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Shades of Beige: Tarte Cosmetics and Racial Inclusivity

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Shades of Beige:
Tarte Cosmetics and Racial Inclusivity
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Abstract

The release of Shape Tape foundation, a facial cosmetics line by Tarte Cosmetics, sparked disappointment and outrage in consumers for the lack of racial inclusivity in the range of shades offered. This came as a surprise to Tarte who, from their beginning has been a very socially aware and ecologically thoughtful company. Was this outrage justified? Did Tarte owe their customers an apology? And, if so, how should they go about making amends?

When Tarte released an apology, they further angered consumers who took to social media to express their dissatisfaction. The Shape Tape foundation release sparked a debate on inclusivity in cosmetics that was further heightened by the release of Fenty Beauty, a cosmetics line centering around racial diversity, who have done tremendously in sales after only two years.

A look into the beauty industry reveals a history of racial exclusion that is still seen today. As brands release new products, must they be as inclusive as possible, or are they welcome to have a specific target audience? Market research indicates that as the United States population diversifies, for brands to be successful within the U.S., they must create a space for consumers to see themselves in their products through numerous shades and formulas.

Following the controversy of the Shape Tape foundation release, Tarte announced Face Tape, a redesigned line of foundation that included 50 shades and 5 undertones. Will consumers accept Tarte's newest move? Moving forward, how can Tarte win back the trust of its customers, if possible?

Shades of Beige: Racial Inclusivity and Tarte Cosmetics

The Tarte Way

Maureen Kelly, CEO and founder of Tarte Cosmetics, has been involved with makeup from a very young age. As a child, she came up with beauty concoctions using shaving cream and colored cough syrup, applying them on her own personal models: her Holly Hobbie dolls. Although this seemed to point to a future in cosmetics, Kelly initially pursued a PhD in psychology at Columbia University. Despite this, her cosmetics roots eventually found their way back into her life, and in, 1999, Kelly dropped her career as a clinical psychologist, began intensively studying the makeup industry, whipped up a cheek stain (appropriately dubbed “Cheek Stain”) in her one-bedroom New York City apartment, and Tarte Cosmetics was born (“A PhD Dropout,” 2010).

The idea of Tarte began out of Kelly’s own experience with cosmetics products. In her eyes, beauty brands were too focused on makeup artists, and not on “everyday women” (Wilson, 2006) The products that employees had applied beautifully at department store counters rarely performed as well when she attempted to use them at home. On top of this, the packaging of these products was, in her own words, “boring” (Wilson, 2006).

Tarte was designed to be everything but boring, and everything but technical, as Kelly believed the existing beauty brands to be. Kelly strived to create a brand focused on differentiating itself from the already saturated industry. “Looking back, I realize I was entering an industry with huge competition,” Kelly stated in an interview with Entrepreneur magazine’s Sara Wilson. “Estée Lauder, Lancôme, big companies that had millions of dollars in advertising budgets. Because I was very green, I [thought], ‘Why should they be able to do it, and I can’t?’”

(Wilson, 2006). In Tarte's own words, the company began as "a dream of combining glamorous makeup & good-for-you ingredients" ("About Tarte Cosmetics").

Despite the difficulty associated with entering the beauty industry, Kelly's dream of starting her own cosmetics line took off with success after success. In 2000, Tarte—a brand that did not spend any money on advertising expenses—officially transitioned from Kelly's apartment into department stores when it acquired a makeup counter at Henri Bendel, a New York City-based women's accessories store. Beauty enthusiasts turned their attention towards Tarte, and various reviews in magazines and beauty blogs gave Tarte enough free advertising to grow the brand further. Soon, in 2003, Tarte began selling at Sephora, a multinational chain of beauty stores, and the brand became available in 2005 via televised home shopping when it joined an American shopping channel that has claimed to reach 110 million homes: Quality Value Convenience, or "QVC" (Adler, 2010). Kelly frequently appeared to advertise the latest product on the channel. Tarte's "lights, camera, lashes" mascara was a QVC best-seller, and the brand's following included celebrities like Carrie Underwood and Oprah, who have both endorsed Tarte's products (Adler, 2010).

