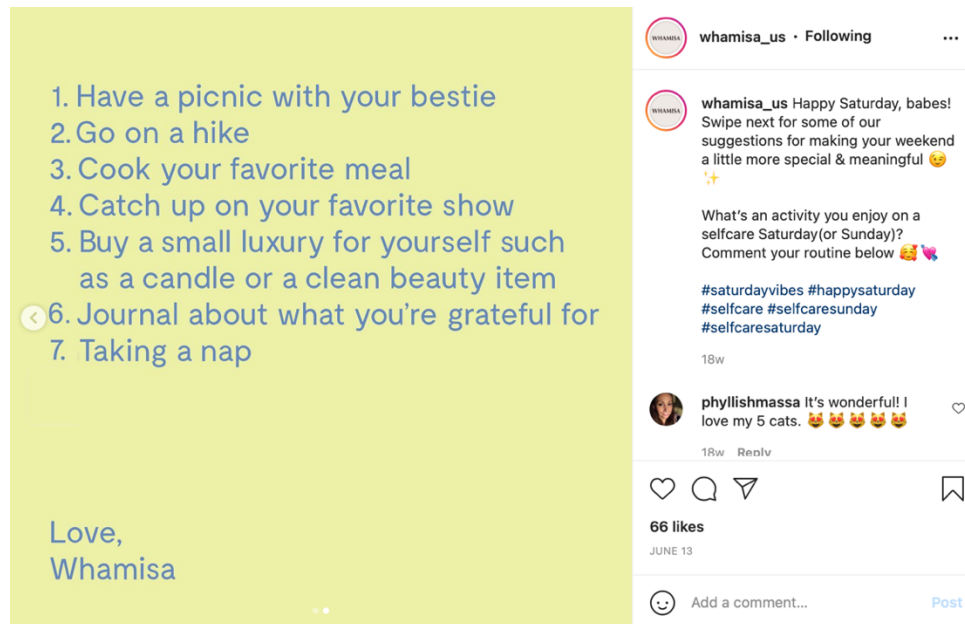


Figure 14 “Whamisa Instagram Post #7”, (Whamisa, 2021)

The Gift Label is another brand that often uses text on its images. In their post dedicated to the CSR report of 2020 (Fig. 15), they used not one image, but a carousel of ten text-based images, where each reveals several initiatives they take to become better for society and the environment. It is important to note, that overall this brand is very passionate about the well-being of society. As the owner of the brand explained during the interview:

“We don't have everything in our own hands. But we try our best, and we do the best we can. And we also do a lot of giving back to the community. So, we support a lot of the refugees, we do a lot of gifts for babies, baby oils, and soaps.”

Giving and giving back is the essence of the brand, and they elevate this idea as a brand strategy, not just a marketing effort. The owner of the brand added that social media is important to more than just the customers. It matters to the current and prospective employees as well, and wellness culture can directly support HR and recruiting efforts. Indeed, the success of a brand directly depends on its corporate culture (McGoff, 2017). Higher employee wellbeing leads to higher productivity and brand performance (Krekel et al., 2019). Therefore, investing in employee wellbeing has to be a priority, especially for sustainability-oriented brands (Chiquoine, 2020).



Figure 15 “The Gift Label Instagram Post #7”, (The Gift Label, 2021)

Overall, wellness culture is very versatile and encompasses a wide variety of topics, including mental health, nutrition, lifestyle, beauty, and social habits (Chan, 2020). As shown in previous examples it can be presented in various types of content and tone of voice. Looking at the Hello Klean Instagram page (Fig.16), the topic of wellness often takes on a more playful form.

