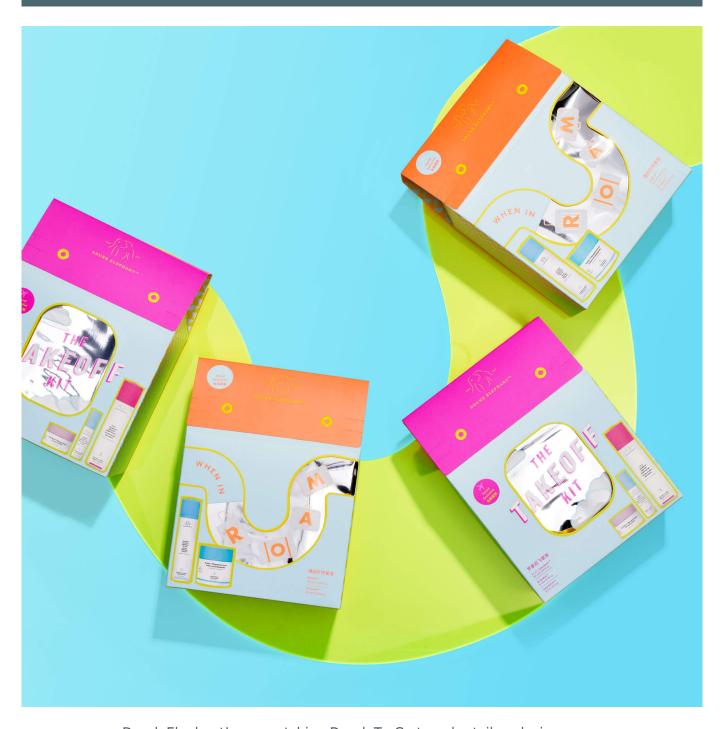
Falling Drunk in love with travel retail



Drunk Elephant's eye-catching Drunk To Go travel retail exclusive range

With the launch of leading prestige skincare brand Drunk Elephant in global travel retail, Shiseido Travel Retail has strengthened its skin beauty business. Drunk Elephant's distinctive brand voice, effective silicon-free and biocompatible products and strong community engagement have garnered a loyal following worldwide, setting the stage for its timely expansion into the travel retail channel.

Capitalizing on this momentum, Shiseido Travel Retail has hailed a succession of debut door openings for Drunk Elephant across Asia and EMEA travel retail in Q4 2021. The strategic roll-out, which began at the end September, includes key downtown and airport duty free locations in Greater China (Hong Kong and Macau), South Korea, France and the Middle East. The brand is looking to expand its reach in travel retail in 2022, with additional locations to open in Thailand, Germany and the US.

The introduction into travel retail is a major milestone that marks the first time that the Drunk Elephant range – along with new travel-exclusive sets – will be available to global travelers. Chinese travelers are now able to purchase Drunk Elephant products at travel retail counters in some of their favorite travel destinations.

We speak with Philippe Lesné – President & CEO, Shiseido Travel Retail about how the brand will be brought to life in the channel.

Global Travel Retail Magazine: Please elaborate on Drunk Elephant's collaboration with Shiseido Travel Retail (and Shiseido Group). How will Drunk Elephant appeal to a broader travel market and use its domestic presence to successfully develop its travel retail business?

Philippe Lesné - President & CEO, Shiseido Travel Retail: Since Shiseido Group acquired Drunk Elephant in 2019, we have been preparing for its introduction into travel retail. Thanks to its unique philosophy that has delivered effective results for consumers across all demographics, Drunk Elephant has become the leading skincare brand in many of the domestic markets where it has launched. It saw positive growth even during the pandemic, driven by the self-care trend.

One of Drunk Elephant's greatest strengths is founder Tiffany Masterson's dedication to the integrity of the product formulations in the development process. She constantly strives to improve each product in the range, which in turn has helped to build consumer trust. This commitment to authenticity is the foundation of Drunk Elephant's global appeal that we believe will resonate with consumers in travel retail and help us to grow the brand in the channel. Working together, we will look to collaborate with our retail partners to expand into strategic markets, bring the brand to life in travel retail shopping environments, and deliver newness with travel-exclusive collections.

GTR Magazine: How will Shiseido Travel Retail combine physical and digital brand and promotional opportunities to launch Drunk Elephant in global travel retail?