What has set Tarte apart in the beauty industry is their dedication to creating "natural" and "organic" products and formulating these to solve problems that everyday women experience with makeup, from difficulty in application to not being able to find the perfect lipstick. Polly Blitzer, the founder of BeautyBlitz.com, has said "She [Kelly] has such a prescient sense of what is going to be hot in the beauty industry," and "Tarte always comes up with new ways to solve beauty issues" (Adler, 2010). Although Kelly was discouraged from experimenting with natural beauty products because they cost more to produce, Kelly was adamant about going green. Tarte's relationship with natural beauty dove deeper when Kelly

travelled to Brazil, noticed the youthful appearance of the local women, and asked to know the secret ingredient to their soft skin. According to Kelly, the women lead her to the river and showed her Amazonian clay. Returning to the United States with a jar full of the ingredient, Kelly began incorporating it into many Tarte products, from foundation to eyeshadow. Both Kelly and QVC's Allen Burke were convinced that the ingredient was "groundbreaking" (Adler, 2010) and Tarte's Amazonian Clay line sold on the claim that the 4,000-mile river collects nutrients along its journey that Tarte then harvests at the point where the concentration of moisturizing oils is the highest. Tarte has trademarked "High Performance Naturals" to describe their products that are full of "skininvigorating" ingredients like goji berry extract, maracuja oil, various vitamins and minerals, and more ("About Tarte Cosmetics").

Tarte's products are not the only green aspect of the company. Their *Tarte Gives Back* program is Kelly's way of honoring the communities where the company's products are sourced. Tarte ensures their products are sustainably harvested and has partnered with the Sea Turtle Conservancy to protect the ocean's ecosystem—the inspiration behind their "Rainforest of the Sea" line. Furthermore, Tarte had partnered with Sustainable Amazon to increase their environmental reach ("About Tarte Cosmetics").

Tarte is also committed to preventing cyberbullying and "spreading kindness" through their "#kissandmakeup" campaign that supports the Tyler Clementi Foundation by donating for every photograph using the designated hashtag. Tarte believes in making their consumers "look and feel good inside and out, ("About Tarte Cosmetics")" and donates to Habitat for Humanity, March of Dimes, and Step Up, to name a few.

Tarte has also performed well in the beauty industry from a financial perspective. By the end of 2003, Tarte Cosmetics had reached annual sales figures of nearly \$2 million; by 2006 \$10

million, and just a year later, \$15 million. In 2009, Tarte reached an estimated \$20 million in sales. When the beauty industry as a whole was experiencing declining sales in 2000, Tarte experienced a 50 percent increase (Adler, 2010). According to industry research, Tarte is one of the fastest-growing companies in the cosmetics industry, with an annual average of 30 percent sales growth (“Brand Growth,” 2015). By the end of 2013, Tarte’s revenue was an estimated \$68 million; in 2017, Tarte was 310 on the Internet Retailer list of Top 1000 E-Retailers in North America with internet sales alone reaching \$91.6 million (“2017 Top 1000,” 2017). In addition to sales at cosmetics specialty stores SEPHORA and ULTA in North America, Tarte’s sales have grown rapidly through its own e-commerce site. The Tarte brand has become well-established in the minds of its target Millennial audience, with the number of followers on key social networking sites continuing to rise, hitting more than eight million on Instagram.

Tarte had excelled in the cosmetics industry by positioning itself as a company with a clear mission and values. There were no red flags indicating that Tarte would face any difficulties in its future.

KOSÉ Acquires Tarte

Tarte’s opportunities as a business grew when, on March 4, 2014, Kosé Corporation, a Japan-based beauty company, announced that it had signed an agreement to acquire Tarte. In this deal, KOSÉ agreed to purchase a 93.5 percent stake for \$135 million for a chance to capitalize on Tarte’s market, primarily based in the United States. As a part of Kosé Corp’s Medium-Term Management Plan, the plan was for the company to maintain its image as a luxury cosmetics brand, but also transition towards becoming a more global identity than previously. Prior to acquiring Tarte, KOSÉ’s operations occurred solely within Asia and the ASEAN region. As written in KOSÉ’s official notice of acquisition, “Acquiring a well-known North American

brand gives KOSÉ a new source of growth outside Japan that is expected to contribute to achieving the goals of the medium-term management plan” (“KOSÉ Corporation,” 2014).

KOSÉ was founded in 1946 by Kozaburo Kobayashi and his son acting as the company’s chief chemist. KOSÉ’s corporate message is “Wisdom and Beauty for People and the Earth.” Furthermore, “Using all the wisdom it possesses, KOSÉ creates beauty for the people and for the future of our precious Earth” (“Corporate Philosophy,” n.d.). Like Tarte, KOSÉ’s brand is environmentally focused, making the distribution of ownership between the two companies an expected partnership.

This success of this acquisition had been described by Brand Growth Management as a “lesson in patience and clarity of vision for entrepreneurs building brands in the beauty space” (“Brand Growth,” 2015). Maureen Kelly designed Tarte to steadily grow sales over the course of 15 years by stressing the importance of key retail relationships and making an effort to reflect the ever-changing beauty preferences in the U.S. market. The achievement of this goal has been seen as wildly successful for both Kelly and the fans of Tarte. Importantly, fans of the original Tarte mission have been able to breathe a collective sigh of relief that the acquisition by KOSÉ had not diminished nor derailed its image and trajectory. Despite being a business unit within a larger corporate entity, Tarte’s existing management remained employed and in control of the reigns of the U.S. operations.

