

Beauty Online: Inc Impact of COVID-19 - UK - September 2020

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This report looks at the following areas:

- The impact of COVID-19 on the online beauty market.
- How online usage and shopping habits have changed in response to COVID-19.
- The channels used to purchase beauty and grooming products.
- Multichannel shopping behaviours and the evolution of the online purchase journey.
- Opportunities to increase online engagement.

Online demand for beauty has surged in 2020 and Mintel predicts that value sales of beauty/grooming products through the channel will rise 24% to £1.9 billion in 2020. The channel was gaining popularity prior to the outbreak as it gives consumers more choice; 67% of online BPC shoppers say the channel gives them access to beauty/grooming brands that are not sold in stores.

COVID-19 has fuelled growth in the online beauty market as it has significantly increased consumer comfort with buying beauty/grooming products via the channel, driving purchase frequency and volumes. This will have long-term benefits as the pandemic has both helped online beauty retailers reach new consumers and increased engagement amongst existing consumers.

A reliance on repeat purchasing and intense price competition remain the biggest threats to the online beauty market going forward as both will subdue value growth. Many consumers are reluctant to shop online for beauty/grooming products they have not tried/used before, which subdues product/brand experimentation.

The biggest opportunity presenting itself to retailers in this market lies in driving online frequency and product repertoires. Whilst progress has been made in 2020, consumers continue to shop more frequently and buy a greater volume of products in-store. Making the online purchase of BPC more convenient is therefore imperative, which will drive innovation in digital product



“Although growth in the online beauty market was strong prior to the COVID-19 outbreak, it was slowing as retailers were struggling to increase engagement with the channel. However, 2020 marked a turning point as online demand surged amidst disruption.

– **Samantha Dover, Senior Beauty and Personal Care Analyst**

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recommendations alongside much needed improvements to mobile sites, apps, subscription services and delivery passes.

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