



STEVEN ROGERS
JEFFREY J. BUSSGANG
ALTERRELL MILLS

Amanda and Kristen: Mented Cosmetics

In August 2016, after more than a year of researching viable business opportunities and working to develop their own set of proprietary products, Amanda E. Johnson and Kristen “KJ” Miller (both MBA 2014) sat in the meeting room of their Harlem, New York working space. They were determined to attract investors to their newly founded company, Mented Cosmetics (Mented). A shortened version of the word “pigmented,” Mented was initially focused on offering nude color lipsticks to service women of all skin tones. Johnson and Miller believed that every woman deserved to see herself represented in the beauty world and felt that the industry was largely ignoring an entire market segment of Black, Latina, and Indian women.

Johnson and Miller still had a long way to go to successfully launch their enterprise: neither of the co-founders was working on the venture full-time, they had not produced nor sold a single unit of their finished product, and money was becoming tight for the entirely self-funded venture. The co-founders knew they would have to address some very immediate challenges to move from testing the market and prototyping to launching a consumer-ready product. Was now the right time to begin seeking outside investment, or did they still need more time to prove their concept? If it was the right time, how much should they seek, and how could they best make their case to investors? If it was not the right time, what should they do with their limited resources?

Identifying Opportunity

The History of Black Female Founders

Black female entrepreneurs had a long history of tapping into unmet needs and creating companies in virtually every industry, including advertising, media, and technology. Within the beauty industry, Madam C.J. Walker became America’s first self-made female millionaire after developing hair care products for Black women. She also created beauty schools and salons.

The most prominent Black-owned advertising firm was founded by Carol Williams in 1986, the woman who created Secret deodorant’s famous tagline, “strong enough for a man, but made for a

HBS Senior Lecturer Steven Rogers and independent researcher Alterrell Mills prepared the original version of this case, “Amanda and Kristen: Mented Cosmetics” (HBS No. 318-093), which is being replaced by this version prepared by Steven Rogers, HBS Senior Lecturer Jeffrey Bussgang, and Alterrell Mills. It was reviewed and approved before publication by a company designate. Funding for the development of this case was provided by Harvard Business School and not by the company. HBS cases are developed solely as the basis for class discussion. Cases are not intended to serve as endorsements, sources of primary data, or illustrations of effective or ineffective management.

Copyright © 2020 President and Fellows of Harvard College. To order copies or request permission to reproduce materials, call 1-800-545-7685, write Harvard Business School Publishing, Boston, MA 02163, or go to www.hbsp.harvard.edu. This publication may not be digitized, photocopied, or otherwise reproduced, posted, or transmitted, without the permission of Harvard Business School.

woman.” In 2017, Williams was the second African American woman inducted into the Advertising Industry Hall of Fame, after Cathy Hughes.¹

Hughes purchased her first radio station in 1980. Over time, by acquiring underperforming stations in big cities and changing their format to cater to Black listeners, Hughes built a national media network, Radio One. In 1999, she became the first Black woman in the United States to chair a publicly traded company.² Hughes’s son would go on to become the CEO of Radio One and the chair of TV One, a new television network that he developed in part because he believed the Black Entertainment Television (BET) network was not serving all of the Black market.³

BET, co-founded by Sheila Johnson, primarily targeted Black youths between ages 16 and 25. After selling BET to Viacom in 2000 for \$3 billion,⁴ Johnson endowed and created the Sheila Johnson Fellowship at Harvard University, which provided a two-year fellowship (covering tuition, healthcare fees, and a stipend) to graduate students selected for their work in uplifting the Black community.⁵

Between 2007 and 2012, the number of U.S. businesses that were majority-owned by Black women grew 67%, compared to 27% for all businesses that were majority-owned by women.⁶ By 2015, 1.5 million businesses were majority-owned by Black women, generating \$42 billion in annual revenue.⁷

Would Johnson and Miller follow in the footsteps of so many successful Black female founders and entrepreneurs?

Foundations of Partnership

Johnson majored in Finance at Howard University, a historically Black university in Washington, D.C. After graduation, she worked for two years in investment banking. While she liked the analytical rigor of finance, she wanted to work with products that impacted people’s everyday lives, so she spent two years in digital marketing at a multinational mass media corporation before enrolling at Harvard Business School (HBS). Miller graduated from Harvard College in 2008 and worked for four years in fashion and apparel merchandising, first for a national department store chain and then for a New York-based urban apparel retailer with a global online footprint.

Johnson and Miller met in 2012 while working on *The HBS Show*, an annual theatrical production put on by students. The two became fast friends and bonded over their interest in entrepreneurship while working together on different projects, ranging from a final paper for a marketing class to planning Sankofa, the African dance show organized by HBS’s African American Student Union.

They knew they worked well together and wanted to launch a business as a team after school, but by the time graduation arrived, they had yet to come up with an idea they felt passionate enough about. They both decided to pursue other jobs in order to pay back student loans, cover living expenses, and save some capital that could be invested once they identified an opportunity. Both accepted full-time positions in New York, with Johnson focusing on e-commerce business development at Barney’s and Miller focusing on retail strategy consulting at Deloitte (see **Exhibit 1**).

Once in New York, the two met about once a week to discuss start-up ideas. “In between meetings, we would send each other articles about interesting things we saw happening. It was very ‘brainstorm-y,’” Johnson recalled. Johnson and Miller knew they needed to identify a market gap, develop a product as the solution, and then find customers willing to purchase the product. However, they were not sure which of those aspects to focus on first. Miller recalled:

Foremost, we asked ourselves, “What are we interested in?” The second question was, “Is it something that *we* could do?” I had attempted other start-ups before, and I felt pretty

adamant that I didn't want to do anything that we couldn't get off the ground with just us. I also didn't want to upset our dynamic, because the strength of the team is what makes a start-up work. At the end of the day, if you have someone you're working with who you really respect, and if even your disagreements with them lead you to more progress instead of hitting a wall, that's precious. It wasn't just that the business idea had to be something in our wheelhouse, or something that met a need—those things weren't enough. It needed to be us as a team and something that we were absolutely excited about.

Based on their backgrounds, Johnson and Miller decided that they were best suited to create a consumer goods company. Miller would focus on production, and Johnson would focus on marketing. While their professional backgrounds narrowed down the potential business ideas, there was still a seemingly infinite stream of ideas that fit within those broad parameters.

It was not until Johnson lamented that she had been looking for the perfect nude lipstick for three years without any luck that the two felt they had stumbled across a problem that they were both passionate about and well suited to solve. After a weekend spent buying and trying more than 100 different nude lipsticks, they were convinced the product they needed simply did not exist. They began to look into developing and producing a line of nude lipsticks designed for and marketed to African American women and other women of color. Their first step was to research the beauty industry.

The Market Opportunity

The U.S. Beauty Industry

In 2016, the U.S. cosmetics and beauty manufacturing industry was projected to generate \$48.3 billion of revenue, 20% consisting of sales of cosmetics products (see **Exhibit 2**).⁸ The four largest players collectively held only 32.5% of the market.⁹ There were more than 4,000 firms in the industry, most of which had fewer than 20 employees.¹⁰ Imports accounted for 18.3% of all U.S. cosmetics and beauty product manufacturing, including higher-end products from Europe and Canada and low- to mid-range products from Mexico and China.¹¹

Because cosmetics were non-essential products, consumer demand was driven in part by household income levels.¹² In the U.S., the top two income quintiles generated more than 60% of all retail beauty industry revenue.¹³ During periods when consumer confidence in the economy was higher, cosmetics and beauty product manufacturing industry revenue typically increased, driven by increased interest in premium and organic products sold at higher price points.¹⁴

Given the level of competition in the market, differentiation was critical. Attractive packaging and branding could help brands stand out, as could focusing on new product development or offering environmentally friendly products.¹⁵

Redefining Nude

Nude was a muted, natural shade that was well suited for women in professional settings or who preferred understated makeup. *British Vogue* experts said the key to identifying the perfect nude lipstick was the skin's undertones, something most consumers were unaware of.¹⁶ Often, trial and error was the only way to find the right shade, as a visual inspection of the tube or lipstick application to the back of the hand provided imperfect matches.¹⁷ The fuller bottom lip could be two-toned, which required a lipstick with better coverage in order to give a uniform appearance when applied.¹⁸

Black women's lips often contained two color tones, varying from deeply pigmented to pink.¹⁹ In addition, many Black women and other women of color had fuller lips that required a moisturizing element that was absent in most lip products.