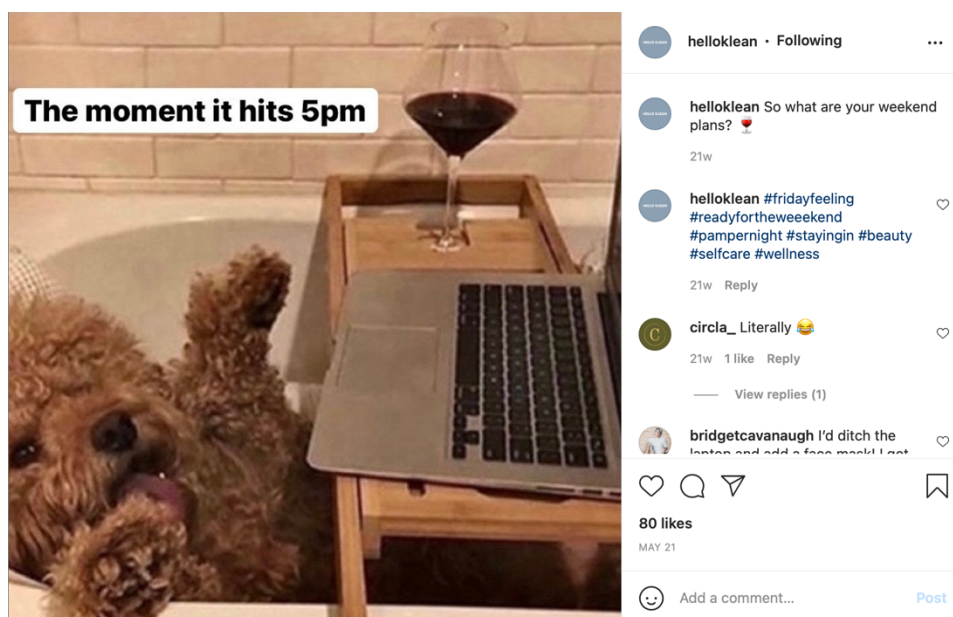


Figure 16 “Hello Klean Instagram Post #5”, (Hello Klean, 2021)

As the founder of the brand explained:

“People can get very overwhelmed, so we are trying to deliver information in a more comprehensible way, making it relatable with memes... And, I mean, it's working quite well.”

Indeed, adding memes into the branding strategy on social media can be very useful in creating brand identity, increasing interest in the product, and increasing engagement. They can not only make the brand's Instagram account more relatable, but promote brand values and, therefore, create brand loyalty (Chacon, 2019). Moreover, several studies have shown that memes can improve well-being in a variety of ways, from reducing stress to increasing people's ability to learn (Selinger-Morris, 2021, Austin, 2021). Therefore, finding or creating the right memes that resonate with the audience, can be a key to promoting the idea of wellness, that is closely related to sustainable development.

5. Conclusion

This study explored sustainable initiatives of niche cosmetics brands and the way they integrate them into branding strategy. To do this, a theoretical framework was first developed to help establish critical concepts. Once the empirical data was obtained, the theoretical framework served as a guide for evaluating the data and comparing it to the literature. Based on the data obtained during the interviews and content analysis of Instagram pages of 5 niche cosmetics brands, the researcher was able to answer the research question and gain a deeper understanding of the role of sustainability in the cosmetics industry.

The majority of interviewees agreed that sustainability is a very versatile concept that can be interpreted differently, depending on the context, level of awareness, personal beliefs, and industry. In the cosmetics industry, sustainability implies that a company is responsible for the resources of the planet, develops formulas that are both effective and harmless to the environment and health of its customers, uses materials that can be recycled or decomposed, constantly improves its technology, and openly shares its efforts and achievements with its audience. This stance relates to the notion of circularity, which, according to many researchers, is the only way to prevent a climate crisis associated with overconsumption (Cosmetics Europe, 2012; Utrose, 2020; Ziccardi, 2020; Spencer 2021). Participants seemed very informed on the current issue of overconsumption and suggested themselves that switching from linear to the circular economy is needed in the cosmetics industry.

What seems to be the best way to achieve 100% circularity of the industry is to integrate sustainability across all levels of the brand. Throughout the interviews, the five principles have been identified to transform the cosmetics industry into a virtuous circle, limiting the waste produced and ensuring the wellbeing of society and the environment. The first principle of circular economy in the cosmetics industry is eco-design. It has been proven that a significant part of the environmental impact of a product is determined at the design stage (Cosmetics Europe, 2019). Therefore, it is important to take into consideration the entire life cycle of a product, from its creation to the end of its life. This principle limits the environmental impact at each stage, as well as ensures long-term profitability.

The second principle that was identified during the interviews is responsible sourcing, which strives to ensure that raw materials are extracted in a sustainable and efficient manner and that the energy used comes from renewable sources. Moreover, the interviewees emphasized the importance of territorial ecology. This principle implies that meaningful interaction between companies and the environment. A good example of implementing this

principle is supporting the Climate Action Campaign, in which Nøie is planting trees with each order it ships.

Another principle that often came up in the interviews and on Instagram pages of niche cosmetics brands is recycling. On the one hand, this principle entails that those materials that were once considered waste are reused as raw materials or reintroduced into a production cycle. On the other hand, recycling has to be encouraged among the consumer as well. This is where the fifth principle comes in. In order for a brand to reach circularity, responsible consumption needs to be introduced. It should lead consumers to consider the environmental impact of the products they buy.

To encourage customers to join the sustainability journey and eventually achieve 100% circularity in the cosmetics industry, a company must seriously consider its presence on social media. Participants agreed that Instagram is an essential tool for sustainable development. It provides an opportunity to attract consumers to sustainable beauty, establish a strong connection with the audience and raise awareness on sustainability topics. The content analysis of Instagram pages of niche cosmetics brands revealed three main themes that best help integrate sustainability into branding strategy. The most common topic among the selected brands was sustainable beauty. It includes describing formulas and the origins of ingredients, educating consumers on recycling methods and responsible consumption of the Earth's resources, introducing the sustainability campaigns and memberships, as well as sharing the information on sustainability research and the current state of the cosmetics industry. Interestingly, the majority of participants emphasized that this information should be translated into easier descriptions. This way a brand will be able to establish an emotional bond with customers, and, therefore, result in more successful campaigns (Kunz & Jahn, 2014).