Introducing (and Apologizing For) Shape Tape Foundation

“Meet our iconic, "can't live without" concealer & discover why one is sold every 12 seconds!*

This vegan, super-blendable formula instantly helps brighten, smooth & give the skin a firmer,

more lifted look.”

Tarte's best-selling item is their Shape Tape concealer, a full-coverage facial cosmetic meant to cover under eye bags, hide blemishes, highlight, and contour the face all day long. In early 2016, Tarte Cosmetics debuted its Ulta Beauty exclusive Double Duty Beauty line, focused on "two times the beauty" ("Double Duty Beauty," n.d.). This line included a brand-new foundation, a double-ended lipstick and gloss, eyeshadow palettes, and, notably, the Double Duty Beauty Shape Tape Contour Concealer. Out of the entire line, this concealer became Tarte's shining star. This concealer, having lost a part of its original name, was later dubbed Shape Tape, and has become a beauty industry icon.

In 2019, Tarte claims one Shape Tape is sold every 12 seconds ("Tarte Introduces," 2019). The NPD Group, an American market research company, has called it America's number one concealer brand ("Tarte Introduces," 2019). In fact, the concealer has done so well that Tarte has christened each January 12th (in honor of a sale every 12 seconds) International Shape Tape Day. Currently available in 30 shades ranging from "porcelain" to "deep" (See Figure 1), Shape Tape has become a beauty favorite, with popular social media influencers of the likes of James Charles (with 14 million YouTube subscribers and counting) to Jeffree Star (12 million YouTube subscribers and 11 million followers on Instagram) calling the product their "holy grail" for concealers. It is no surprise that when Tarte announced an expansion of the Shape Tape line with two types of foundation—both hydrating and mattifying, for dry and oily skin types—that the beauty community seemed unable to contain their excitement.

The Release of Shape Tape Foundation

Despite the wave of successes and the collective excitement for this new line, when Tarte revealed the shade range for their upcoming Shape Tape foundations in early 2018, there followed an immediate backlash. From the promotional images shared on social media,

consumers felt that Tarte released a foundation line “entirely for white people” (Ritschel, 2018). Tarte launched 15 shades of foundation, thirteen of which were light beige, and three darker than a slight tan, unsuitable for any consumer with a deep skin tone (See Figures 2 and 3). Interestingly, when Tarte’s now iconic Shape Tape concealer was released, it came with only ten shades that did not include an extensive range of depth. Eventually, as time passed, the brand added deeper and richer tones until satisfied with the 30 shades that exist and are praised today. However, when the Shape Tape concealer was released, the backlash from beauty consumers and influencers was minimal. In fact, it seemed that only women of color noticed the flaw and discussed the lack of inclusivity via personal blogs, while the majority of social media influencers and beauty magazines did not speak or write on the topic. Despite major similarities to the previous release, the Shape Tape foundation release elicited a drastically different reaction. Social media erupted with comments of disapproval and disappointment as consumers began to see the first images of the limited shade range. Further, anyone who spoke positively of the launch faced backlash themselves, something that must have left Kelly and other Tarte executives bewildered.

Social Media Reaction

Before launching, Tarte had asked trusted beauty influencers to promote the upcoming release. MannyMUA (4 million subscribers), Jeffree Star, Jackie Aina (2 million subscribers), and Tati Westbrook (5 million subscribers) were just a few among the many social media stars recruited to build the consumer hype around the product. In December 2017, each of these bloggers, and many others, all posted on various social media about their excitement for the upcoming release of Tarte’s Shape Tape foundation.

When Tarte sent Shape Tape packages to its social media partners, each of them took to social media to review the product. However, rather than praising the foundation in the same way they had for the Shape Tape concealer, influencers expressed disappointment and even disgust with the brand's latest release. Influencer Alissa Ashley released a review of the foundation line to her million YouTube followers and expressed her frustration. "The fact that there is such a limited shade range for people of color, people with melanin, is just so disappointing and honestly, I'm shocked that Tarte would do this given the fact they knew that people were so excited for this" (Baragona, 2018). Jackie Aina, who had initially been recruited to promote the product, expressed her disappointment in her own review. "Tarte has to be the most whitewashed brand out there, from their marketing to their Instagram," Aina said. "This brand just embodies the exact opposite of what I stand for ... They don't do anything that makes people feel included... This foundation launch just reinforced that for me" (Baragona, 2018). Both Aina and Ashley referred to an inclusive foundation line as the "bare minimum," arguing that, in 2018, a brand that wished to release foundation needed to include an equal amount of shades for consumers of multiple skin tones. On social media, beauty consumers and makeup professionals expressed their disappointment, calling the release "laughable" (Ritschel, 2018).

