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Beauty Customer Journey

SixthSense™

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Introduction

This report has been designed to follow the journey women go on when they are buying health and beauty products. It examines the path to purchase, which includes:

- Key motivations and influences when deciding which brands and products to buy
- Channels used to purchase (e.g. high street retailers, department stores, online, etc.)
- Barriers and obstacles to purchase
- Importance of after-care and customer service
- Loyalty – both to brands and to retailers.

Traditional ways of segmenting the beauty market no longer apply. It is not enough to go by age, skin type, or one product does all. With scientific advancements within the beauty sector allowing for more targeted products, and companies like Origins segmenting their own website by the needs of your skin, it is now more important to look at the type of shopper, and the beauty regime they follow. In line with this, YouGov SixthSense asked respondents to classify themselves into six distinct groups, or typologies:

- Beauty enthusiast
- Everyday regime, plus a special occasion/pampering regime
- Strict everyday regime
- Experimental but continuous regime
- Minimal regime
- Soap and water user only.

These typologies allow YouGov SixthSense to look at the journey each typology has when purchasing beauty products, highlighting their different needs, expectations, and motivations to purchase.

The characteristics of each typology are as follows:

Beauty enthusiast – Women in this category tend to be aged 25-39, will mostly spend £5-10 on beauty products; however, 10% of this group will pay over £30 for products mostly in make-up and skincare. When shopping for beauty products, they tend to buy 3-4 products at one time. This category also has the highest proportion of 16-24 year-olds (21%).

Everyday regime, plus a special occasion/pampering regime – This category is mostly made up of women aged 25-39, although a high proportion are also aged 40-54. On average, consumers who fall into this category will spend £5-10 on beauty products, but this amount falls to less than £5 for nail care, hair care, and hair styling products. They tend to buy three products at one time.

Strict everyday regime – These women, who have a strict everyday regime, tend to be aged 55 or over, and spend less than £5 on products, apart from make-up and skincare, where they will spend £5-10. In general they will buy two products at one time.

Experimental but continuous regime – The highest proportion in this category is aged 55+, although it also has a high proportion of women aged 40-54. They will generally spend £5-10 on each type of product, and will buy three products at a time. However, this group has the highest proportion of women who will buy products when they need to because they've run out (58%).

Minimal regime – As one may assume, this category is mostly made up of women aged 55+, suggesting that by this age, women have found a routine and products that work for their skin type. This group tends to spend less than £5 on products across all categories, and will buy 2 products at a time. Again though, it is this group that has a high proportion of women saying they only buy products when they have run out (57%).

Soap and water – This category tends to be aged 55 and over, will spend a minimal amount on products at less than £5, and will tend to only buy 1 product at a time.

Methodology

For this report, YouGov SixthSense asked over 50 questions to a nationally representative UK sample of women aged 16+.

The fieldwork was carried out online over the period 20-22 February 2012.

Market size information covers the years 2009, 2010 and 2011.

Report Summary

A matter of confidence

Women use health and beauty products to make themselves look and feel better. Indeed, 68% of women feel that make-up makes them feel more attractive, with response particularly strong among beauty product enthusiasts. At the same time, there is a distinct group of women – mainly those aged 55+ – for whom self-confidence appears not to come with make-up, but with age.

Shopping habits: alone and not on impulse

Most women replace items as and when they have run out, making impulse purchases less often. Furthermore, only very few (3%) say that they incorporate health and beauty shopping with clothes shopping. However, beauty product enthusiasts, as might be expected, buck the trend, with a quarter of them shopping specifically for health and beauty products, compared with the average of 9%. Health and beauty product shopping is clearly not a social activity: most women, beauty product enthusiasts in particular, prefer to shop for such products alone.

Measuring satisfaction

Satisfaction and excitement are the two key feelings women have when they purchase health and beauty products. One in three women feel satisfied when buying health and beauty products, while one in four feel happy. This fits in with the general attitude that health and beauty products help make women look and feel better about themselves

Power of recommendations

Recommendations are a key influence on purchase of health and beauty products: 46% of women cite recommendations from friends, while one in three point towards recommendations from family. Peer recommendation can be a powerful tool if used in the right way, especially through social media, such as Facebook and Twitter. Similarly, poor recommendations can be very damaging for brands.

Treading carefully with claims

Although claims are widespread throughout the beauty industry, research points towards large-scale scepticism. Approaching half of UK women say that they are not particularly influenced by claims when choosing beauty products. While beauty product enthusiasts are more likely to listen to product claims, only one in ten say that such claims influence their purchasing decisions. Likewise, among those who only use soap and water, 88% say that claims made by health and beauty manufacturers are not very influential on their choice.