The success of a brand is also highly dependent on the level of transparency in communication. Within niche cosmetics brands transparency implies open sharing of the products' compositions, how they source their raw materials, and what measures they are taking to combat the climate crisis. One of the respondents added that honest communication between a brand and its community drives change in the industry toward becoming more sustainable. Moreover, multiple studies have proven that people are willing to pay more for products that offer complete transparency (Sprout Social, 2018; Sprout Social, 2020), as well as help brands evaluate their current performance and guide them on where to focus next (Cover, 2021).

The third commonly used theme among niche cosmetics brands was wellness. Participants seemed to agree that this topic has especially been accelerated after the outbreak of the Covid-19 pandemic when more and more people started focusing on self-care and mental health. This position corresponds to the statistics found, which shows that 80% more consumers intend to be mindful of their self-care routine and habits (Breedon, 2020; Vasilou, 2020; Gramigna, 2020). Some participants also added that promoting wellness on Instagram can only be efficient if the well-being of employees is ensured.

Finally, when analyzing Instagram posts of niche cosmetics brands, several approaches to sharing content were identified. The two most popular types of posts were image-based and text-based posts. While images create the aesthetic of a brand and are the most engaged posts among the audience, text-based posts are more persuasive, and they can be more useful to engage transparent sustainability communication. The content analysis also showed that color plays a big role in communicating sustainability, be it the image itself or the emoji used in the caption. Respondents explained that this approach works on a deeper emotional level. Lastly, sharing memes is a useful tool that can make the content of a brand more relatable, increase interest in the product and create brand loyalty.

5.1 Theoretical and Social implications

This section explains the theoretical and social implications that this study provides. Firstly, this study confirmed previous findings that the notion of sustainable beauty implies using environmentally-friendly formulations, production practices, and packaging methods (Acme Hardesty, 2021). However, the majority of participants agreed that this term is much broader. Sustainable beauty should aim for 100% circularity that can only be achieved when all stakeholders are involved in the process. Some participants explained that the main initiative should come from the brand itself, proving the argument of Duber-Smith & Rubin (2013). Others emphasized that all stakeholders play an important role in the transition to circularity, aligning with the findings of Spenser (2021).

Moreover, this study aligns with the scholars Sicardi, 2020; Jackson, 2021; Zuccaro, 2021; Bennett, 2021, who claims that to become sustainable, brands often aim for a quartet of eco-labels: recyclable, cruelty-free certification from Leaping Bunny, certification for good business practices (i.e. Fair Trade or B-Corp), and organic ingredients. While this is true in some cases, most interviews showed that receiving a label is not always the main goal of niche cosmetics brands. Instead, they focus on the process of becoming better for the society,

environment, and the economy. Such a strategy better complies with the high customer demand for an honest and transparent communication of sustainable initiatives, identified by Lidh (2019) and Luong (2020).

Cosmetics companies should rethink their attitude towards the well-being of society and the environment and, as Kuma & Christodouloupoulou (2013) also suggest, they should consider integrating sustainability into branding strategy. In a society that is at risk of climate disaster, brands should prove that sustainability is not another marketing gimmick aimed at increasing profits, but instead work hand-in-hand with their stakeholders towards the circular economy. The findings showed that niche cosmetics brands can serve as a great example for the entire industry. They are openly sharing their sustainability efforts and outcomes, encouraging their audience to consume responsively and value the well-being of society. If companies want to successfully integrate sustainability in their strategy, they should aim to establish a long-term relationship with their audience that is based on trust and transparency.

5.2 Limitations and Future Research

Although the methodological approach used was chosen as the most appropriate to answer the research question and sub-questions, it is important to acknowledge the limitations of this research and provide future suggestions based on them.

The main limitation of this study is in the number of niche cosmetics brands that were able to participate in the interviews. Although an initial attempt was to base this study solely on the interview data, due to limited time and Covid-19 restrictions, some of the potential participants had to cancel the interviews. Such unforeseen circumstances slowed down the process of gathering information and required urgent actions. The decision was made to combine semi-structured in-depth interviews with brands' representatives and content analysis of Instagram posts. That way the researcher was able to gather enough data to ensure the validity of this study. Another limitation lies in the fact that interviews had to be conducted online, either through Zoom or Telegram. Unlike a physical meeting, the success of an online interview is highly dependent on the quality of equipment and internet connection. Moreover, this format limits the researcher's ability to establish a closer connection with the participant and to observe their body language. This implies that the findings may slightly differ if the interviews would be conducted face-to-face, and they cannot give the guarantee that the interviewees were entirely open in their statements. Nevertheless, the researcher did not aim to establish friendly relations with brand

representatives, instead, she ensured that they felt as comfortable as possible to gain valuable information for the research.