The Black Female Dollar

In 2012, the U.S. Census Bureau noted that, for the first time in U.S. history, births of non-Hispanic whites accounted for less than half of total U.S. births.²⁰ Each generation in the U.S. was becoming more multicultural, with Hispanics projected to account for nearly 85% of population growth by 2050 (see **Exhibit 3**).²¹ By 2015, 21 of the 25 most populated U.S. counties were more than 50% non-Hispanic white.²² When the life expectancy of multicultural populations increased, it had a positive impact on marketing spend return on investment.²³

According to Nielsen, in 2015 the U.S. Black female population totaled 24.3 million, accounting for 14% of the total female population and 52% of the total Black population.²⁴ Nielsen projected that the Black population's overall buying power would rise from \$1.2 trillion in 2016 to \$1.5 trillion in 2021, with about 62% of that buying power concentrated in 10 states (see **Exhibit 4**).²⁵

Black women outspent their non-Black counterparts on beauty products, accounting for \$7.5 billion of spend annually.²⁶ Black women spent 100% more on skin care and 80% more on cosmetics than their non-Black counterparts.²⁷ However, despite Black women's significant purchasing power and willingness to spend on health and beauty products, many companies did not develop and target products for this segment. According to Nielsen, 81% of Black consumers believed that products advertised using Black media were more relevant to them, yet only 3% of advertising dollars were spent on media that focused on Black audiences.²⁸

The Business of Diversity

The Faces in the Room

The beauty industry was well known for its lack of diversity, reflected in its employees, models, and products. In 1994, four years after Maybelline launched a Shades of You product line geared towards Black women, Maybelline CEO Robert Hiatt responded to criticism of Maybelline's lack of management diversity by stating that it was "not the makeup of our management that is important; it is paying attention to the market and customers" and adding that the company did not keep track of the minorities employed within the organization.²⁹ In 2015, L'Oréal launched its first diversity report to highlight the organization's progress during the past five years across several areas of diversity. In contrast to Hiatt, Jean-Paul Agon, Chairman and CEO of L'Oréal stated, "A diverse workforce in all functions and levels of a company enhances our creativity and our understanding of consumers, thus allowing us to develop and market products that are relevant to their expectations."³⁰ The report further asserted that the management of diversity was a strategic lever for the organization.³¹

But diversity at cosmetic manufacturers was simply one piece of the puzzle. Advertising agencies were often responsible for developing concepts, choosing models, and executing marketing campaigns. In 2005, 7.1% of those who worked in advertising, public relations, and related services were Black, compared to 11.7% of the overall workforce.³² By 2015, Black representation in advertising, public relations, and related services had declined to 5.3%.³³

Consumers Speak Up

The Internet played a significant role in shifting the landscape of the market by providing a voice to the previously unheard. An executive at IMAN Cosmetics, named for the iconic Somali model Iman, noted, “It’s not that these consumers were silent before, but companies didn’t have to listen.”³⁴ In the 2000s and 2010s, several notable brands faced significant customer backlash for tone deafness, poor execution in advertising, and not fully understanding their customers or market.

In 2008, for example, L’Oréal was accused of lightening Beyoncé Knowles’s skin in an advertisement.³⁵ In 2015, makeup and skincare company Black Opal, whose mission statement suggested the company was created “to celebrate the nuances of black skin,” faced online criticism for perceived alienation of its Black customers after posting an advertisement featuring a white woman and a tagline that its products were for “every shade.”³⁶ Some consumers argued that the advertisement implied an abrupt transition away from the brand’s origins of “the professional woman of Jamaican descent, who embodied the Black Opal customer” and was listed as the brand’s muse.³⁷ The company responded that it had “never issued any ‘non-inclusive’ statements about our product offerings nor any statements about our sales objectives.”³⁸

In 2016, Maybelline featured Black British model Jourdan Dunn in an advertisement for its Dream Velvet foundation launch, but the shade of foundation worn by Dunn was not available to purchase in the United Kingdom.³⁹ After significant customer complaints, a company spokesperson announced plans for a future U.K. release of Dunn’s shade.⁴⁰

Diversity as a Winning Formula

Many makeup brands faced criticism for not selling products that catered to a full range of skin tones. In 2016, for example, BareMinerals was criticized for a lack of darker shades of its Complexions Rescue concealer.⁴¹ Sam Fine, a makeup artist and the first African American spokesperson for Cover Girl and Revlon, believed the problems faced by some companies extended beyond marketing to the product offerings themselves.⁴² Fine, who counted Naomi Campbell, Halle Berry, and Oprah among his clients, believed that some companies simply tried to darken existing products without accounting for the different undertones of darker skin or the additional coverage desired by many Black women.⁴³

There were scientific challenges to creating foundations for medium and darker skin tones, as these foundations typically poorly optimized formula architecture and poorly balanced pigments for Black skin.⁴⁴ Balanda Atis, a Haitian woman who grew up in the U.S., started at L’Oréal as a researcher in the mascara lab and conducted research on skin color as a side project.⁴⁵ Several years and product patents later, executives at L’Oréal created a new Women of Color Lab with the goal of ensuring women in each of the countries where L’Oréal products were sold could find a color match, and named Atis the head.⁴⁶ The lab measured women’s skin tones from 57 countries and used that data to identify a new, rare pigment, Ultramarine Blue, to create new foundations for women of color.⁴⁷ L’Oréal named actress Lupita Nyong’o as a Brand Ambassador for its high-end Lancôme brand before they had a foundation to match her skin tone—the foundation was later created by Atis’s lab.⁴⁸

A Set of Dilemmas

Once products intended for Black women launched, distribution through the appropriate channels, store placement, and effective marketing were essential (see **Exhibit 5**). For example, Fine lamented the lack of IMAN Cosmetics products in stores like Sephora, a prestige cosmetics retailer with 2,300 stores in over 30 countries around the world.⁴⁹ While IMAN tried to position itself as a prestige brand, its licensing and distribution agreements were with mass retailers, i.e. Wal-Mart, Target, and Walgreens.⁵⁰

Retail store placement was competitive, and companies with products geared toward Black women and other women of color faced a placement dilemma. Opting into a separate aisle (e.g., “Ethnic Hair & Beauty Products”) could limit brand growth to a wider consumer base in the future, while later shifting into the general cosmetics aisle could alienate loyal customers. Not all companies wanted to be relegated to the “ethnic aisle;” Carol’s Daughter founder Lisa Price proclaimed that “the room for improvements is in breaking the cycle of thinking that there needs to be a separate shopping section” for people of color.⁵¹

At the same time, many consumers faced the dilemma of choosing between popular brands that other women used or potentially feeling criticized for choosing a specialty brand made for Black women.⁵² Black women and other women of color wanted to be considered part of the industry. IMAN Cosmetics executive Desiree Reid warned of the dangers of ignoring market segments, noting that “[customers] will move on and find brands that do speak to them and service them.”⁵³

Demand for Authenticity

For many, the question remained how to successfully approach the market for Black beauty. Maya Brown, the vice president of marketing for Black Opal, believed that while targeting Black consumers more effectively could help to better serve the community, it was critically important to understand the needs and concerns of the Black community and build products for them. “[The recent] changes are done from a standpoint of not taking in some of the cultural factors and understanding the nuances that relate to people of color and recognizing that we’re not homogenized,” she said in 2016.⁵⁴ “Brands are trying to come out with something that’s a brief introduction into the marketplace without really looking at the formulas and how they’re going to market and making sure that the products are customized and tailored.”⁵⁵

Creating Mented

Developing the Product

Johnson and Miller’s personal experiences suggested that color, coverage, and branding were the most important characteristics for their new lipstick line. Although there were many other characteristics that they could have tested, from the quality of the lipstick to packaging, Johnson and Miller wanted to secure financing and to create a cost-efficient product sample. Based on these factors, they decided to get feedback on the highest-priority items first.

