Deciem's Nicola Kilner: The Ordinary born out of frustration, industry rife with misleading ads

By Sarah Ahssen - August 25, 2021

Last May, American cosmetics giant Estée Lauder took control of the Deciem Beauty Group, proprietor among others of skincare brands The Ordinary and Niod, increasing its stake in the group from 29% to 76%. The remaining shares in Deciem will be purchased by the US beauty heavyweight at the end of a three-year period, in a transaction valued in total at $1 billion (€820 million). Since Deciem was created in 2013 by Brandon Truaxe (who passed away two years ago), the group has chosen to eschew conventional marketing practices, while enjoying a growing success. The Ordinary, with its affordable skincare products containing a limited number of active ingredients, is the world’s most popular skincare brand according to a study by Skincare Hero, ranking first among the most sought-after brands in no fewer than 41 countries.

And, while the world has not yet emerged from an unprecedented global health crisis, Deciem continues to grow, particularly in Europe, by strengthening its partnership with Sephora, and is tapping The Ordinary’s success to accelerate Niod’s growth. FashionNetwork.com has interviewed Nicola Kilner, co-founder and CEO of Deciem, whose turnover for the last fiscal year, closed on January 31, was $460 million (€379 million).

FashionNetwork.com: How do you explain the success of The Ordinary?

Nicola Kilner: The Ordinary was born out of frustration, at a time when the industry was rife with misleading ads and basic ingredients [sold] at excessive prices. We wanted to offer honestly-priced products to our consumers, and educate them on ingredients. Since our launch, consumers have gained greater knowledge about what they put on their skin, and what should be a fair price [for it]. What makes The Ordinary magical is that it belongs to everyone. We never create products based on a specific target, because skincare should be accessible to all, regardless of gender, age or economic status. Ultimately, we want to offer all human beings science-focused, high-quality, educational formulations.

Nowadays, consumers are very well informed about the composition of the products they use. The Ordinary’s
success is proof of this, and has inspired real change in the cosmetics industry. We want to make a difference within the industry and drive change. I personally believe that staying true to one’s brand values, and being transparent with partners, staff and audiences leads to success.

FNW: How did the Deciem group navigate the global health crisis? What lessons did it learn?

NK: We are feeling very lucky because we achieved our best business results in April and May 2020, breaking all the records set since we were founded in 2013. The fact that we secured a loyal consumer base during such distressing times mirrors our vision of bringing transparency and integrity to the cosmetics industry.

During the pandemic, many people have lost their jobs or found themselves furloughed, so their finances have been hit harder than ever. People have spent more time at home, and had more time to test skincare products based on their needs and concerns, and they most certainly managed to take a look at our range of effective products sold at an honest price.

Introducing our free Deciem at Home virtual consultation service in April 2020 gave consumers the human connection they so badly needed for choosing their skincare products, especially at a time when we all felt more isolated than ever. We chose to take heed of the constantly evolving global situation, and decided to postpone all our product launches and prioritize human connections via our websites.

FNW: What does the almost complete integration within Estée Lauder brings to Deciem?

NK: Ever since it first invested in Deciem in 2017, Estée Lauder Companies Inc. (ELC) has always encouraged us to remain true to ourselves. They continued to trust us to do what is good and fair, they supported us when we needed them, and encouraged us to remain independent. While [the latest] changes modify our ownership structure and make ELC’s support and expertise available if we need it, nothing will change for us at Deciem. I remain the CEO, Prudvi Kaka, our Scientific Director, will continue to oversee all of our innovations, Stephen Kaplan will still try to keep us running smoothly as Chief Operating Officer, and our beloved team will remain committed to putting innovation, friendliness and functionality at the heart of everything we do.

FNW: In how many countries are the group’s brands currently available?

NK: Our website Deciem.com commercialises all the brands under the Deciem umbrella worldwide. Our distribution structure differs across markets and regions, but we are mainly available at specialist stores, department stores and beauty and fashion pure players, as well as at select concept stores and pharmacies. In Europe, for example, Sephora and Douglas are our main partners. In France [where Deciem has had a physical...
presence since 2018], we are also available at Galeries Lafayette and La Samaritaine. In fact, we are delighted to announce that we have just launched three of The Ordinary’s cult products in about 850 Beauty-to-go assortments at Sephora throughout Europe. This marks the first step in our augmented presence within Sephora stores in Europe, making the brand more accessible to many consumers.

“Niod is our gem”

FNW: The Deciem group has several brands. Among them Niod, which is coming to France: can you tell us about it?

NK: To be completely honest, we didn't expect The Ordinary to be so successful. The Ordinary was originally created to celebrate the high level of innovation offered by our other skincare brands, Niod and Hylamide. At Deciem, we see Niod as our gem because it thrives on next-generation ingredients and state-of-the-art technology to optimise skin health. Niod embodies our commitment to be at the forefront of science, and has been created to provide an at-home laboratory experience to our customers. It is now available at department stores, for example in France at the Galeries Lafayette’s Champs-Elysées branch (and on the Galeries Lafayette e-shop), and more recently at La Samaritaine, where Deciem has just opened a concession for Niod and The Ordinary, giving our customers an opportunity to speak with Deciem beauty consultants.

FNW: What are the Deciem group’s projects and focus areas in the medium term?

NK: For some time, we have been working on our sustainability strategy and closely assessing our environmental impact. I think we can’t wait any longer, and that the progress already made by our incredible staff is truly inspiring. We still have work to do, but we are heading towards significant changes. We also continue to expand into new markets, and we do our best to make our brands available as widely as possible, so keep an eye out for us!

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