To the best of the researcher's knowledge, this is one of the first studies concerning the integration of sustainability in the branding strategy of niche cosmetics brands. Further study is expected to be undertaken to acquire a deeper knowledge and a clear picture of the phenomena. Considering that sustainability is a topic that depends both on society and brands, future research can compare the views of both parties to see whether there is a connection between how brands implement sustainability in their branding strategy and how it is perceived by customers. Moreover, it would be interesting for a future study to compare the perception of customers of different age groups, for example between Millennials and Gen Z, as they have the most buying power in the industry. Since sustainability is an extremely relevant topic in today's society, further research on its integration into the branding strategy is encouraged in other industries as well.

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7. Appendices

Appendix A: Interview Coding Frame

Nøie	Davines	The gift label	Hello Klean	Whamisa
Transparency in communication	Reducing footprint	New normal	Personal passion	Interactive content
Personal passion	Building community	Giving back to the community	Reducing footprint	Unique product offering (formulations)
Reducing footprint	High-end brand	Reducing footprint	Reducing footprint	Cultural differences
Circularity	Educating consumers	Unique product offering (design)	Unique product offering (technology)	Organic products
The role of the government	Transparency in communication	Produced in Holland	Greenwashing	Educating consumers
Building community	Interactive content	Collaborations	The role of the government	Reducing footprint
Unique product offering (design)	Interactive content	Personal passion	Transparency in communication	The role of the government
Challenge of becoming fully sustainable	Using raw materials	The role of the government	Building community	Collaborations
Educating consumers	Cultural differences	Challenge of becoming fully sustainable	Interactive content	Trend
		Transparency in communication	Educating consumers	Building community

Appendix B: Content Analysis Coding Frame



Appendix C: Interview Guide

Basic Information

1. What were your intentions to start the business?
2. What made you interested in sustainability?
3. Has your brand started with a focus on sustainability, or that value was added later? If later, what were the main reasons to establish it as a main value of the brand?
4. How does your brand contribute to sustainability?
5. What are the main issues surrounding drug store cosmetic industry?

Defining Sustainability

1. What does sustainability mean to you?
2. Why did you start producing sustainably?
3. How do you think your brand supports the notion of sustainability?
4. Is there a strategy behind selling sustainable products? Why?
5. How important is it for you to have companies like yours? To show the opposite is possible?
6. Should sustainability become mainstream?
7. Are you afraid that if sustainability becomes mainstream it won't be sustainable anymore?
8. Do you think there will ever be a possibility of a fully sustainable industry?

Branding/Brand Reputation

1. What is your 'secret' of communicating sustainability on Instagram?
2. How would you describe your Instagram account in three words? What makes it stand out from your competitors?
3. Why is it important to make sustainable beauty more beautiful (visually appealing)?
4. Does communicating sustainability influence your brand? If yes, how?

Social Media

1. Do you think that sustainability is often shown in a positive or negative light?
2. What are the key marketing tools you use to attract new customers?
3. What are the main difficulties you face in attracting the masses?
4. How do you aim to remain unique on this platform full of messages?

Conclusion

1. Do you think the cosmetic industry will change in the foreseeable future? If yes, how?
2. What would you like to wish to your brand for the upcoming years?

Appendix D: Interview Consent form

CONSENT REQUEST FOR PARTICIPATING IN RESEARCH

FOR QUESTIONS ABOUT THE STUDY, CONTACT:

Anna Martynenko

Master student

Department of Media & Communication Erasmus University Rotterdam

Email: annamart99@hotmail.com

DESCRIPTION

You are invited to participate in research about the Sustainability practices of cosmetics brands.

Your acceptance to participate in this study means that you accept to be interviewed. In general terms, the questions will be related to social media marketing, branding, and sustainability.

Unless you prefer that no recordings are made, I will use a tape for the interview.

You are always free not to answer any particular question, and/or stop participating at any point.

RISKS AND BENEFITS

As far as I can tell, there are no risks associated with participating in this research. Yet, you are free to decide whether I should use your name or other identifying information not in the study. If you prefer, I will make sure that you can be identified only by a general name or pseudonym.

I will use the material from the interviews and my observation exclusively for academic work, such as further research, academic meetings, and publications.

TIME INVOLVEMENT

Your participation in this study will take 40 – 60 minutes. You may interrupt your participation at any time.

PAYMENTS

There will be no monetary compensation for your participation.