Tarte's Damage Control

Instead of releasing a product as successful as their iconic Shape Tape concealer, Tarte had found themselves in the middle of controversy, and their response to consumer feedback may have harmed them further. As the comments from upset consumers flooded their social media pages, Tarte realized that damage control was necessary. To implement this, they reportedly disabled commentary on their posts, blocked Instagram users who had commented on the shade range from their page and took to their Instagram story—a few second long, temporary

platform that disappears permanently after 24 hours—to apologize. Following a photo collage of Tweets that Tarte had collected of disappointed fans, the brand wrote:

We want to let you know we hear you... You all know by now that we revealed our much-anticipated shape tape foundation & the final shade range that we launched was definitely not representative of all of you. It may be too little too late, but we can assure you this was not meant in any kind of malicious way. We all just got so caught up in #shapetapenation and seeing your tweets asking for it... We wanted to get the product out as fast as possible, & we made the decision to move forward before all the shades were ready to go. We know there is no excuse, & we take full responsibility for launching this way. We lost sight of what's really important in this industry, & for those who feel alienated in our community, we want to personally apologize. We're doing everything in our power to bring those unfinished shades to market as fast as we can, at any cost. We CAN and WILL DO BETTER (Battle, 2018).

On one hand, Tarte's apology may have been sincere. In their statement, the brand acknowledged that their apology was too late, and that they had lost sight of the importance of diversity. Furthermore, Tarte's apology took full responsibility for the launch, and aimed to "personally apologize (Battle, 2018)" for those that felt "alienated (Battle, 2018)" by the amount of shades. Perhaps Tarte *was* too excited to release the initial launch and believed that consumers were pushing for an early release, regardless of a full collection being included or not. Notably, Tarte promised to do better in the future, indicating that the brand understood and accepted comments from disappointed consumers. One may argue that Tarte, with its large following in

both social media and sales, now had the opportunity to use their mistakes as an avenue to educate other brands that had limited shade ranges themselves.

On the other hand, beauty consumers and professionals alike did not accept Tarte's apology, believing that the statement itself was as insensitive as the initial launch. Representatives began speaking to beauty magazines that had asked for comment, and further statements from Tarte angered consumers further. An employee from Tarte explained that, "even when Shape Tape Foundation was revealed, the new colors were already in the works. Additional shades are usually added seasonally... because your complexion tends to be paler in the Winter and darker in the Summer months" (Newby, 2019). However, many consumers found flaws in this reply, noting that women with a deep complexion exist all year long. As written by Marquaysa Battle for *Revelist* magazine, "it doesn't matter how many shades of Shape Tape Tarte comes out with in the future. The sad, low standard has been set, and I — along with many other women of color — will not be buying it" (Battle, 2018). Furthermore, followers of Tarte's social media noted that the release of Shape Tape was not a surprise, as Tarte has never been the most inclusive company, citing the fact that, during many months of social media posts, there was not a single person of color promoting the brand. Battle continued, "Tarte's excuses about why diversity is being neglected now is BS [sic]. The brand has already shown which customers it cares about — and it's not those of us with dark skin" (Battle, 2018).

The Cosmetics Industry and Women of Color

Tarte is not unique in its decision to release a foundation line unfit for women with deep skin tones, and many argue that the cosmetics industry as a whole has already shown that it does not care for consumers with dark skin. In the eyes of many, the beauty industry as a whole has failed to adequately account for women of color since its beginning, with makeup's history being

tied to racism. The earliest cosmetics for women of color can be traced to the 1860s, where makeup manufacturers saw deeper skin tones as a means of profiting off of the insecurity associated with being of color. Bleaching products, with names like “Black No More” were born, and heavily marketed for women of color to whiten their skin tones to appear beautiful. In 1898, Anthony Overton opened the Overton Hygienic Manufacturing Company, a company that initially sold baking powder and delved into making facial powder for Black women after Overton recognized that the industry was lacking in diverse shades. Although brands were slowly beginning to appear, according to Tim Samuelson, Chicago’s official cultural historian and researcher of early black makeup brands, for women of color to access the products, the brands “had to rely on a small network of companies and mail order” (Nittle, 2018) in a time when department stores refused to stock products for people of color. While white-owned makeup companies packaged their few deeper shades in plain packaging, and included ground-up chalk in their formulas, Overton’s products were the first to come in colorful packaging and were made with safe ingredients akin to those made for the fair-skinned consumer. Although other brands began jumping onto the trend and included colors called “tantalizing dark brown,” and featured racially-ambiguous women on their packaging, none of these advertisements featured women “darker than a paper bag” (Nittle, 2018).