Advice and reviews in print media

Women point towards print media in terms of influence, with advice, tips and advertising all cited as being important to women when deciding on what health and beauty products to buy. Four in ten women look to magazines for advice and tips, rising to three in four among beauty enthusiasts. Reviews and advertising in magazines and newspapers also have a heavy influence on informing women's choice of beauty product.

Spending more for confidence

Research results highlight the tendency for women to spend more on products that will help them make good first impressions, or make them feel better about themselves. While the majority of women spend £10.00 or less on beauty products across all categories, facial skincare and make-up products warrant a little more spend, with 14% and 16% of women, respectively, spending up to £15.00 on one item.

Bricks and mortar still the preferred choice

Women prefer shopping in-store, and being able to handle products before purchase. Nine in ten women buy their health and beauty products for a shop – a finding which holds up well among all typology groups, except those who rely mainly on soap and water. Among the beauty product enthusiasts, shop layout, ambience, and décor are important, but the biggest reason to use a particular retailer is to be a member of their loyalty scheme.

A long way to go for online

Despite the growing popularity of internet shopping (and given that the research for this report was conducted online), only one in five women surveyed buy their health and beauty products via the web. Nearly one woman in five is uncomfortable buying products online when they don't have them in front of them to compare. Women want to explore, access, and test products before they buy.

Growing importance of supermarkets

Boots and Superdrug are market leaders, with 84% and 55% of women, respectively, using these retailers to buy their health and beauty products, However, as is seen across a wide range of FMCG sectors, supermarkets also play a significant (and growing) role: when it comes to buying health and beauty products, 38% of women choose Tesco, 23% Sainsbury's and 22% ASDA.

Claims need to produce visible results

In terms of product claims, 'intensive moisturising' is the most popular claim that women buy into, selected by four in ten. This is followed by SPF and anti-ageing, both selected by one in three. However, in terms of satisfaction with claims, it is the first two that are more likely to be believed. Anti-ageing claims – upon which the skincare industry is based – are hard for individuals to evaluate or see, even after using products. This could explain the lower levels of satisfaction women have towards such claims.

Disappointment evident among all

Six in ten women have experienced disappointment with a health or beauty product. Results suggest that the higher the expectations, the higher the levels of dissatisfaction, with results biased towards women who experiment more with beauty products. Disappointment, however, occurs at some degree among all beauty consumers, which of course poses a problem, as research shows that women turn their backs on brands that disappoint.

Dealing with disappointment

In the fact or disappointment with health or beauty product, most women do nothing, with only 5% returning the item in question. Nevertheless, one woman in three will tell her friends about the product, which sends a powerful message to brands about negative word-of-mouth.

Boots Advantage Card leads the way

Loyalty schemes are very popular, with one in two women citing them as important when deciding their choice of retailer. Such schemes are more important among the more adventurous and experimental groups, as might be expected. The Boots Advantage card has the strongest presence in the market, with an impressively high eight in tem women claiming membership. Superdrug's Beautycard falls some way behind at one in four women, but it is still impressive, given the fact that the loyalty scheme is still new in comparison to Boots.

Money-off is most popular way of spending points

When it comes to redeeming loyalty card points, one in five women save up rewards for something they need, with a similar proportion saving up to buy themselves a treat. Only one in ten women convert points at the till at the earliest opportunity, suggesting that the majority let points accumulate until it's worth redeeming them against their shopping. Paying for things other than shopping, e.g. flights, with collected points is least popular, chosen by only one in 20. Only 8% of women do not redeem their points.

Price is still paramount

Aside from loyalty cards, retailer loyalty is often tested on the basis of price. Competitor discounts are a strong reason for many women to switch retailers in order to save as little as 5%. The most common discounts are between 10-20% and around a third of women will go in search of them, regardless of the type of product they are buying. This suggests that when out shopping, women will check out prices by going from shop to shop in order to find the cheapest deal.

Expenditure up – but only among enthusiasts

Only beauty enthusiasts have spent more money on health and beauty products over the last 12 months. It is make-up and facial skincare that have benefited from this small, but financially important, group.

An element of trading down evident

In terms of categories, the premium beauty sector has been the hardest hit, with 16% of consumers spending less on this category. However, one woman in four is spending the same amount as a year ago, while a small – but important – 6% are spending more on premium products. However, the biggest beneficiary appears to be own-label, as consumers trade down to save money.