PARTICIPANTS' RIGHTS

If you have decided to accept to participate in this project, please understand your participation is voluntary and you have the right to withdraw your consent or discontinue participation at any time without penalty. You have the right to refuse to answer particular questions. If you prefer, your identity will be made known in all written data resulting from the study. Otherwise, your individual privacy will be maintained in all published and written data resulting from the study.

CONTACTS AND QUESTIONS

If you have questions about your rights as a study participant or are dissatisfied at any time with any aspect of this study, you may contact –anonymously, if you wish— Anna Martynenko annamart99@hotmail.com

SIGNING THE CONSENT FORM

If you sign this consent form, your signature will be the only documentation of your identity. Your identity will not be revealed in any written data resulting from this study.

I give consent to be audiotaped during this study:

Interviewee

Name	Signature	Date
------	-----------	------

Interviewer

Name	Signature	Date
------	-----------	------

This copy of the consent form is for you to keep.

Appendix E: Interview transcript

Chris 0:04

it's okay now. Okay, cool. Yeah, you feel free to record.

Anna Martynenko 0:10

I think we're recording now. And I first of all would like to thank you again for your participation in my research. And as I informed you in email, it will take us 30 to 40 minutes. And will you be okay if I use your first name for my thesis?

Chris 0:12

Of course, no problem.

Anna Martynenko 0:14

So, let me start with a small introduction of myself. As you probably know by now, I am a student at Erasmus University, currently living in Rotterdam. But originally, I'm from Moscow, Russia. And I have always been interested in beauty and skincare, but became even more interested when I was doing my final year in bachelor's degree. And I was doing an internship at a marketing agency that specializes in beauty brands. And I got a chance to work with a lot of Russian and foreign brands, including Davines and Bioderma, that really inspired me to look into sustainability. So now here I am, excited to hear about your story, your brand, and your relationship with sustainability. And my first question will be, can you please introduce yourself and tell me, what is your role at the company?

Chris 1:43

Sure, yeah. So, I'm Chris, I'm co-founder of, of Nøie.

And being a co-founder means that you basically, you know, you're involved in, in all areas of the business. But last year, me and my co-founder, Daniel decided that we needed a stronger focus on sustainability. And we, we saw that there wasn't things that we really needed to change in our company, but also that we see the whole industry, you know, should be doing better. So, I stepped into this chief footprint officer role, which basically means that I'm in charge of our sustainability strategy. And, and our, you can say, driving her change, where within Noie, but also hopefully within the, within the industry. Next to that, I'm also currently running our operations. also trying to cobble those things together, operations and are assisted.

Anna Martynenko 2:44

So, as I understood correctly, you started not as a sustainable brand, but sort of moved in with, like, during the, like, not in the, from the beginning. And what were your main reasons to establish it as a as the new main value of your brand?

Chris 3:05

I think for me, it was it's, it's a passion, like my passion for sustainability, basically, that that drove it. Because I wasn't, you know, in a changing position, and then trying to figure out like, a year ago, what my, you can say, contribution to Noie should be. And I've always had a passion for sustainability. So when I started to dive into that, and saw that in this industry, there were some things that we really needed to change, then, you know, that was just, I guess, a pharma right place in the company. So it's very much driven by my own passion and my own willingness to focus on this.

Anna Martynenko 3:56

That's, that's great. And how does your brand specifically contribute to sustainability now?

Chris 4:07

Currently, we are updating our all of our packaging. So that's, that's one thing. And something that we probably wouldn't have done if we hadn't had a sustainability strategy. But we decided to increase the level of, of recycled materials, for instance, and we are soon going to update all packaging to make sure that it's all recyclable. We are already trying to use less packaging, by cutting down on materials by removing inserts and leaflets. Moreover, all our paper and cardboard packaging are FSC certified, because we support responsible forestry movement. But, unfortunately some of our packaging is not recyclable. So that's something that we're going to ensure. And then a very exciting project that we're working on is to calculate all of our co2 emissions that we currently as we're working together with a consultancy, to help us with that. And in doing that, we will, we will find out where we are polluting the most and that's where we will start to enforce reductions, but before that we can before we have the data, we cannot do that. So collecting the data figuring out how, how much do we actually emit? How much do we pollute? And where do we do we pollute, and then start to actually focus on making concrete reductions. So, I'll say those are the two main things that we're working on currently.

Anna Martynenko 5:36

That that's super great. So nice to hear that brands like yours are working on, on towards becoming more sustainable.

What do you think is the main issue surrounding drugstore cosmetic brands, like big brands, in industry?