Miller leaned on her experience in buying and sourcing to contact major cosmetic manufacturers. Manufacturers made a variety of cosmetics products for different brands, and could either produce derivative shades by mixing stock colors or entirely custom shades based on brands’ proprietary formulas. Using a derivative product from stock colors would require Johnson and Miller to rely entirely on marketing for differentiation.⁵⁶ However, the major drawback to a custom color was cost: manufacturers required a large purchase commitment, as an entire vat of a single custom color would not be purchased by other clients. Another challenge was that independent R&D companies were often needed to develop new shades.

As a self-funded start-up, manufacturing a custom color for product samples added significant costs. Miller insisted that they should make the test colors themselves, and Johnson agreed. Miller bought a lipstick mold, wax and oil, and several different pigments to mix into prototypes. Within nine months of identifying the problem they wanted to solve, Johnson and Miller had come up with and tested a name for the company and perfected six lipstick shades. They named the company’s first color

Mented #5 because it took them five iterations before arriving at a color that influencers truly embraced. In April 2016, Johnson and Miller officially incorporated Mented Cosmetics.

Going to Market: Instagram Influencers

With a brand created and an initial product line solidified, Johnson and Miller needed to develop and execute a go-to-market strategy in order to turn Mented into a revenue-generating company. In addition, they would have to transition from handmade samples to professional-quality finished goods before making their lipsticks commercially available.

Although most cosmetics were sold through retail channels, the co-founders decided to begin with an online, direct-to-consumer strategy to maintain complete control of the brand and keep costs low. To succeed with a primarily online presence, Johnson and Miller would need creative thinking to stand out from their brick-and-mortar competitors, where consumers could try on products before purchasing. In comparison to brands that only featured product pictures, Mented included pictures of their products on models of different complexions to give buyers a clearer idea of how the shade would look on their skin (see **Exhibit 6**). They also invested significant time into building a very active social media presence. Their brand awareness strategy included reaching out to social media influencers, paying modest sums for targeted social media advertising, and hosting events in local markets.

Mented's influencer strategy was particularly critical to its efforts. As Instagram had gained popularity – reaching more than 500 million monthly active users by mid-2016⁵⁷ – it had rapidly evolved into a new media platform for brands to reach a younger demographic. Instagram “influencers” were super users that had established credibility with their large audiences and promoted brands in exchange for sponsorship dollars. Influencers like KingMaliMagic (126,000 followers) and BlackMakeUpBrands (17,000 followers) built their followings by knowing what Black women wanted and which products worked best for their beauty needs.

Over the summer of 2016, Mented sent free product samples to social media influencers with significant followings among Black women and other women of color. The founders set a goal of reaching out to 10 influencers each day with a quick direct message: “Hey, we’re two founders from HBS creating a new cosmetics brand for women of color and we’d love for you to try out our lipstick.” Every weekend, the Mented team would convene to package and ship the lipsticks that they had promised the influencers.

Johnson and Miller gave themselves a deadline of early September 2016 to determine whether the opportunity was compelling enough to inspire them to quit their jobs and dedicate their full-time energies to the new venture. They knew that their inability to pay the influencers – who normally made a living from brand sponsorship dollars – was an obstacle that they needed to overcome with pure hustle and a compelling story. Johnson explained:

With these influencers, it's hit or miss. We were looking to grow our follower count with influencers that connected most with what we were trying to say. On the one hand, we were trying to develop an internal profile of the types of influencers that would work well with us and resonate with our target customer and, on the other hand, of the influencers we were researching, who would have a real impact on our follower count. One particular day, we had just reached out to a few influencers we had confidence in, and our phones just start blowing up. We added hundreds of new followers. That's when we knew we had figured out how to target and activate these influencers.

Although Mented was not paying them, the influencers were keen to experiment with Mented because they were excited to learn about new products and new brands, allowing them to create high-

quality content to engage their audiences. One thing the team worried about with some influencers was whether their follower numbers were inflated by bots or other less engaged users. “Engagement matters,” noted Johnson. “Buying followers was easy and so the follower number itself was meaningless.”

Customer Persona

As Johnson and Miller collected email addresses and product reviews, they continued to do primary research on customer demand by conducting focus groups and customer surveys. The team collected opinions and insights from thousands of social media followers across Instagram and Facebook, all indicating a strong interest in Mented’s products. Of those surveyed, 57% indicated dissatisfaction with their current cosmetics options.

The founders also spent time analyzing their target customer profile and how it mapped to their influencer targets. One dimension was the target customer’s demographic profile. Initially, Johnson noted that they “focused on younger influencers that were our age because we could tell our personal story.” But the team’s ambition was to build a broader, generational brand that cut across all women of color, and they began to see early evidence of demand and interest from more “seasoned women” who engaged with the product. This insight led to the team reaching out to “Mommy Bloggers” and older influencers as well as influencers that expanded their demographic profiles, such as Asian-American, Hispanic, and Middle Eastern influencers.

Beyond the demographic profile of their users and influencers, the team worried about focusing on influencers who were heavily focused on beauty. Miller noted, “Most beauty influencers are full glam all the time because beauty is what they do. They spend one hour per day applying makeup whereas our customer spends only 5 to 10 minutes per day, using a few products tops.” But the concern that influencers were “too glam” proved unfounded, as continued testing demonstrated that the target customer enjoyed watching the influencers and learning from them.

Building the Operations and the Supply Chain

Lipsticks ranged in price, from \$5 for mass-market brands sold at convenience stores to \$15 for the baseline products sold by “masstige” (a portmanteau of mass-market and prestige) brands such as MAC Cosmetics, and up to \$30 or more for products by luxury brands such as Lancôme, Estée Lauder, and Dior. Johnson and Miller agreed that they should position Mented as a luxury/masstige brand, with lipstick in the \$15 to \$20 range. This positioning aligned with their brand image and small batch manufacturing, while filling a hole in the current competitive landscape (see **Exhibit 7**).

Miller contacted several manufacturers across New England to determine production costs at scale, including minimum order amounts per shade and the costs of producing custom colors, raw materials, and packaging. She chose a manufacturer willing to produce Mented’s custom shades at a price and volume that closely matched their first-year sales projections. Familiar with buying beauty products directly from China via Alibaba for personal use, she negotiated directly with Chinese packaging suppliers, cutting out intermediaries and middlemen who typically liaised with foreign suppliers on behalf of many American companies, often at significant mark ups. Johnson was still working at Barney’s while Mented was investigating suppliers and knew some of the department store chain’s top suppliers. She and Miller cold-called those suppliers and reassured them that they were trusted vendors of a massive retailer.

Johnson and Miller decided they would leave their jobs once they had secured funding. Johnson would run Mented’s marketing, digital experience, and finance, while Miller would focus on product and business development. The co-founders also developed a multi-year operating plan that included

a modest number of entry-level positions to manage Mented's day-to-day content production, order fulfillment, and online presence.

Attracting Investors

Mented needed money to produce and bring their products to market at scale. In order to raise funding from outside investors, the co-founders knew they would have to prove there was demand for their products. At the same time, they needed seed capital to actually produce and sell their lipsticks. They faced the causality dilemma of needing to either prove demand without product, sell product without financing, or secure financing without providing demand.

To solve this “chicken or egg” problem, Johnson and Miller spent the next four months leveraging all of the resources available to them. Reaching back out to the influencer community, Mented requested product reviews from influencers and reposted these reviews to Mented's social media pages along with original content (see **Exhibit 8**). During this “soft launch” period, the Mented website featured a “coming soon” banner and mostly served to collect email addresses before customers were able to sign up to pre-order products.

To frame the opportunity to investors and inform their multi-year operating plan, the team thought deeply and researched their likely unit economics (see **Exhibits 9 and 10**). Advisors from Estée Lauder and Fresh Beauty provided data points on industry usage and repeat rates as well as typical customer acquisition costs. Johnson and Miller learned that a tube of lipstick, on average, lasted three months and that their customer would buy two tubes at a time per order – indicating a repeat order rate of two orders per year. The co-founders developed a financial plan at a very fine level of detail and tested the key assumptions across their network of industry contacts.