It wasn’t until the 1960s and 70s that the Black is Beautiful movement brought a wider range of beauty to the spotlight. Quickly, brands began noticing the opportunity for creating products for women of color. Mainstream brands like Maybelline and Avon began using African American models in their advertising. According to *Style and Status: Selling Beauty to African American Women*, “during the five years that ended the 1960s, a half-dozen cosmetics lines for black women debuted” (Nittle, 2018).

Many of the new products came from new Black-owned brands, like the Johnson Publishing Company, that created Fashion Fair, LLC in 1969 after noticing that Black women had to mix foundation shades to achieve the correct tone. Johnson approached name brands, like Revlon, to expand their shades to include colors for Black women, but many declined.

Eventually, Maybelline released “Shades of You” in the 1990s, a collection of makeup items specifically for women of color. However, Maybelline was criticized for seemingly launching this line in an attempt to capture more of the market rather than out of genuine care for the African American community. As written in an article for *Advertising Age* on December 17, 1990:

For Maybelline, its latest move may prove a way to regain lost ground. The company is now the No.2 cosmetics marketer, with an estimated 17.5% share, trailing No.1 Cover Girl’ 23% but ahead of No.3 Revlon’s 13%... instead of going eyeball to eyeball with Cover Girl, they can go for a specific segment for incremental market share (Sloan, 1991).

Soon after Maybelline’s success, various other beauty brands began following in their footsteps, releasing their own campaigns directly targeting women of color. A significant moment in the beauty industry was Estee Lauder’s—a company known for its image of the prestigious, upper-class white woman— release of “Prescriptives All Skins” with “more than one hundred custom-blended makeup shades [that] attracted nearly fifty thousand new black customers during its first year” (Weems, 1998).

Although the industry has been slowly catching up, the cosmetics offered for women of color are lacking compared to the range and availability of products for women with fair skin. As Vic Casale, chief innovation officer of Cover FX, a brand that has been known to celebrate and

enforce diversity for a significant period, stated, “What a lot of brands do is for the white North American woman,” because “it’s known they’re [the products] going to sell.” He continued, “For black women, brands offer very few” (Greaves, 2018).

The Fenty Effect

While the industry’s history is dotted with failures to recognize and include women of color, a few rising stars in the beauty industry recognized the inclusivity gap and capitalized on it. Rihanna’s newest cosmetics line, Fenty Beauty, launched in September 2017, has forced the industry to consider women of color in their marketing and product releases. When Fenty launched their Pro Filt’R Foundation line exclusively across 1,600 Sephora stores in 15 countries with 40 shades ranging from fair to deep (see Figure 4), consumers immediately flocked to the shelves (Muller, 2017). After just one month of sales, Fenty Beauty recorded \$72 million in earned media value, outperforming other, long-established brands like NYX (\$51.5 million), Urban Decay (\$37.0 million), and Benefit (\$48.1 million), with reports of their darkest shades being sold out across retail locations, including tester products (Rutter, 2017). Earned media value is, according to Tribe Dynamics, a “prescribed metric that quantifies the estimated value of publicity gained through digital earned media and their respective engagement levels” (Rutter, 2017) Fenty’s parent company, LVMH Moët Hennessy Louis Vuitton SE, also known as LVMH, reported revenue growth of 17 percent in cosmetics and perfume sales for the third quarter of 2017, credited to the “exceptional (“LVMH Reports,”2019)” Fenty launch. As spoken by LVMH’s Chairman and Chief Executive Officer (“CEO”), Bernard Arnault, “Incredible success with Rihanna and Fenty Beauty launch in 2017; 2018, reaching about 500 million [euros] in sales, starting from zero, we must really emphasize this... we started from zero to almost 500 million in revenue” (“LVMH Reports,” 2019). In fact, Fenty’s Pro Filt’R was so

revolutionary to the beauty community that Time Magazine named the product one of the 25 best inventions in 2017 (“The 25 Best,” 2017).

Fenty’s success has seemingly caused a wave, dubbed the *Fenty effect*, of beauty brands scrambling to launch or update their own foundation lines with extensive shade ranges of at least 40 colors. Revlon’s new brand Flesh and CoverGirl’s TruBlend Matte Made Liquid Foundation both come with 40 shades each, and Flesh claims to be “redefining ‘flesh’ color” (Chadwick, 2018) releasing base cosmetics products with a wide range of tones. Linda Wells, creator of the line, says “For too long, the term ‘flesh color’ was used to describe beige skin, which is a disheartening and regrettable misnomer” (Fontana, 2018). Luxury brands have joined the wave, too. Citing an “industry standard” (Rudolfo, 2018) Dior launched Dior Backstage in 2019 with 40 shades, as well. Forty has become the magic number for brands looking to release a foundation line. If below 40, consumers immediately utilize social media to compare the line to Fenty Beauty, or attack the brand online, as occurred with Tarte.