PL: Drunk Elephant's travel retail debut is supported by online and offline amplification in collaboration with strategic retailers. We are working with our partners on digital campaigns to build the brand's presence on their online platforms, aimed at driving awareness around the launch and traffic to the in-store animations at key locations including South Korea, Macau and Hong Kong.



Drunk Elephant makes a colorful statement at Lotte Duty Free's Main Store in Seoul, South Korea

The brand's vibrant identity and playful messaging are brought to life across all consumer journey touchpoints, from immersive digital content pre-trip to interactive features on-counter, such as the Smoothie Bar where travelers can discover the skincare smoothie recipes best suited to their needs.

The in-store experience will be anchored by the striking House of Drunk concept, with specially designed visual merchandising displays (including digital elements) and curated travel retail assortments to drive engagement and conversion.

GTR Magazine: How do you think COVID-19 has impacted the skincare and cosmetics retail category in both the domestic and travel retail market?

PL: COVID-19 has transformed consumers' expectations of the beauty industry. Consumers are thinking beyond 'skin deep', resulting in the emergence of new trends in holistic wellness and digital advancements. With these shifts in consumer behaviors, companies must re-assess the sustainability of their businesses and pivot their strategies to the new normal.

For us, at the Group level, we are responding to these market changes with a focus on skin beauty and vision to be a personal beauty wellness company and accelerating our digital transformation. We are also working closely with our retailer partners to expand and enhance our brand presence online.

Safety and hygiene concerns are also redefining the way we engage consumers at the point of sale. While product sampling and interaction with beauty consultants remain important for the beauty category in-store, to offer peace of mind and add excitement at our animation spaces, we have also improved our digital engagement touchpoints through gamification and augmented reality for virtual try-ons.



Tiffany Masterson, Founder, Drunk Elephant

Founder reveals the secret to skin health

Here, Tiffany Masterson, the founder of Drunk Elephant, explains how the brand will go about keeping travelers happy in their own skin.

Global Travel Retail Magazine: Could you tell us more about Drunk Elephant's ingredientelimination philosophy?

Tiffany Masterson: Overall, no matter what the retail channel, we are pushing the brand's philosophy and educating on how to listen to your skin and customize your own skincare routine, allowing skin to do what it knows how to do if we let it. We want to drive home our use of biocompatible ingredients and our desire to deliver products that respect the most critical part of skin's healthy function, the acid mantle. We believe that the key to healthier-acting, balanced, happy skin is to eliminate the #suspicious6, aka the "junk food" of a skin diet. When you do this, more often than not, your skin can reset and begin to thrive again. In our experience this approach can be

transformative. The nourishing, biocompatible ingredients we use will help you maintain the balance you've hopefully achieved.

GTR Magazine: Please elaborate on the experimental process to formulate the product line.

TM: Before I started Drunk Elephant I was a partner in a small company that imported this little cleansing bar. Those few years really brought to light my passion for learning about ingredients, what worked, what didn't and what it would take to have healthy skin. I spent a lot of time talking to customers, dermatologists and industry insiders and I was able to identify a need. I personally had struggled to find a product that was clinically effective and still felt safe to use. Also, my skin didn't tolerate fragrance or essential oils well, and I couldn't find a line that didn't contain them. Ultimately, I realized that to get what I wanted, I would need to develop it myself, so I made the big leap.

I launched Drunk Elephant with six products at the same time (Pekee Bar, JuJu Bar, C-Firma Day Serum, Umbra Sheer Physical Defense Sunscreen, T.L.C. Framboos Glycolic Night Serum and Virgin Marula Oil). I really studied what the perfect routine might look like and what it would take to reset our skin back to optimal health.

GTR Magazine: Although Drunk Elephant is primarily introduced as a skincare brand, it's described as a lifestyle brand. How do you plan to promote and expand the "Drunk Life"?

TM: Drunk Elephant has always been a lifestyle brand in my mind, even more so now that we have launched the hair and body lines. Drunk Life is a growing collection of things I've developed over the years that I really wanted in my routine and life. My hope is that the brand continues to help people and make them happy.

GTR Magazine: How do you think COVID-19 has impacted the skincare and cosmetics retail category in the domestic market?

TM: There was obviously more of a shift to online sales with so many people staying home. The trend of self-care head to toe meant that skincare and haircare weren't as impacted as other categories, so we were lucky there.