Sizing up the Round

As the team developed their financial model, they considered how much money to raise. They received two conflicting pieces of advice from experienced entrepreneurs and investors. Some encouraged them to show their ambition and confidence and seek to raise \$1.5 to \$2 million in a seed round, which would give them 12 to 18 months of runway. In that scenario, Mented's revenue ramp needed to be steeper and reflect a more aggressive plan. “Otherwise, you don't look like you know what you're doing,” averred one friendly founder. Johnson noted, “Many of our friends advised us to paint a big idea, a big vision, and aim for over \$200 million in annual revenue as an initial market size.”

Others advised them to aim for a pre-seed round and choose a much smaller target number, such as \$250,000, which would represent the minimum threshold amount of money to catalyze quitting their respective jobs. Raising the smaller amount of money would let Mented make some early progress before raising a seed round and would be more achievable, so Mented would be more likely to be able to claim victory for exceeding targets than risk coming up short. In that context, a target scale of \$100 million in annual revenue after six to eight years would be more than enough (see **Exhibit 11** for projected sales).

Understanding the Long Odds

Digital Undivided, founded in 2012 by Black female entrepreneur Kathryn Kinney, aimed to create a pipeline of Black entrepreneurs in the technology sector. According to its “Project Diane” report, only 24 (0.2%) of the 10,238 start-ups that secured venture funding between the years of 2012 and 2014 were headed by Black women.⁵⁸ The same report stated that Black women represented the fastest-growing group of entrepreneurs in the U.S., accounting for \$44 billion in revenue annually.⁵⁹ The average amount

raised by Black female entrepreneurs was \$36,000, compared to an average of \$1.3 million by white men.⁶⁰ More than half of the Black female founders who received funding received less than \$100,000.⁶¹

Digital Undivided sought to identify and quantify the challenges facing Black female entrepreneurs by reviewing over 50,000 entries in TechCrunch's start-up database and surveying organizations within Digital Undivided's network. The organization found that, as of February 2016, only 11 start-ups led by Black women had raised more than \$1 million in outside funding.⁶² Of the 11 start-ups, a single investor, Joanne Wilson of Gotham Gal Ventures, had invested in three.⁶³ Wilson represented a major contrast from the majority of the venture capital industry. According to a study of 71 venture capital firms with more than \$160 billion in assets under management, several prominent firms did not have any women or minorities on their investment leadership teams.⁶⁴ Women represented just 8% of the senior investment teams analyzed but represented 60% of non-investment roles.⁶⁵ The same analysis indicated that just 1% of senior investment team members were Black.⁶⁶

What Next?

Back in their Harlem workspace, Johnson and Miller debated some of the key issues they were wrestling with. They were certain that they had a product that met a need and that there was a large, engaged customer base willing to pay for it (see **Exhibit 12**). In order to fully execute on their master plan, they needed to determine how much money to raise and then craft a convincing story to take on a roadshow to potential investors. They wanted to demonstrate credible, conservative projections, but also to raise a strong seed round. Maybe it was better to play the game for the investor audience rather than worry about keeping projections conservative. Chuckling, Miller recalled, "I remember another founder told me that he never hit a single forecast that he had ever provided during financing processes: 'I know what I need to say in the room to get the dough.'"

Johnson and Miller were confident that they had the right founding team, product mix, and market opportunity. How should they navigate the next key decisions?

Exhibit 1 Founders' Backgrounds, 2016

**Kristen Jones (KJ)
Miller**

Title: Co-CEO

Education:

- MBA, Harvard
- BA, Harvard

Background:

- Spent four years as an apparel and fashion buyer for Sears and DJ Networks
- Spent two years consulting in Deloitte's retail practice focused on assortment planning, merch planning and inventory



Amanda Johnson

Title: Co-CEO

Education:

- MBA, Harvard
- BA, Howard

Background:

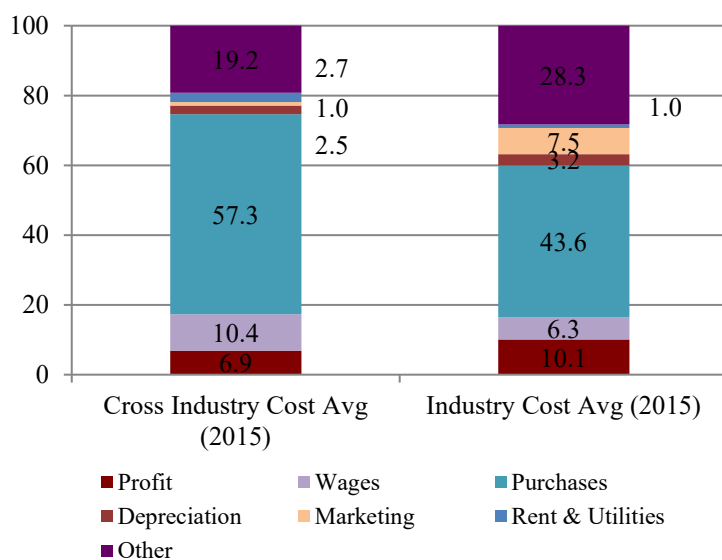
- Spent two years in investment banking at Goldman
- Spent two years in digital marketing at Time
- Spent two years at Barney's in e-commerce business development

Source: Company documents.

Exhibit 2a Cosmetics and Beauty Industry Data, 2010–2015

	2010	2011	2012	2013	2014	2015
Revenue (\$M)	42,644	46,027	43,746	43,286	46,979	49,125
Employment	50,772	53,286	50,294	52,332	53,089	55,229
Exports (\$M)	7,838	8,065	8,580	9,015	9,285	9,239
Imports (\$M)	6,001	6,668	7,191	7,791	8,234	8,316
Wages (\$M)	3,071	3,206	2,899	2,966	2,977	3,114
Domestic Demand (\$M)	40,807	44,630	42,358	42,062	45,928	48,201
Consumer Confidence Index	4.5	58.1	67.1	73.6	87.1	97.1

Source: Anya Cohen, "Cosmetic & Beauty Products Manufacturing in the US," IBISWorld Industry Report No 32562 (May 2017), IBISWorld, accessed November 2017.

Exhibit 2b Beauty Manufacturing Industry Cost Breakdown, 2015 (as % of Revenue)

Profits: Larger companies keep cost low with supplier relationships and investing in distributor networks. Crude oil prices directly influence this category.

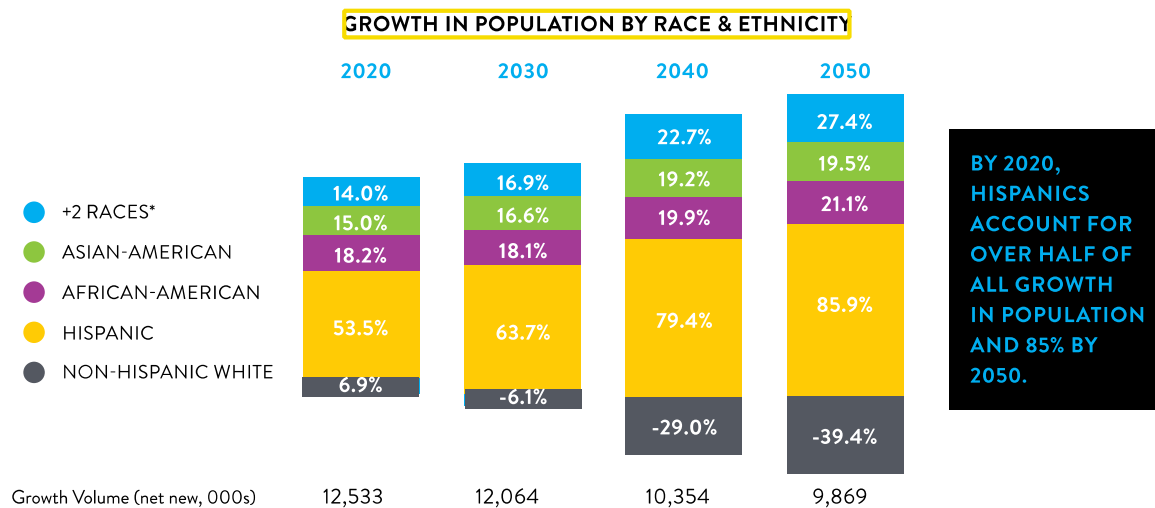
Wages: High-end goods require quality control which can increase overall employee expense.