Chris 5:46

I think like the two things. There's of course, the products themselves. So, the ingredients, the raw materials that they use, which is an area where it's very non-transparent today. And it's something that we're also struggling with is to actually trace all of our ingredients, it's a project we're working on as well. So that's one thing. So, the ingredients, the raw materials, of course, and then the packaging, like, you know, will, no matter what kind of drug or cosmetic product, you're making, you need some sort of packaging, and in the end that will be become waste when the product is used up. Right? So, there will always be some waste. And how do we actually handle that? I think it's the main issue in this in this industry. We're like, in the cosmetics and beauty industry, we're creating 120 billion units of packaging every single year, you know, so that's 120 billion units of, of waste, basically, right at the end of the life lifecycle? So, we need to make sure that it's recyclable, that it can be used as an input again, into the system. Save that that's the main challenges.

Anna Martynenko 7:09

I see. And now I would like to take a step back now and ask you, if you can define what does sustainability means to you?

Chris 7:20

Yeah, so for us sustainability equals circularity. So, if we are able to become 100%, circular, then I can go out and say that we're sustainable. But until then, I cannot claim that we're sustainable. There's a lot of people that look at Noie and say, Wow, you're a sustainable company. And I'm the quiet the opposite. I say like, we're not sustainable actually, because

we are, we haven't solved these issues. We are responsible company, but we are not a sustainable company yet. So, reaching 100% circularity, that would be when we're sustainable company. And that means that all of our packaging can be recycled, and it will be recycled again. So that's the next thing, we're going to ensure to begin with that it can be recycled. But that doesn't mean that our customers will recycle it. So, we also have an obligation to encourage our customers to actually recycle and to work together with local authorities to improve recycling and how it's done. Right. So that's really my definition of sustainability. And there are some, you will see other cosmetics, brands having a different definition, they will say okay, if we have 100% organic ingredients, then we're sustainable. For us - that's not our definition of sustainability. So, you will likely see different definitions of sustainability depending on the brand, right. But for us, it's about circularity.

Anna Martynenko 9:03

And I would say there are many people that are saying that companies like Maybelline, simply greenwashing and how, how important is it for you to have companies like yours to show? The opposite is possible?

Chris 9:26

Right! Yeah, I would say the what's important for me is definitely showing that the opposite is possible, but I think all companies would say that is that no company would actually go out and say that they're greenwashing. I believe that they believe they're doing something right. But for me, it's about telling the truth. And for us that the truth is also you know, now we made a sustainability strategy. We published it and now we're working towards it. There might be some things that we cannot fulfil. So, some of the goals that we can reach, I don't know. We'll see. But I want to tell that story as well as if we don't reach the goals. I want to tell that story because I want others in this industry and other companies to learn from that, and to share our learnings in that room. So, for me, that's, that's how you avoid the greenwashing is also to tell the things that you are not able to do. And that's, you know, that that's an important step. And that's, you know, our way of avoiding being seen as a company that's greenwashing.

Anna Martynenko 10:37

Yeah. And do you think sustainability should become mainstream at some point?

Chris 10:46

Yes, I think it's already pretty mainstream. But it's still something that, you know, companies can leverage, like ourselves, like, we it's something that can bring you a competitive advantage. But I think at some point, it will just be what I call a license to operate like you need, you need to focus on sustainability. Otherwise, you're simply not in the market. Also, because regulations are moving towards more sustainability and so on. So at some point, you just simply, you know, you cannot operate in this industry, if you're not what you would today define as a sustainable company.

Anna Martynenko 11:30

But aren't you afraid that if sustainability becomes mainstream, it won't be sustainable anymore?

Chris 11:39

No, actually, no, I think I think we all need to, like I'm like, we all need to work towards becoming more sustainable, then it might have a different definition, it might not be called

sustainability anymore, because it's just, you know, the new normal, but that's where we need to go. Because I'm not interested in enjoy just being the only company that's doing well, like, yeah, if we own 100% of the market, then fine, but there will always be other brands out there, there will always be other competitors. So we all need to make change to, you know, to make a real impact. Because we're still a small company. whatever we're doing here has no impact we need we need the oil, we need the PFR we need really big players out there to enforce change as well. So that's what that's what I believe in.

Anna Martynenko 12:40

So you think there is the possibility that the industry at some point will become fully sustainable, right?

Chris 12:49

I hope so. I hope so. But then again, what does that mean? It means for us circularity, but for other brands might mean something different. I think we instead of saying that we everyone should should be sustainable. We should be circular like that. That's what I hope to see other brands too, is to become more circular in everything that they do as well. Yeah.

Anna Martynenko 13:23

Yeah, let's talk about your brand's reputation on social media now. And I must say that I see a lot of attractive brands on Instagram these days, and your brand is not an exception. So, my first question for this section is, what is your secret of communicating sustainability on Instagram?

