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"Slow growth is anticipated for the online beauty market as consumers still trust in the physical. Online trust can come through guiding shoppers via clear and helpful navigation, as well as positive ratings from real users. Shoppers are wary of product recommendations from famous influencers, and appreciate the ability to research products and prices with apps."

- Alex Fisher, Senior Beauty Analyst

## This report looks at the following areas:

- Lack of trust in influencers
- Overinvesting in technology

Online beauty expenditure is estimated to have slow growth anticipated in future. Retailers with physical stores are more trusted online, especially in the face of lower disposable income. Building trust with consumers will come from guiding shoppers' choices with clear navigation and helpful content, as well as positive reviews and ratings.

Shoppers are wary of product recommendations from famous influencers but still trust their expertise in beauty techniques. Educating consumers on these techniques may be the best opportunity for encouraging the use of beauty apps, alongside price comparisons. Interest in AR and VR (Augmented Reality and Virtual Reality) functionality is still fairly low, so partnering with existing apps may be a better way forward for brands and retailers in terms of consumer reach.

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