Purchases: Manufactures' inputs include chemicals, dyes and essential oils. Packaging can be done internally or through a third party.

Marketing: Promotional samples and add-on samples with the purchase of other brand goods. Large retailers often outspend the industry average in this category.

Other costs: Accounting, legal fees, R&D and other expenses fall into this category.

Source: Jocelyn Phillips, "Cosmetic & Beauty Products Manufacturing in the US," IBISWorld Industry Report No 32562 (May 2015), IBISWorld, accessed November 2017.

Exhibit 3 United States Projected Population Growth by Race and Ethnicity, 2020–2050

Source: "The Multicultural Edge: Rising Super Consumers," Nielsen, March 2015, p. 9, Copyrighted information ©2015, of The Nielsen Company, licensed for use herein. <https://www.nielsen.com/us/en/insights/report/2015/the-multicultural-edge-rising-super-consumers/#>, accessed November 2017.

Notes: (1) Multicultural Consumers are defined using the U.S. Census Bureau definition, as being composed of several different race categories—Black, American Indian, Asian, Pacific Islander, Other, and Two or More Races. Hispanics of any race are also considered multicultural consumers, defined by the U.S. Census Bureau as an ethnicity, not a race. (2) U.S. multicultural buying power increased from \$661 billion in 1990 to \$3.4 trillion in 2014 (415% increase). (3) Baby Boomer Generation (born 1946–1964) is under 30% non-white, Generation X (born 1965–1984) is between 35–40% non-white, Millennial Generation (born 1985–1997) is about 44% non-white, and Generation Next (born after 1997) is pushing towards 51% non-white.

Exhibit 4a African American Buying Power, Top 10 States, 2016 (\$ billion)

State	Buying Power
Texas	111
New York	109
California	87
Georgia	86
Florida	85
Maryland	69
North Carolina	57
Virginia	52
Illinois	49
New Jersey	45

Source: "African-American Women: Our Science, Her Magic," Nielsen, September 2017, p. 44, Copyrighted information ©2017, of The Nielsen Company, licensed for use herein. <http://www.nielsen.com/us/en/insights/reports/2017/african-american-women-our-science-her-magic.html>, accessed November 2017.

Exhibit 4b Black Female Population Size, Top Metro Areas, 2016

Metro Area	Population Size
New York	1,994,836
Atlanta	1,074,373
Chicago	916,127
District of Columbia	882,638
Philadelphia	736,042
Miami	706,937
Houston	648,966
Dallas	627,431
Detroit	548,990
Los Angeles	523,460

Source: "African-American Women: Our Science, Her Magic," Nielsen, September 2017, p. 45, Copyrighted information ©2017, of The Nielsen Company, licensed for use herein. <http://www.nielsen.com/us/en/insights/reports/2017/african-american-women-our-science-her-magic.html>, accessed November 2017.

Exhibit 5 Partial History of Cosmetic Brand Launches Aimed at Black Women, 1967–2013

Launch	Brand	Additional Information
1967	Flori Roberts Cosmetics	Founded by publicist Flori Roberts after listening to the concerns of Black models during New York fashion shows. Strengthened by her plastic surgeon husband's knowledge of the chemistry of Black skin, products enjoyed department store success (\$25M global revenues in 1988).
1973	Fashion Fair	Founded by John Johnson, owner and of Johnson Publishing (<i>Jet</i> and <i>Ebony</i>). Originally started as mail-order product, The Capsule Collection, in 1969. 1988 global revenues of \$60M.
1975 (1982)	Polished Ambers	Developed by Revlon with the marketing slogan "Carving Out a Niche." Marketing problems were cited as a "cause of the line's demise."
1984	M-A-C	Founded by Frank Toskan, makeup artist and photographer, and Frank Angelo, beauty salon owner, in Toronto. Initially sold in hair salons to makeup artists and models, then launched in a department store with its staff made up of professional makeup artists.
1986	Gazelle International / Cosmetics	Founded by Patricia French, former model and makeup consultant. A native of Georgia (U.S.), she moved to Paris to open a research lab focused on dark-skinned women. The brand launched after 5 years and \$4M in investments.
1986 (1988)	Juin Rachele	Founded by Juin Rachele and husband Pat Cooper, both natives of Jamaica. The brand was in Saks and Nordstrom with \$1M in sales in first 3 months. Closed in August 1988 and filed for bankruptcy with losses of \$2.5M.
1990	Shades of You	Developed by Maybelline.
1994	IMAN Cosmetics	Founded by Iman, a Somali model who began her modeling career in 1975 and was honored by the Council of Fashion Designers (CFDA) in 2010 with the Fashion Icon Award. In 2004, IMAN licensing agreement granted distribution in Target, Wal-Mart, Walgreens, and Duane Reade.
2011	Beauty Bakerie	Founded by Cashmere Nicole. The company, known for its smudge-free "lip whip," had revenues of more than \$3M in 2016 (up from \$475K in 2015).
2013	Women of Color	Lab developed by L'Oreal.

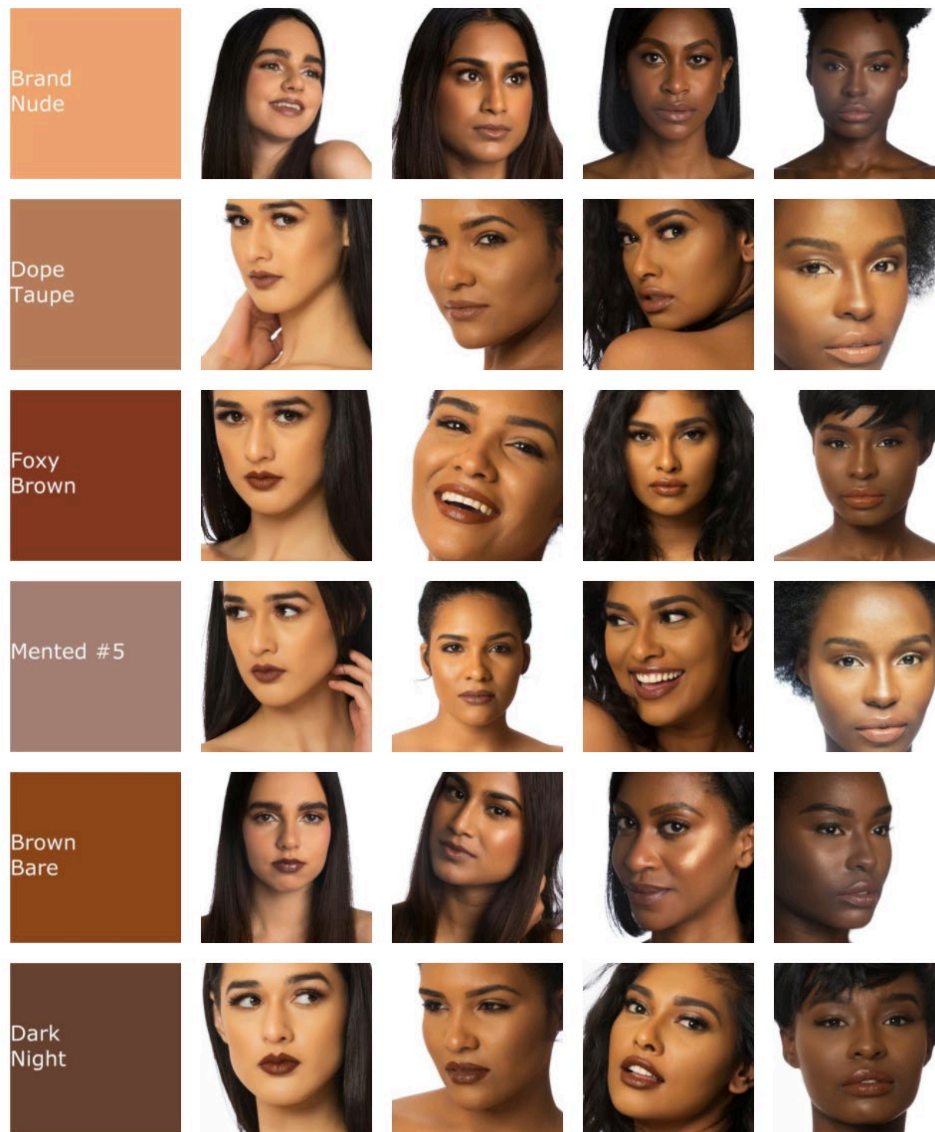
Sources: Compiled from Patricia O'Toole, "Battle of the Beauty Counter," New York Times Magazine, December 3, 1989, <http://www.nytimes.com/1989/12/03/magazine/battle-of-the-beauty-counter.html?pagewanted=all>; "Anne-Marie Schiro, "For Skins of All Shades, New Cosmetics," New York Times Magazine, May 15, 1987, <http://www.nytimes.com/1987/05/15/style/for-skins-of-all-shades-new-cosmetics.html>; Fashion Fair, "About Us," <http://www.fashionfair.com/aboutus.php>; MAC Cosmetics, "Our History," <http://www.maccosmetics.jobs/mac/our-history.html>; IMAN Cosmetics, "About IMAN," <http://www.imancosmetics.com/aboutiman>; Amy Feldman, "A Single Mom Battle Breast Cancer Built Beauty Bakerie To A \$5M Brand, Got Unilever to Invest," Forbes, December 3, 2017, <https://www.forbes.com/sites/amyfeldman/2017/12/03/how-a-single-mom-battling-breast-cancer-built-beauty-bakerie-to-a-5m-brand-got-unilever-to-invest/#7a79953a43f8>; all accessed November and December 2017.

