

Where Consumers Shop for Beauty and Personal Care

June 2023

Table of Contents

INTRODUCTION

Scope

Key findings

INDUSTRY SNAPSHOT

A challenging market environment for beauty and personal care in 2022 and into 2023

Asia Pacific remains the largest region in 2022, despite sales declining in constant terms

Fragrances continues its premiumisation, while skin care decelerates

CHANNEL SHIFTS

Bricks-and-mortar remains the preferred channel for beauty purchases

E-commerce growth slowed in 2022, but continues to capture offline sales share

E-commerce share to grow steadily across all beauty and personal care categories

Increasing metaverse collaboration between beauty brands and Decentraland

STORE-BASED CHANNELS

Store-based beauty shopping demand sustained amidst e-commerce surge

Store-based retailers expand physical reach and offer diverse product ranges

Health and beauty specialists diversify strategies to maintain market share

Health and beauty specialists are tapping into the wellness beauty to expand business

Studio by Sally: Shop, DIY and savvy all in one

Grocery retailers' growth displays fair growth

Hy-Vee: Adding novelty and claims to stand out and compete with beauty stores

Pharmacies adopt rapid expansion strategies

Markets with high inflation recorded strong growth in private label sales

Private label benefits from growing "dupe" culture, alongside effects of inflation

NON-STORE CHANNELS

Non-store channel expands, with e-commerce more dynamic than direct selling

Skin care e-commerce boom stabilises; fragrances and colour cosmetics continue to expand

E-commerce grows strongly in Latin America and the Middle East and Africa in 2022

Amazon retails lead, while Walmart's expansion pushes it up the rankings

Beauty festivals, creating occasions and premium experiences

Amazon – the go-to place for e-commerce beauty in the US

Livestreaming becomes a crucial strategy to attract young consumers in China

Facial care leads skin care e-commerce, even in body care-focused Brazil

Beauty e-commerce in Australia may be affected by regulatory changes from TGA

Latin America the strongest region for direct selling, but post-pandemic challenges exist

FUTURE DEVELOPMENTS

Growth to slow down in the forecast period, due to consumers' price sensitivity

Adoption of omnichannel strategies to increase, leading to sustained online sales growth

Deinfluencing reflects demand for authenticity, but channel impact remains to be seen

Tax free offers new opportunities for beauty as store formats evolve

L'Oréal Travel Retail and TripAdvisor strike a partnership to target US and UK travellers

Key takeaways

About Euromonitor International

Euromonitor International is an independent market intelligence provider. Data, insight and analysis stem from in-the-field research spanning 210 national markets.

Content ranges from the in-depth and country-specific, to key strategic themes with a global range and significance. Products cover

a comprehensive range of insights and market data, but can be broadly categorised as:

- **Strategy Briefings:** Global or regional in scope, and focussing on the most important themes shaping consumer demand, the key markets, competitive environment and future outlook across a range of industries.
- **Company Profiles:** Analysis dedicated to the world's most significant companies, with detailed insight into their activities, focus of operations, their competitors, their geographic presence and performance.
- **Country Reports:** For an in-depth understanding of specific countries, whether by industry, economic metrics or consumer trends and lifestyles. These reports cover current trends, consumer demand, market potential and future prospects, with country-specific local insight and comprehensive data, unavailable elsewhere.

For more information on this report, further enquiries can be directed via this link www.euromonitor.com/where-consumers-shop-for-beauty-and-personal-care/report.