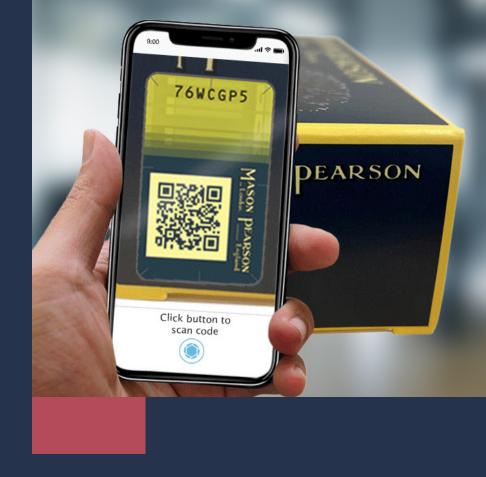


**AUTHENTICATION** 

**BRAND PROTECTION** 



# Countering diversion in the global luxury beauty market

Case study: Mason Pearson

## Mason Pearson

Mason Pearson, a prestigious British company with a legacy spanning almost 140 years, stands as a hallmark of quality in the hairbrush industry. Renowned for its luxury handcrafted brushes, the company has built a reputation on quality and craftmanship with decades of experience in hair care.

While Mason Pearson's heritage anchors them firmly in the past, they continue to look to the future and strive to innovate in a radically changing retail landscape. Closely monitoring trends in evolving consumer behaviour has enabled them to stay relevant and desirable across the generations of their loyal customers.



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# Challenges

The high-quality, handcrafted hairbrushes produced by Mason Pearson once exclusively sold through trusted channels, began appearing via unauthorised online channels posing a potential threat to their traditional distribution model, and disruption to their much sought after customer experience.

During our recent webinar, Bea Morrison, Director of Marketing, Mason Pearson, commented, "The rapid growth of the internet has totally changed the retail landscape for everybody. Unfortunately, it's had a detrimental effect, especially on our products because they suddenly started appearing on discount sites, on marketplaces, at discount retailers."

This unauthorised distribution, often referred to as parallel importing, a process where distributors export products to a territory outside their own contractual jurisdiction, initiated unwelcome price competition, a loss of stock control in market, and a strained relationship with their legitimate distributor in the effected territories.



As unauthorised online retail channels grew, so did the challenges. A lack of professional guidance for customers during the purchase process, misrepresentation of products and poor customer service offered in these unauthorised channels, led to customers receiving items that didn't match their expectations in terms of model, size, or colour, and complaints grew.

These challenges had a ripple effect on Mason Pearson's overall business. Unhappy customers, driven by product misrepresentation and poor customer experience, undermined the brand's luxury status and led to a tangible loss in sales. While additional resources to address customer complaints added to operational costs and diverted focus from core business activities, leading to margin reduction and opportunity costs. With the potential to pose a significant impact on the brand's market position and financial health, these challenges had to be tackled quickly.



As Bea mentioned, "We have had a number of unhappy customers, which obviously have cost us sales, as a result. So, yes, there's been a number of impacts on us." These challenges highlighted the need for an effective brand protection strategy in the digital marketplace.

## Solution

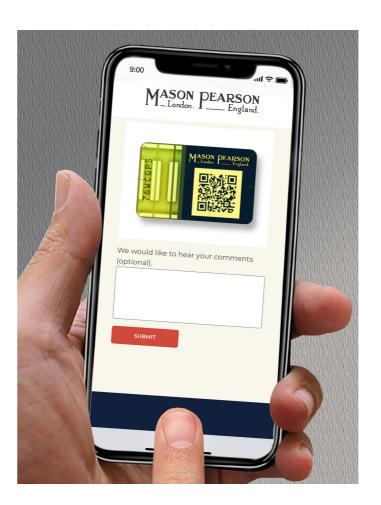
Mason Pearson's initial collaboration with a brand protection agency involved an online strategy focused on monitoring marketplace listings for unauthorised sales of their products. This method included sending notices to sellers to take down unauthorised listings.

While this approach resulted in some unauthorised listings being removed, it proved to be a temporary fix. New unauthorised listings would quickly appear, creating a continuous cycle that didn't address the root cause of the problem. This reactive approach highlighted the limitations of tackling unauthorised sales solely through online monitoring and legal notices.