Fenty Beauty is not the only brand to offer an extensive line of shades, nor is it the first. During the height of Fenty’s initial success, Make Up For Ever, a brand that has been in the beauty industry since 1984, chimed in via social media to showcase their own 40-shade foundation line that had launched in 2015. However, this was met with backlash, as Make Up For Ever was late to launch their deeper shades, and had not included them before 2015 (It is noteworthy to mention that Make Up Forever shares the same parent company as Fenty, LVMH). In contrast to Make Up For Ever, consumers noted that Fenty *began* their brand with inclusivity as the center of their strategy. Make Up For Ever seemed to merely follow suit in 2015 only after diversity became “trendy.” Still, other beauty brands are attempting to outdo Fenty by making an effort to push the industry boundaries further by releasing foundation ranges

that include *more* than the magic 40 shades. NYX Cosmetics' Can't Stop Won't Stop foundation, in collaboration with social influencer Alissa Ashley, was released with 45 shades. However, it seems that no one is comparing future foundation lines to NYX.

Tarte's Next Move

Many claim that the best response to a mistake is changed behavior, and many brands have spoken something along the lines of "you asked, we listened." Tarte has actively responded to the controversy following their Shape Tape foundation by announcing that it would pull all of the Shape Tape inventory from stores and start over. In early 2019, a year after the controversial launch, at a beauty editor event in New York City, Maureen Kelly acknowledged, through tears, the way that Tarte had disappointed its consumers.

This was so disappointing, we were moving so fast and doing so much. It was like, 'God, how did we miss the mark so badly.' Sometimes you just have to press the reset button... It's not that it's not making any money or doing well sales-wise. It is. Once you disappoint someone so deeply, you just have to start over. It's about doing the right thing. Regardless of how much it was selling or regardless of how many shades we added to it, it didn't erase how it started (Diaz, 2019).

To "start over," rather than simply adding additional shades to the initial launch, Tarte announced the release of Face Tape, what Tarte has described as what they "should have released in the first place" (Diaz, 2019). This new line of foundation will follow the formula of the cult classic Shape Tape concealer, mattifying, hydrating, and highlighting the face with "transfer-proof, waterproof, and sweat-proof, 12-hour protection" (Diaz, 2019). However, this

time, the foundation line will include 50 shades and five undertones (See Figure 5), with a labeling system to allow for consumers to easily identify their own shade.

This release has been described as everything that the initial launch was expected to be. In an effort to live up to new standards and expectations, Tarte reportedly used real people when developing undertones and shades for the new line, spent time scanning comments on their Instagram page, and viewed videos of beauty influencers who had given their reviews. In Kelly's own words:

My team and I really wanted to give our Tartelettes everything they love about our Shape Tape™ concealer in a foundation. From the texture and matte finish to the new pump applicator and 50 shade offerings, we believe this new formula delivers on all the things you wanted in a foundation (M, 2019).

The question has become whether or not beauty consumers will accept Tarte's apology. Although the launch is fresh in the beauty community, reviews have already begun. One consumer described her satisfaction with the new product, particularly the number system in identifying shades: "While 40-plus options are slowly becoming the norm for base products, finding one shade can be a bit overwhelming. But Face Tape's shade numbering system proves to be super-duper helpful: after the number, there's a letter that indicates the product's undertone" (Underwood, 2019). Another consumer, although worried of the launch following the initial shade range of Shape Tape, expressed her approval of the new foundation, as well. "With the bitter taste of last year's shade controversy still lingering in my subconscious, I was wary of this new Face Tape. But I was able to find my exact shade — which almost never happens" (Diaz, "We Tried," 2019).

On the other hand, some consumers argued that Tarte would have been better off pulling the line and releasing it under the same name, stating that the new name and packaging caused confusion and was “overwhelming” (Electro, 2019). Some have noted that the new name alludes too much to the initial launch. “I would rather be included in a brand-new foundation rather than only being included in a second launch because the first launch didn’t include me at all” (Electro, 2019). Some have gone as far as to refuse to purchase from the Tarte brand altogether, arguing that other brands have included deeper skin tones from their founding.

Current and Future Industry Trends

Industry trends indicate that brands cannot afford to make the same mistakes that Tarte made when launching the initial Shape Tape foundation with a limited shade range. The question is, will Tarte’s next move of redesigning and relaunching their original Shape Tape foundation under the name Face Tape align with future industry trends?