Chris 13:49

A secret I think we have any secret as such, like I'm very, you know, we have a communication team and marketing team and they are they're asking me Okay, Chris, what can we see here? What can we do here? And I'm very much here but like right now, we don't have the very good stories to tell. Unfortunately, we can only tell that we are on a journey and that we are, you know, doing some stuff but we haven't. We haven't done anything that sustainable yet. So there's not the good stories are still to come. When that being said I think it's about telling about the journey that we're on and we can be better at that actually is to tell our customers our community what we're doing and what will be coming and how we are getting there like bringing them into the into the journey. I think that's something we could be better at. So there's no secret as such other than whenever we have something to tell. We are telling you that, you know, email marketing and social media in terms of sustainability.

Anna Martynenko 15:06

And it's great, but how would you describe your Instagram account? In just three words? What makes it stand out from your competitors?

Chris 15:22

That's a good question, what makes it stand out? You know, I'm actually not an Instagram user myself. Like, that's Don't tell anyone. But you know, I'm actually not. I'm not, I'm not following our own Instagram that much, actually. But I think what we are what we are doing, like, in one word community, like what we're building a community. So that's, that's what we're trying to do on our own. So we don't see, you know, we don't see them as followers, we see that we're building a community. And one thing that we are very, you know, good at, and, and want to do more is to, is to engage our community. So for instance, when we have, when we're looking at new packaging, we have new colours, for packaging, and so on, we actually

posted to our community, and it's like getting the feedback, the input. So I think this way of engaging your community is, is very good. Like you feel power. Okay, there's a brand that is particularly listening to me, and you know, I'm providing my feedback. So, if I can say it in one word, it's community. There the show that makes us, I don't know, if it's makes us stand out, I think, to some extent does. But community and you know, and you can see, it's not. So it's a two way communication, it's not only a platform where we post something, and then people like it, we want it to be a platform where we engage with, with the community, so they actually get some input and provide the feedback back to us.

Anna Martynenko 17:02

Yeah, I feel like this is the most important thing when a customer feels like he's involved in the process, and he's is valued for the brand. It's super great. But what is, why is it so important to make sustainable beauty more, more beautiful, I'd say like visually appealing?

Chris 17:26

why it's important or? Yeah. Well, I think, you know, when it comes to the aesthetics of a brand, like, no matter what you're creating, like it needs to feel, you know, needs to feel nice needs to instal, when you get something in the hands, it needs to, you know, it brings some associations. And that's important, that's important, because when you were talking about a beauty product, we were not a beauty product. So like we actually had, you know, we sell something as a health care product. But when you having like a cosmetic product, like, like ours, like a skincare product, then it's something very intimate for many people, it's something that, you know, the skin is very intimate for, and very fragile for many people, and especially if you're struggling with the skin concerns. So, the appeal of the product needs to be nice, it needs to be something you associate with something nice, I think. And then you're seeing at the pharmacy products, if you walk down to the pharmacy in any European country, you'll see the same kind of products, and they all white, and they're very, you know, medical looking like they're not associated with something very nice, I think of something very, you know, lifestyle oriented, whereas we're trying to create a brand that's quite different from that, but has the same properties the same. Like the product itself, the greens have the same properties as the ones you will find in the pharmacy. But we look very different from that.

Anna Martynenko 19:03

Since you said that, you you're just starting to move on to sustainability. Did it somehow change your communication strategy? on it's on Instagram or other social media?

Chris 19:19

If we did that or

Anna Martynenko 19:21

not, did it? Does communicating sustainability? influence your brand in some in any way?

Chris 19:29

Yeah, of course, of course. But it's been very easy for us. Because we have, you know, a complicated communication strategy. We have different things that were that we're talking about, are we communicating about and sustainability was just that an add on. Okay, now, we're also talking about sustainability. So just broad gave us an opportunity to talk about more, so to say right, then if we weren't doing anything in that, so it was kind of, you know, easy to plug into our communication strategy. So this the communication didn't change as such, but we just added sustainability as a voice as well.

Anna Martynenko 20:09

And if we talk about social media in general, do you think that sustainability is often shown in a positive or negative light nowadays?

Chris 20:19

I think it's positive very. Like whenever, whenever we post about sustainability, that it always gets a lot of engagement, people like it and people, you know. So I think it's seen in a positive way. But sometimes to the extent where as long as you're just writing, sustainability, then you're seen as a sustainable brand, right? So this, this joke about having, you know, just as long as you have a sustainability section on your website, then people will look at that and say, oh, okay, that's a sustainable brand. But, you know, without even reading in depth about it. And that's sometimes a little bit what we're seeing on social media as well, like, we can post whatever, basically something about sustainability and people will actually, you know, like, engage with the content without diving deeper into what is it actually that that they're doing? So, I think it's, you know, it's seen as a very, it has a very positive feeling and reactions I, I feel,

Anna Martynenko 21:29

what can you say? What are the main difficulties you face in attracting new customers like the masses?