Notes: (1) Dates in parentheses indicates year product was discontinued (if known).
 (2) Beauty Bakerie Chief Financial Officer Roderick Rodgers stated in 2017 that Beauty Bakerie was an inclusive brand with a customer base that was 55% Caucasian. Source: Feldman, "A Single Mom Battle Breast Cancer Built Beauty Bakerie To A \$5M Brand, Got Unilever to Invest."

321-002

Amanda and Kristen: Mented Cosmetics

Exhibit 6 Mented Cosmetics Nude Colors on Models of Different Shades, 2017



Source: Mented Cosmetics website.

Exhibit 7 Competitive Landscape, 2016

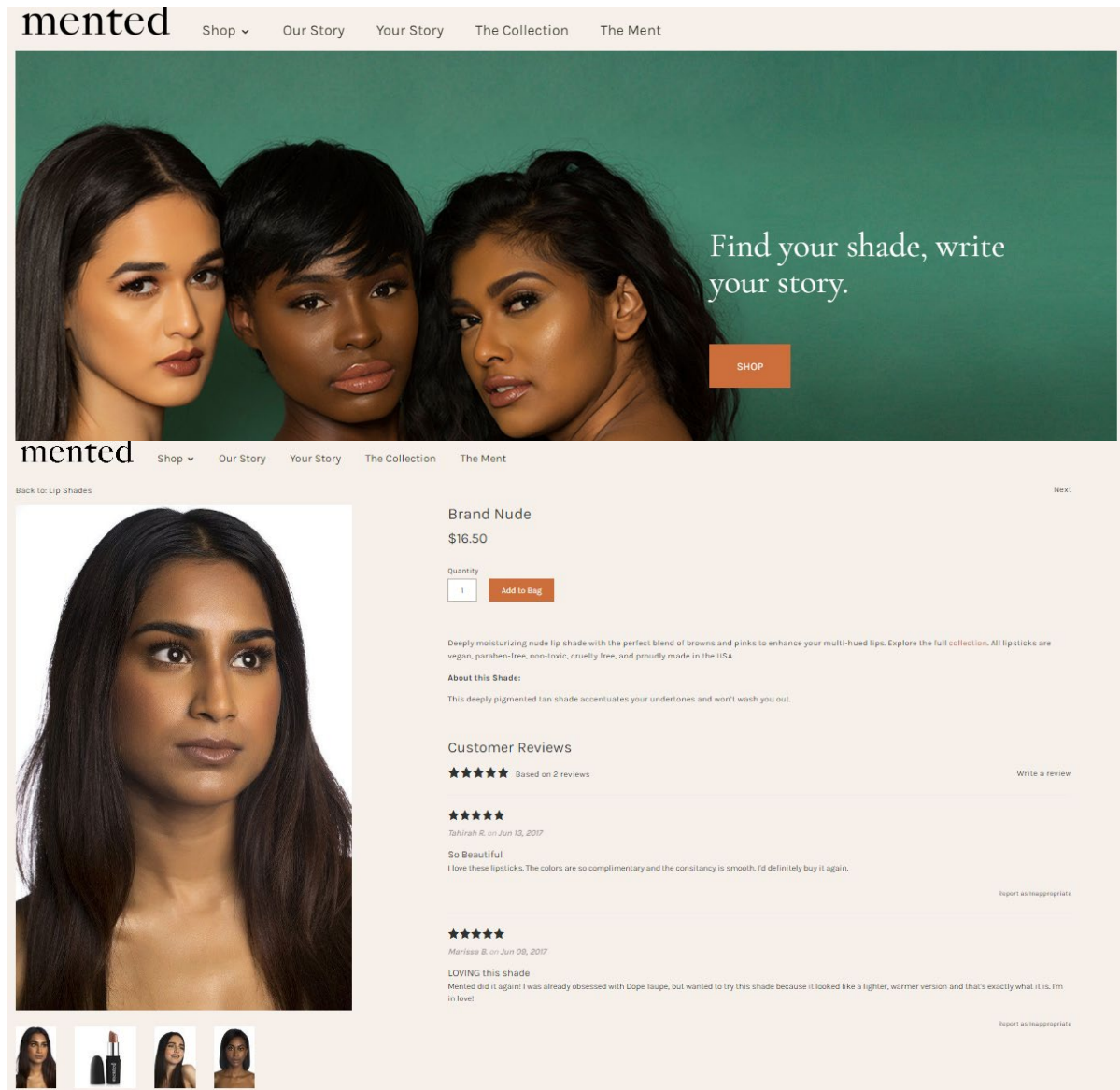


Source: Company documents.

321-002

Amanda and Kristen: Mented Cosmetics

Exhibit 8 Mented Content, 2017




Source: Mented Cosmetics company website.

Exhibit 9 Mented Overview, September 2016

mented

PROBLEM

Women of color outspend their Caucasian counterparts on beauty, yet in the world of high-end cosmetics we are often sidelined or ignored completely




- Black women spend 80% more on cosmetics than their non-Black counterparts
- Hispanic women posted more growth across all beauty segments in 2014 than the general population
- Despite our willingness to spend, 57% of women of color report dissatisfaction with current cosmetics options

SOLUTION


We've created an affordable luxury brand that brings timeless looks to an underserved market, and our go-to-market strategy leverages the strength of community events and minority social media use to quickly build an engaged user base

TEAM

Founders: HBS Graduates, retail veterans



KJ Miller




Amanda Johnson

Advisor: Janet Krauss, CEO, Peach

PRODUCT

Our six shade capsule collection provides women of color with soft, natural looks that aren't available elsewhere



GTM

Direct-to-Consumer
 Specialty Retail

Events
 Digital / Social

Media / PR
 Distribution Marketing

OPPORTUNITY

As startups like Bevel have shown, the minority market is seeking out higher-end self-care products and has strong willingness to spend, creating a lucrative business opportunity

MARKET SIZE

Market Size	32.0M	African-American and Hispanic women ages 18-65
Acquisition %	5%	
Acquisition #	1.6M	Assumes 1 trial product
Acquisition Spend	\$22	
Acquisition Opportunity	\$35.2M	Assumes 2 products a year, full product line
Retention %	75%	
Retention #	1.2M	
Retention Spend	\$58	
Retention Opportunity	\$69.5M	
Total Annual Opportunity	\$104.7M	

ASK

We are raising a \$500K convertible round to fund operations and cover our Year 1 burn rate

(\$K)	Q1	Q2	Q3	Q4
Revenue	42.1	69.0	116.9	150.6
COGS	14.4	23.6	40.7	91.3
Operating Expenses	101.9	99.0	116.9	150.6
Operating Profit	(74.1)	(53.5)	(38.5)	25.4
Taxes	(29.7)	(21.4)	(15.4)	10.2
Net Income	(\$44.5)	(\$32.1)	(\$23.1)	\$15.2

Source: Company documents.