According to a Nielsen report titled *The Future of Beauty*, new beauty shoppers prefer cosmetics that are natural, personal, and connected. As the report explained, “Consumers do not want you to tell them what their skin tone looks like,” stated the report. “They want you [the brand] to provide a range of options that allow them to choose for themselves” (“The Future of Beauty,” 2018). Tarte, as a brand, has consistently been a natural and connected company, following trends closely and adapting to the ever-changing beauty community. By directly listening to feedback from consumers and releasing an updated shade range in their upcoming Face Tape line, Tarte had allowed consumers to, as the report emphasized, choose for themselves—while the initial launch of Shape Tape had not.

From an IBISWorld report on the United States Cosmetics and Beauty Industry, brands “are expected to focus more on offering a wide variety of products to accommodate for a diverse

consumer base” (“Cosmetic & Beauty Products,” 2019). More important, perhaps, is the prediction that, “operators that only offer a select number of foundation colors will not be able to compete” (“Cosmetic & Beauty Products,” 2019). Census projections in the United States agree with this statement, predicting that, in 2045, the United States will be “minority white,” with only 49.7 percent of the population predicted to be white in that year (Frey, 2018). As written in Mintel Trend *Serving the Underserved*, “it is critical for brands to build a more inclusive marketing strategy, as eventually there will be no ethnic majority” (“Color Cosmetics,” 2018).

Evidence of these trends is in the numbers. The overall amount of base makeup colors available for consumers to purchase has grown significantly in the last five years. According to a Nielsen report, the amount of new individual colors has grown by 22 percent to 679 unique foundation colors in 2017 (“The Future of Beauty,” 2018). Of the top four leading foundation brands in the United States in 2018, based on sales, three—Maybelline, Revlon, and L’Oréal—offered 30 or more shades, and, unsurprisingly, of the cosmetics brands that consumers viewed favorably in 2016, Maybelline, Revlon, and L’Oréal received approval ratings near or above 70 percent. L’Oreal’s True Match foundation extended their shade range to 29 shades in September of 2017, and, according to Mintel, the brand saw their Infallible foundation line’s sales up 30 percent for the 52-week period ended February 25, 2018. Maybelline’s Fit Me products grew 17 percent in the same 52-week time frame (“Color Cosmetics,” 2018). From a revenue perspective, it is clear that brands that make an effort to promote inclusivity in their facial cosmetics products see an increase in sales. If the numbers are accurate, Tarte’s updated shade range for Face Tape should promote the sale of their facial cosmetics along the lines of other inclusive brands.

In research towards women’s attitudes towards facial cosmetics, Mintel found that more than 75 percent of facial makeup consumers stress that finding a product to match their skin tone

is one of the most important purchasing factors, and 79 percent of Black women look to how well a product matches their skin tone before purchasing. However, 29 percent reported struggling to find a matching shade. Although Mintel states that Black women under index for facial cosmetics, they note that this is a result of several factors, including difficulty finding products that work for their skin tones. *Essence* magazine, in their annual “Smart Beauty” panel, led by their Beauty and Cover Director Mikki Taylor and consisting of celebrity makeup artist Sam Fine, Rosemarie Ingleton, a dermatologist, and Candace Corlett, president of WSL Strategic Retail, reported that African American women spend an annual \$75 billion on beauty products. On the Black woman, Sam Fine stated, “She [the African American woman] spends a lot, but there’s little satisfaction. What keeps us buying is the hope that this product will do what it’s supposed to do” (Stewart, 2013).

The data indicates that multicultural women love makeup when the industry loves them back. Black and Hispanic women are the “key drivers of lipstick and gloss,” and “the key drivers of new beauty looks and trends are younger Hispanic women,” who “tend to be the most engaged and willing to adopt new looks” (“Color Cosmetics,” 2018). According to a Nielsen demographic report of Latinas as a part of their Diverse Intelligence Series in 2017, although trends in the overall beauty industry may decline, Latinas continue to increase their spending on beauty products and total Hispanics and Latinas over index in dollars per buyer and buying households across all categories, including cosmetics, hair care, and skin care preparations. Hispanics in the United States are projected to have buying power of \$1.7 trillion by 2020, and their spending power will continue to grow with their population (“Latina 2.0,” 2017). These numbers indicate that there is an underserved market within the beauty industry that Tarte may have the ability to capture with the launch of racially inclusive products.

