

Zoom Beauty: What's Happening to Beauty During Coronavirus

COVID-19 fully set in with consumers in mid-March, panic ensued, and spending focused on essentials. The new normal has since emerged and consumers are turning their attention back to beauty. The current beauty consumer is different in many ways, and we can understand her priorities through search behavior. Beauty fuels two needs of the moment: self-care and a desire for control. Brands that understand this, that tailor their offerings to the new climate, and present strong digital experiences will stand out as we move toward the next normal.

BEAUTY BLOOMING IN E-COMMERCE

After an initial shock, online beauty sales are trending back upwards; March was +10% up over February

Predictions place April growth at 13.5% over March

The real shift came the week of March 28th, when online **prestige beauty sales increased 47%**

Digital will not entirely make up for brick and mortar losses, but the overall pattern is positive



BEAUTY IS BACK IN THE MINDS OF CONSUMERS

Searches for skincare, hair, and makeup have risen dramatically since March 15th. As of March 29th, the increase in WoW searches:



The search volume for "Root Touch Up" has increased the most of all beauty terms since February 16th, with an additional



SURPRISES IN SEARCH

220% The increase in searches for face bronzer, a previously challenged segment

82.9% The increase in searches for face masks, another item that was on the decline prior to COVID-19

Interest in eyebrow products is strong, but has decreased for mascara, eyeliner, eyelash products, and cosmetic eye services

CONSUMER WORRY IS STABILIZING

First consumers panic-purchased essentials, then they turned to self-care

In the three weeks ending April 2nd, the percentage of consumers "extremely worried" about risk of exposure held essentially flat, at 30%, after prior jumps

We expect certain beauty purchases to continue growing as we have reached "the next normal"

WHAT STELLA IS SEEING

Within our own beauty client portfolio, e-commerce revenue is up 27% vs. prior period and YAGO

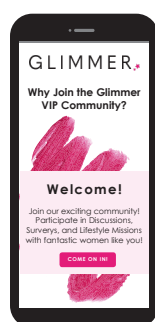
From a last touch point of view, social, e-mail, and paid search driven revenue is up approximately **35% vs. prior period; revenue from paid social increased by 27%**

OUR COMMUNITY IS READY FOR COLOR

Our Glimmer Community is very excited about color cosmetics for spring:

28% are talking about **makeup**

10% (surprisingly) are focused on skincare



CHATting WITH GLIMMER: WHAT THEY'RE SAYING

"After all this social distancing is over and we are back to normalcy, I am looking forward to wearing pretty clothes and using makeup again. I have been taking great care of my skin during this time."

"I want to move away from dull mattes and see some bright colors when we get to escape quarantine!"

"Beauty trends that I'm really looking forward to this spring are eyeshadows and lip ideas. Bright lovely colors."