Exhibit 10 Mented's Key Metrics, September 2016

Average Order Size (units)	2.5
Average Order Value (\$)	40
Contribution Margin (\$)	30
Contribution Margin (%)	75
Blended Customer Acquisition Cost (\$)	17
Paid Customer Acquisition Cost (\$)	20
Organic Sales (%)	73
Repeat Customers (%)	20

Source: Company documents.

Note: YTD data, except for CAC (June and July only) and Repeat Data (Q1 only).

Exhibit 11 Excerpt from Mented Investor Pitch Deck, 5 Years of Projected Sales, September 2016

Pro Forma Income Statement	Year 1	Year 2	Year 3	Year 4	Year 5
Revenues					
Unit Growth Rate		100%	100%	100%	100%
Number of Products Sold	26,466	52,932	105,864	211,728	423,456
Direct Ecommerce					
Channel % of Sales	60%	60%	70%	70%	70%
Number of Products Sold	15,880	31,759	74,105	148,210	296,419
Average Price	\$19	\$31	\$31	\$31	\$31
Direct Ecommerce Revenues	\$301,712	\$984,535	\$2,297,249	\$4,594,498	\$9,188,995
Specialty Retailer					
Channel % of Sales	40%	40%	30%	30%	30%
Number of Products Sold	10,586	21,173	31,759	63,518	127,037
Average Price	\$12	\$18	\$18	\$18	\$18
Retailer Revenue	\$130,742	\$386,404	\$579,605	\$1,159,211	\$2,318,422
Total Revenues	\$432,454	\$1,370,939	\$2,876,854	\$5,753,708	\$11,507,417
Total Cost of Goods Sold	\$79,663	\$196,378	\$392,755	\$785,511	\$1,571,021
Gross Profit	\$352,791	\$1,174,561	\$2,484,099	\$4,968,197	\$9,936,396
Operating Expenses					
Marketing % of Sales	30%	30%	30%	30%	30%
Retailer Marketing % of Sales	10%	10%	10%	10%	10%
Product Development	\$10,000	\$80,000	\$100,000	\$100,000	\$100,000
Rent		\$60,000	\$60,000	\$72,000	\$72,000
Employee Compensation	\$235,000	\$350,000	\$500,000	\$750,000	\$750,000
Employee Benefits	\$70,500	\$105,000	\$150,000	\$225,000	\$225,000
Number of Employees	3	5	7	10	10
Legal Fees	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
General and Administration	\$8,649	\$19,691	\$45,945	\$91,890	\$183,780
Website	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Warehouse & Distribution	\$17,280	\$34,560	\$51,840	\$69,120	\$86,400
Total Operating Expenses	\$490,448	\$980,973	\$1,676,270	\$2,852,980	\$4,539,121
Operating Profit	(\$137,657)	\$193,588	\$807,829	\$2,115,217	\$5,397,275
Taxes (40%)	(\$55,063)	\$77,435	\$323,132	\$846,087	\$2,158,910
Net Income	(\$82,594)	\$116,153	\$484,698	\$1,269,130	\$3,238,365

Source: Company documents.

Exhibit 12 What Matters to Black Female Consumers, 2016**Intent to Purchase:**

- In the last 12 months 50% of Black women bought cosmetics and perfumes.
- 52% would pay extra for a product that is consistent with the image they want to convey (31% higher), and 34% prefer to buy things of which their friends or neighbors would approve (60% higher).
- 50% of Black women agree they often seek the advice of others before making a purchase (11% higher than non-Hispanic White women).
- 63% of Black women agree they are typically willing to pay more for high-quality items.

Product Preferences:

- 43% agree that they expect the brands they buy to support social causes (17% higher).
- 59% of Black women agree they are willing to pay more for a product that is environmentally safe (2% higher).
- Black women over-index by 19% against non-Hispanic White women for agreeing they often use natural or organic beauty products.
- Black women (at \$43.81) over-index against non-Hispanic White women (at \$42.28) by 4% for dollars per buyer.

Channel Preferences:

- 17% of Black women bought health and beauty products online in the last 12 months.
- 62% of Black women agree that they enjoy wandering a store looking for new, interesting products (10% higher than non-Hispanic White women).

Social Media:

- 14% of Black women say they spend at least three to four hours a day on social media.
- Black women over-index on a myriad of other reasons for using social media, including finding out about products and services (12% higher).
- 43% of Black women like to share their opinions about products and services by posting reviews and ratings online (59% higher).

Source: Adapted from "African-American Women: Our Science, Her Magic," Nielsen, September 2017, Copyrighted information ©2017, of The Nielsen Company, licensed for use herein. <http://www.nielsen.com/us/en/insights/reports/2017/african-american-women-our-science-her-magic.html>, accessed November 2017.

Endnotes

¹ Sapna Maheshwari, "An Ad Woman at the Top of an Industry That She Thinks Still Has Far to Go," *New York Times*, April 24, 2017, <https://www.nytimes.com/2017/04/24/business/carol-williams-advertising-hall-of-fame.html>, accessed December 2017.

² "The comeback queen," *Forbes*, September 20, 1990, <https://www.forbes.com/forbes/1999/0920/6407086a.html#2d3d306677cf>, accessed December 2017.

³ Felicia R. Lee, "A Network for Blacks With Sense of Mission," *New York Times*, December 11, 2007, <http://www.nytimes.com/2007/12/11/arts/television/11one.html?pagewanted=print>, accessed December 2017.

⁴ V. Dion Haynes, "The empire of Sheila Johnson," *Washington Post*, July 5, 2010, <http://www.washingtonpost.com/wp-dyn/content/article/2010/07/02/AR2010070204911.html>, accessed December 2017.

⁵ Leslie Milk, "The 2015 Washington Business Hall of Fame," *The Washingtonian*, November 9, 2015, <https://www.washingtonian.com/2015/11/09/washington-dc-business-hall-of-fame-what-it-takes-to-build-strong-companies-communities/>, accessed December 2017.

⁶ "African-American Women: Our Science, Her Magic," Nielsen, September 2017, <http://www.nielsen.com/us/en/insights/reports/2017/african-american-women-our-science-her-magic.html>, accessed November 2017.

⁷ "African-American Women: Our Science, Her Magic," Nielsen, September 2017.

⁸ Anya Cohen, "Cosmetic & Beauty Products Manufacturing in the US," Industry Report No 32562 (May 2016), IBISWorld, accessed November 2017.

⁹ Cohen, "Cosmetic & Beauty Products Manufacturing in the US," IBISWorld.

¹⁰ Cohen, "Cosmetic & Beauty Products Manufacturing in the US," IBISWorld.

¹¹ Cohen, "Cosmetic & Beauty Products Manufacturing in the US," IBISWorld.

¹² Brittany Carter, "Beauty, Cosmetics & Fragrance Stores in the US," Industry Report 44612 (April 2016), IBISWorld, accessed June 2020.

¹³ Carter, "Beauty, Cosmetics & Fragrance Stores in the US," IBISWorld.

¹⁴ Cohen, "Cosmetic & Beauty Products Manufacturing in the US," IBISWorld.

¹⁵ Cohen, "Cosmetic & Beauty Products Manufacturing in the US," IBISWorld.