The Future of Tarte

Although Tarte had designed and released a new foundation with a wide range of skin tones, the question remains whether or not beauty consumers will forgive and forget the incident. In a decision as widely reported and scrutinized as Tarte's initial Shape Tape release, a brand may find intense difficulty in recovering. Rather than simply apologizing and releasing a second line, sustainable success for Tarte may require repairing the brand's reputation from the inside out. Now that consumers have interpreted Tarte's decisions as insensitive and harmful to women of color, Tarte must make an effort to prove to consumers that the brand is not its one mistake, and that inclusivity and diversity align with its values. Perhaps Tarte may focus on hiring women of color to promote their brand and design future products. Tarte may conduct focus groups for all future releases that focus on cultural sensitivity to correct mistakes before an official launch. The answer might lie in developing advertisements that focus on appealing to women of color by showcasing products on a wide range of skin tones. Or, Tarte may even go as far as to hire women of color in executive positions within the company. Whatever Tarte's decision, their story of a single mistake sparking massive outrage serves as a lesson to current and future businesses who could find themselves in a similar situation.

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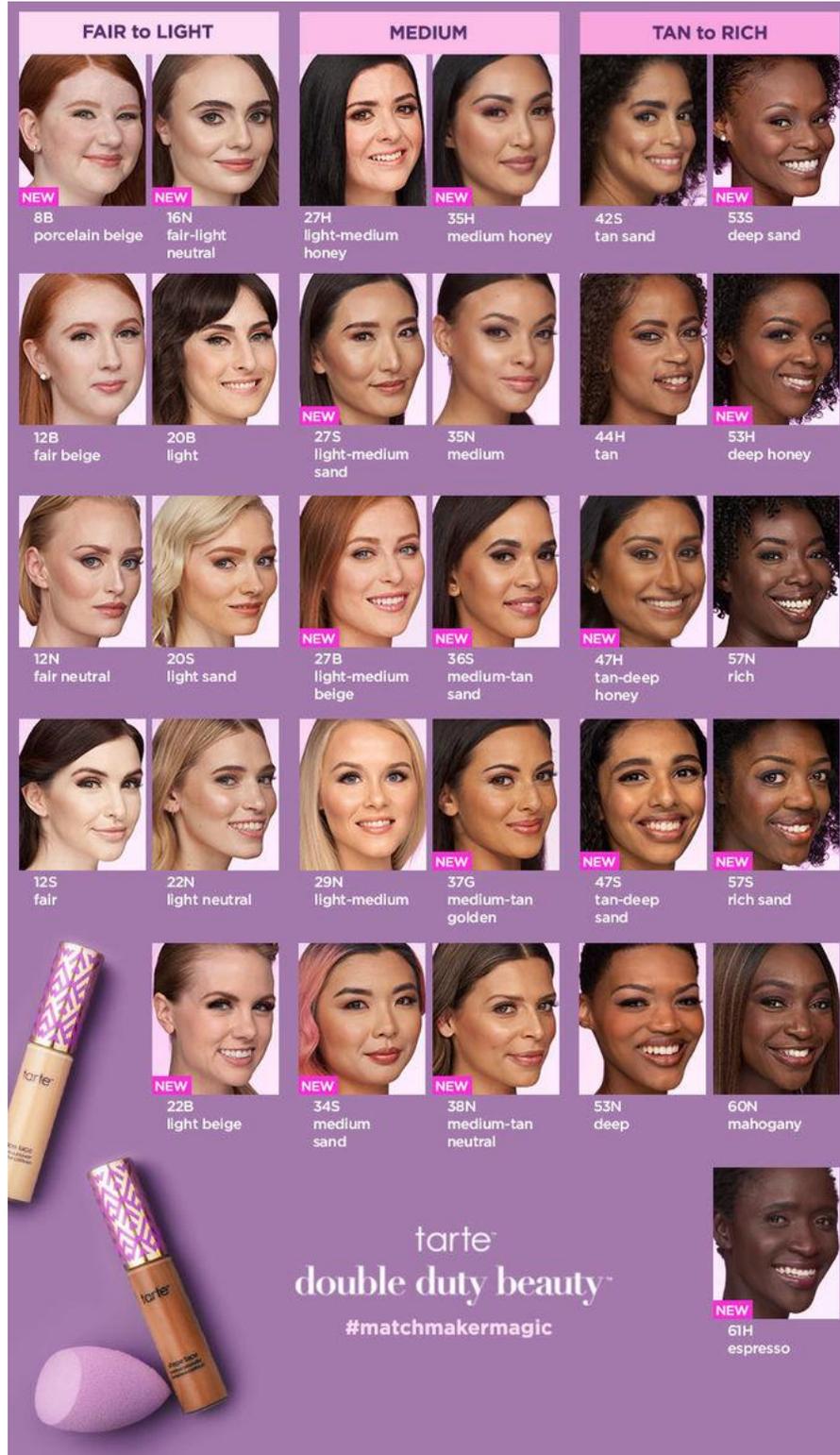
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Figure 2. Tarte Shape Tape foundation shade range.



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Figure 3. A photograph displaying each shade of Tarte's Shape Tape foundation applied on the arm of a Popsugar employee.



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Figure 5. Shade range of Tarte's Face Tape foundation.



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