## Adopting De La Rue as a brand protection partner

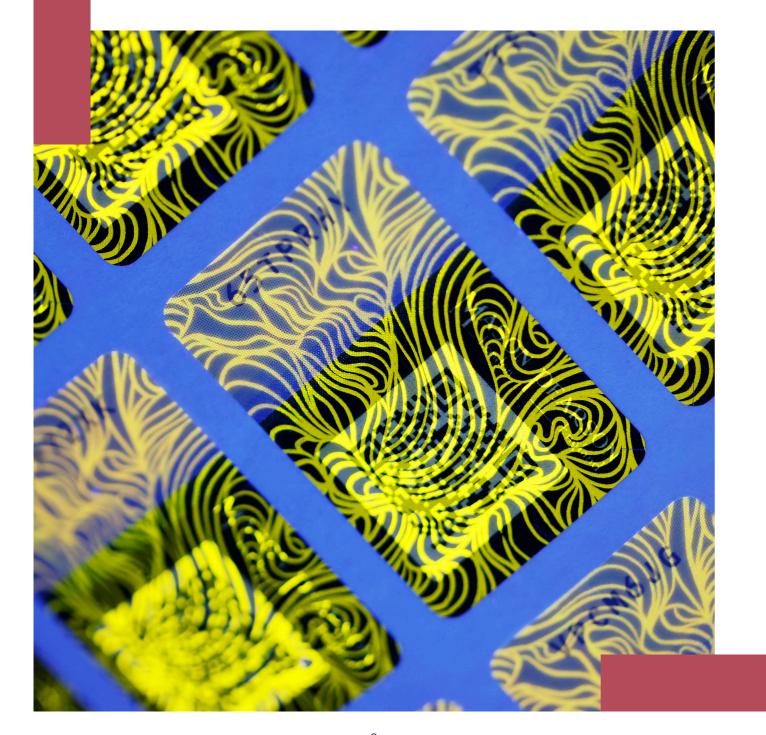
Mason Pearson sought a more effective and rapid approach to brand protection. After extensive research, Mason Pearson selected De La Rue's solution to address their brand protection challenges. "We did look into this whole idea very thoroughly and then spoke to a number of companies providing track and trace technology but in the end it was actually a fairly easy choice to choose De La Rue because we like the long heritage, which is similar to us. We like the British roots, which is similar to us. We liked what we were hearing and seeing about the solution. So it needed to be really simple, but it had to be really, really effective and I feel De La Rue have really understood this requirement."

This involved a combination of offline and online components, to form a comprehensive strategy. A comprehensive brand protection solution which incorporated two key elements, physical and digital brand protection.



As Bea explains, "It is a combination of offline, an Izon® hologram label which blends in beautifully with what we have. They look elegant, they look luxury, they look on brand. These are adhered to every single box and we record the unique number on each label with hand scanners and the hand scanners feed that information to an online system. So we know exactly which brush was shipped to which of our customers, and when the end consumer scans, the label somewhere at the retailer, then they can log their purchase on a landing page, which then gives us the information where the product was sold. So I see that information on a dashboard and believe me, I'm on it every day. It's very interesting to see the results".

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## Results

# The implementation of De La Rue's solution brought significant improvements for Mason Pearson.

Efficiency: The integration of traditional hologram labels with online tracking created a robust, user-friendly solution. This approach streamlined the process of brand protection, making it both effective and easy to implement.

Visibility: The online dashboard provided Mason Pearson with real-time insights into product distribution and consumer interactions. This visibility was crucial in monitoring the movement of products throughout the supply chain.

Success: The system proved its efficacy by identifying several instances of counterfeiting. These detections allowed Mason Pearson to address and rectify issues promptly, showcasing the effectiveness of the solution in safeguarding the brand's integrity.

Bea sums up the results so far, "It's only been a few months we've been using the system, but we're certainly seeing good results. We've also flushed out a couple of culprits, I'm pleased to say. It has ruffled a few feathers, which is exactly what we wanted to achieve. So overall, I am very happy."



## Long-term commitment

Mason Pearson's renewal of its partnership with De La Rue for another three years signifies their satisfaction with the brand protection solutions provided. This renewal is a testament to the effectiveness and success of the strategies implemented by De La Rue, affirming a strong, ongoing collaboration between the two companies. The decision to continue this partnership underscores the value Mason Pearson places on effective brand protection measures and their trust in De La Rue's capabilities.

"We're looking forward to a long standing, fruitful partnership", Bea Morrison, Director of Marketing, Mason Pearson.

# Comprehensive support

We understand the need for support across your brand protection program. We're here to help you and your supply chain partners.

Our team of industry experts are here to help to solve the toughest diversion and counterfeit challenges by offering highly secure, creative and sustainable solutions. Working with your internal team and supply chain partners to seamlessly integrate our solution into your finished product.

We leverage our engineering expertise to offer two highly secure physical technologies:

IZON® - an exclusive visual, evoking a three - dimensional object within the label.

PURE™ - a crystal-clear optical effect, producing dynamic visuals in ultra-high resolution.

Click **here** to find out more or get in touch Brand Protection (delarue.com)

Our proprietary printing methods demand advanced scientific knowledge, ensuring our visual effects are beyond the scope of commercially available equipment.

Achieving unmatched anti-counterfeit measures necessitates robust traceability. De La Rue's software system, Traceology®, equips you with comprehensive data and reporting capabilities for tracking your products.

Traceology® initiates the monitoring of De La Rue's labels as they are applied to your items, allowing you to track products from warehouse to end-market destination. Real-time data empowers your teams with instant insights, enabling targeted enforcement without requiring extensive field investigations.

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# Why De La Rue?

1

#### PREMIUM INTEGRATED DIGITAL AND PHYSICAL SOLUTIONS

Our physical tokens, based on advanced surface-relief micro-structures and proprietary volume holography integrate seamlessly with state-of-the-art digital anti-diversion and anti-counterfeit tools to provide the ultimate protection.

2

### **DESIGN AND INNOVATION LEADERSHIP**

We've been perfecting secure documents, security features and growing our design expertise ever since we produced the first fiscal stamp in 1853. We hold over 1000 patents and have decades of experience designing secure documents.

3

#### **GOVERNMENT GRADE PROTECTION FOR BRANDS**

De La Rue provides products and services that underpin the integrity of trade, personal identity and movements of goods to governments, central banks and leading brands in 140 countries. Brands benefit from our high security capabilities.



Click here to find out more or get in touch

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MKT-A063N01





