Building Brand Loyalty

**An Interview with Georgette Mosbacher,
President and Chief Executive Officer, Borghese, Inc.**

Georgette Mosbacher

EDITORS' NOTE *Prior to assuming her current post, Georgette Mosbacher purchased the high-end cosmetics firm La Prairie in 1987, served as its CEO, and sold it in 1991 to Beiersdorf. She has also served as national Cochairman of John McCain's 2000 presidential campaign and is Cochair of the Republican National Committee's Finance Committee. She received a B.S. in Education from Indiana University in 1970 and is the author of two best-selling self-help books:* Feminine Force: Release The Power Within To Create The Life You Deserve, *and* It Takes Money, Honey: A Get-Smart Guide to Total Financial Freedom.

COMPANY BRIEF *Built on a heritage that dates back to the 14th century, Borghese (www.borghese.com) combines the tradition of classic Italian beauty and modern sensibility to create a wide range of color and treatment products including anti-aging skincare, daily skin maintenance, self-renewal spa care, and color cosmetics. Their innovative product line combines time-honored botanicals and cutting-edge technology to gently, yet effectively address each person's individual beauty concerns.*

Are you happy with the strength and awareness of the Borghese brand in the market?

What I'm happy about is the fact that the brand is so resilient. It has been in the marketplace for decades, and it continues to resonate because of the quality. Today, product must marry quality and value. The best thing we've done with the company is co-branding it with Costco's brand Kirkland Signature. Besides reaching more consumers, our shared product epitomizes the Costco doctrine of quality at a great value.

While most consumers think high quality means high price, you've been able to keep consistent quality but also very reasonable pricing. How do you balance the two?

It takes a lot more work to develop a quality product and keep pricing reasonable. You don't have the margins that you do when you can price something expensively. But while we don't make as much money on an individual product sale, since our quality is the same or better, we sell more, and continue growing our loyal following.

What makes this brand unique?

We have great brand loyalty, because generations of women in the same family use this product. And we have kept up with the science and yet kept the quality so customers know what they're getting when they buy Borghese. A lot of brands come and go and a lot of money gets thrown into hype, but when it comes to skin care, when you find something that works for you, you don't want to change it.

How critical is it for those selling your product to have that understanding of the quality, and how much do you focus on the training of your salespeople?

Though we train our beauty consultants extensively, I believe that the package should clearly and simply communicate what is in the product and what it does. Regardless of how the product's description and use are conveyed, the product has to deliver on the benefits promised. So you have to find a way to communicate with the customer at the point of purchase, right there on the package. It should be simple to use, effective, and you should realize the value.

Will your product range remain relatively consistent, or will you broaden into additional product categories?

We're always responding to the newest scientific breakthroughs, certainly in the anti-aging category. But with everyone being very value-conscious today, it's a mistake to broaden lines to the point where you're trying to sell more than a woman really needs to maintain her skin. It's also not my philosophy to do that.

Is it challenging to have your image so clearly identified with the brand, and is it hard to separate the brand from the person?

I think it is, but I'm not in any of the ads. Everything about Borghese really speaks to its heritage, its quality, and its efficacy. And while I am hands-on and very much an entrepreneur, and I believe I know what women want, I try to make sure that the role doesn't go beyond that, so that the brand can stand with or without me.

Did you possess that entrepreneurial spirit early on in life?

I'm the oldest of four siblings from a one parent family who grew up on the edge of poverty, so for survival's sake, I learned how to be creative. And I developed a really strong work ethic, because failure was not an option. I've always been an achiever, and felt that responsibility to others around me.

Were politics always of interest to you, and with how polarized it has become, do you still enjoy that engagement?

It's part of being a leader. I love this country and I feel blessed to have been born here. And everything comes down to politics. I have my core values, and I'm very passionate about them, and I can't sit by passively when they're being attacked. So it's just my nature to jump in and do the job.

Much is written in the press about you, some true and some not. Is it challenging to not let that get to you?

I learned a lot in the four years I was in Washington, particularly to develop a thick skin. You have to understand that when it comes to the press, there is no such thing as fair and balanced. And as long as you know the truth, and as long as you feel good about yourself, it will hurt for a minute, but it quickly dissipates.

As someone who has always worked so hard, has it been difficult to achieve a work/life balance?

That's the biggest challenges because when you have that drive and sense of responsibility, it never goes away; there isn't any way to escape it. The best you can do is embrace it so that it empowers you, and do the best you can to manage your time.

Why have you placed such a heavy focus on philanthropy and social responsibility?

Part of it is selfish; I like how I feel when I give back. I consider myself very fortunate in life, and I've always been a caretaker; that again goes back to my childhood. And it doesn't have to be someone that I know personally; it can come down to just knowing I'm needed. I can't not help. ●