Chris 21:42

Well, we're, we're a growing company, and we have, you know, we, we need to grow quite extensively to the like, this year, according to our plans. I think if we really want to hit the masses, then we need to go into physical retail, like, we're in right now. We only online, so and direct to consumer, and I'm not sure we want to do that. Like, I'm not sure we want to reach the masses like that. We have no plans of going into physical retail stores. That's really how you hit the masses, I think. But the question is whether we want to do that. And then that's not part of our strategy. And there's a huge enough market online, of course to do that.

Anna Martynenko 22:31

Do you have distributors in other countries, or you only sell. only online? On your note?

Chris 22:37

So we send everything from from our warehouse.

Anna Martynenko 22:43

How do you how do you aim to remain unique on on social media or other platforms? Full of messages about sustainable other issues?

Chris 22:54

Yeah, so that's it? That's a good question. like staying honest. I think that's the end authentic, like, there's really two keywords honest and authentic. And then not like we're not, we're not thinking so much about other brands to be honest. Like, we're, we're building our own community. We're not looking at other brands using our Okay, they have, they're doing this and of course, you can get inspired on social media by what other brands are doing. But we're mainly concerned about ourselves and our community. And it's, luckily, it's growing. So

we're doing something right. And I think it's just keep keep doing what we're doing, basically,

Anna Martynenko 23:35

I think that's a very good strategy. And I love that we have brands like, like yours in the market right now. And we're almost finished. And I have more questions left. One is, do you think that the cosmetic industry will change in the foreseeable future? And If yes, then how?

Chris 23:58

I think it will. You're seeing many brands like using L'Oreal coming out with strategies like 2030 strategy. So within the coming eight, nine years, they have pledged to, you know, become more sustainable. And there is some legislation led legislation in Europe, there is an extended producer responsibility, something that you can look up, where basically as brands like we will be fined and punished. Financially if you're not. If you're creating waste, basically, like the more waste you're creating, the more you're polluting, the more you will be paying fees and so on. Like, it's not certain how exactly it will be implemented. But it's the plan is that into in 2025, this extended producer responsibility will be enforced. So I think that's why you're seeing brands and, and companies starting now to really focus on sustainability. Because at some point it will be, you know, part of the regulation, you need to do

Anna Martynenko 25:14

this regulation only in Europe or

worldwide, some,

Chris 25:19

I'm not sure how it works in other countries, and I know that the US they have something similar.

I'm actually not sure in how it works in other countries. I just know in EU, it's, it's something that will take effect.

Anna Martynenko 25:36

And my final question is, what would you like to wish to your brand for the upcoming years?

Chris 25:46

Well, first of all, I want to, we want, we want to help even more people like that's, that's what we are, what we are in business for, I would I would hate to see no become a brand where we are having all kinds of products that are not really helpful. That's one way of growing is it then we need a I don't know, we need a lipstick, we need a you know, more like beauty, beauty product, like we're creating products that are helping people that has an effect, and should you know, help people get more healthy skin. So that's what really what I want to see the brand become an association of a brand that helps people that's associated with good customer service. And, and really something that people are building, you know, a strong connection and emotions with like, that's, that's what I want to see, and then help even more people than what we're helping today.

Anna Martynenko 26:44

And in terms of in terms of sustainability, what is your vision for the future?

Chris 26:51

I, my long term vision is that we should become we should have no emissions, like we should hit zero. Basically, we could make sure that our whole supply chain ran on renewable energy. And, you know, we didn't leave any any traces whatsoever. Like that's, that's really my my ambition, my ambition. I read a book recently by Bill Gates. It's called How to avoid a climate disaster. And he's talking about how, what kind of solutions we need to implement in order to reach zero emissions worldwide, right. So globally, and I got very inspired by that, that book, and, and it's sort of like thinking, Okay, how can we do that, like looking at the skincare industry? How could we actually hit zero emissions? Right. So that's my, that's a long term vision. But you know, that's what I that's what I want to work towards. Yeah. That's,

Anna Martynenko 27:54

I hope you you, you will manage to reach this goal at some point. Thank you. Yeah. Thank you so much for your participation was amazing. And your insights were perfect and really, really valuable for me for my thesis work.

Chris 28:10

Thank you. Thank you. And yeah, good luck with with everything. When are you when are you handing in the thesis?

Anna Martynenko 28:18

The first deadline is June 24. So okay, now I managed to finish it by now, but by then, yeah,

Chris 28:27

still some time left.

Anna Martynenko 28:29

Thank you. Thank you so much.

Chris 28:32

You're welcome. You're welcome. Good luck with it. And yeah, let me know if you have any follow up questions or anything.

Anna Martynenko 28:39

Have a wonderful day. Bye.