¹⁶ Funmi Fetto, "The Quest For A 'Nude' Lipstick That Works On Black Skin," *British Vogue*, April 12, 2017, <http://www.vogue.co.uk/gallery/best-nude-lipsticks-for-black-women>, accessed November 2017.

¹⁷ Fetto, "The Quest For A 'Nude' Lipstick That Works On Black Skin."

¹⁸ Fetto, "The Quest For A 'Nude' Lipstick That Works On Black Skin."

¹⁹ Fetto, "The Quest For A 'Nude' Lipstick That Works On Black Skin."

²⁰ "The Multicultural Edge: Rising Super Consumers," Nielsen, March 2015, <https://www.nielsen.com/us/en/insights/report/2015/the-multicultural-edge-rising-super-consumers/#>, accessed November 2017.

²¹ "The Multicultural Edge: Rising Super Consumers," Nielsen.

²² "The Multicultural Edge: Rising Super Consumers," Nielsen.

²³ "The Multicultural Edge: Rising Super Consumers," Nielsen.

²⁴ "African-American Women: Our Science, Her Magic," Nielsen.

²⁵ "African-American Women: Our Science, Her Magic," Nielsen.

- ²⁶ Taylor Bryant, "How the Beauty Industry Has Failed Black Women," *Refinery29*, February 27, 2016, <http://www.refinery29.com/2016/02/103964/black-hair-care-makeup-business>, accessed November 2017.
- ²⁷ Bryant, "How the Beauty Industry Has Failed Black Women."
- ²⁸ "Resilient, Receptive, and Relevant: The African-American Consumer," Nielsen, September 2013, <http://www.nielsen.com/us/en/insights/reports/2013/resilient-receptive-and-relevant.html>, accessed November 2017.
- ²⁹ Faye Rice, "How to Make Diversity Pay," *Fortune*, August 8, 1994, http://archive.fortune.com/magazines/fortune/fortune_archive/1994/08/08/79604/index.htm, accessed November 2017.
- ³⁰ "L'Oréal's 1st Worldwide Diversity Report," press release, December 17, 2015, L'Oréal website, <http://www.loreal.com/media/press-releases/2015/dec/loreal-1st-worldwide-diversity-report>, accessed December 2017.
- ³¹ "L'Oréal's 1st Worldwide Diversity Report," press release.
- ³² Nathalie Tadena, "Why the Picture of Diversity on Madison Avenue Is So Murky," *Wall Street Journal*, March 18, 2016, <https://www.wsj.com/articles/why-the-picture-of-diversity-on-madison-avenue-is-so-murky-1458332278>, accessed November 2017.
- ³³ Tadena, "Why the Picture of Diversity on Madison Avenue Is So Murky."
- ³⁴ Bryant, "How the Beauty Industry Has Failed Black Women."
- ³⁵ Clover Hope, "The Makeup Industry's Frustrating Cycle of Struggle and Progress for Women of Color," *Jezebel*, August 23, 2016, <https://jezebel.com/the-makeup-industrys-frustrating-cycle-of-struggle-and-1782880385>, accessed November 2017.
- ³⁶ Hope, "The Makeup Industry's Frustrating Cycle of Struggle and Progress for Women of Color;" and Black Opal Beauty, "About Us," <https://www.blackopalbeauty.com/about-us/about-black-opal-beauty>, accessed December 2017.
- ³⁷ Portia, "Black Opal Claims It Was Never A Cosmetics Line for Black Women," *Black Girl With Long Hair*, October 22, 2015, <http://blackgirlonghair.com/2015/10/black-opal-claims-it-was-never-a-cosmetics-line-for-black-women/>, accessed December 2017.
- ³⁸ Portia, "Black Opal Claims It Was Never A Cosmetics Line for Black Women."
- ³⁹ Fiona Rutherford, "Maybelline Is Only Offering One Shade of Foundation For Black British Women," *BuzzFeed News*, February 19, 2016, https://www.buzzfeed.com/fionarutherford/maybelline-are-releasing-an-additional-makeup-shade-for-brit?utm_term=.vtzwEbzlX#yvvv5d1Az, accessed June 2020.
- ⁴⁰ Hope, "The Makeup Industry's Frustrating Cycle of Struggle and Progress for Women of Color."
- ⁴¹ Hope, "The Makeup Industry's Frustrating Cycle of Struggle and Progress for Women of Color."
- ⁴² Corina Zappia, "The Big Cover-Up," *The Village Voice*, May 23, 2006, <https://www.villagevoice.com/2006/05/23/the-big-cover-up/>, accessed November 2017
- ⁴³ Zappia, "The Big Cover-Up."
- ⁴⁴ Hope, "The Makeup Industry's Frustrating Cycle of Struggle and Progress for Women of Color."
- ⁴⁵ Elizabeth Segrán, "The L'Oreal Chemist Who's Changing The Face of Makeup," *Fast Company*, October 1, 2015, <https://www.fastcompany.com/3050173/the-loreal-chemist-whos-changing-the-face-of-makeup>, accessed December 2017.
- ⁴⁶ Segrán, "The L'Oreal Chemist Who's Changing The Face of Makeup."
- ⁴⁷ Andrea Arterbery, "Meet Balanda Atis, L'Oreal's Women of Color Lab Manager," *Essence*, April 5, 2016, <https://www.essence.com/2016/04/05/meet-balanda-atis-loreal-women-color-lab-manager>, accessed November 2017.
- ⁴⁸ "Meet Balanda Atis. The Chemist Behind Lupita Nyong'o's Lancôme Foundation," *SUPERSELECTED*, April 4, 2016, <http://superselected.com/meet-balanda-atis-the-chemist-behind-lupita-nyongos-lancome-foundation/>, accessed December 2017.
- ⁴⁹ Zappia, "The Big Cover-Up."
- ⁵⁰ IMAN Cosmetics, "About IMAN," <http://www.imancosmetics.com/aboutiman>, accessed November 2017.

⁵¹ Bryant, "How the Beauty Industry Has Failed Black Women."

⁵² Jennifer Scanlon, *The Gender and Consumer Culture Reader* (NYU Press, 2000), p. 173.

⁵³ Bryant, "How the Beauty Industry Has Failed Black Women."

⁵⁴ Bryant, "How the Beauty Industry Has Failed Black Women."

⁵⁵ Bryant, "How the Beauty Industry Has Failed Black Women."

⁵⁶ Cohen, "Cosmetic & Beauty Products Manufacturing in the US," IBISWorld.

⁵⁷ Josh Constine, "Instagram doubles monthly users to 500M in 2 years, sees 300M daily," TechCrunch, June 21, 2016, <https://techcrunch.com/2016/06/21/instagram-500-million/>, accessed June 2020.

⁵⁸ Davey Alba, "It's Embarrassing How Few Black Female Founders Get Funded," *Wired*, February 10, 2016, <https://www.wired.com/2016/02/its-embarrassing-how-few-black-female-founders-get-funded/>, accessed December 2017.

⁵⁹ Alba, "It's Embarrassing How Few Black Female Founders Get Funded."

⁶⁰ Alba, "It's Embarrassing How Few Black Female Founders Get Funded."

⁶¹ Alba, "It's Embarrassing How Few Black Female Founders Get Funded."

⁶² Alba, "It's Embarrassing How Few Black Female Founders Get Funded."

⁶³ Clare O'Connor, "Inside One Woman Investor's Plan To Get Black Female Founders Funding," *Forbes*, February 17, 2016, <https://www.forbes.com/sites/clareoconnor/2016/02/17/inside-one-woman-investors-plan-to-get-black-female-founders-funding/2/#65848351406a>, accessed December 27, 2017.

⁶⁴ Kim-Mai Cutler, "A Detailed Breakdown of Racial and Gender Diversity Data Across U.S. Venture Capital Firms," TechCrunch, October 6, 2015, <https://techcrunch.com/2015/10/06/s23p-racial-gender-diversity-venture/>, accessed December 2017.

⁶⁵ Cutler, "A Detailed Breakdown of Racial and Gender Diversity Data Across U.S. Venture Capital Firms."

⁶⁶ Cutler, "A Detailed Breakdown of Racial and Gender Diversity Data Across U.S. Venture Capital Firms."