

# THE IMPACT OF COVID-19 ON BEAUTY RETAIL

In-person elements of beauty retail will be forced to evolve amidst the global health crisis. Are you ready to make the necessary changes?



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## Mintel recommends

### Increase online human interactions

At a time when consumers are confined to their homes, it is critical that brands find new ways to engage. Utilizing enhanced digital technologies and providing human interaction via online portals will drive online shopping, helping to keep businesses afloat during trying times.

### Prepare for future retail shifts

The full impact of this public health crisis is yet to be determined, but few things remains certain: cleanliness standards, sampling and the overall shopping process will be forever changed. Retail stores that take precautionary safety measures and alter their in-store procedures will be seen as trustworthy in the eyes of consumers.

### Show commitment to employees

COVID-19 has infiltrated all aspects of life including social media channels. Brands placing profits over the safety of their employees are sparking public outrage, while those temporarily closing their doors are being praised. Brands that show compassion and commitment to customers will profit substantially in the long run.

## Bring offline benefits to online experiences

Offer seamless online shopping by providing consumers the high-touch experience they expect in-store.

**23%**

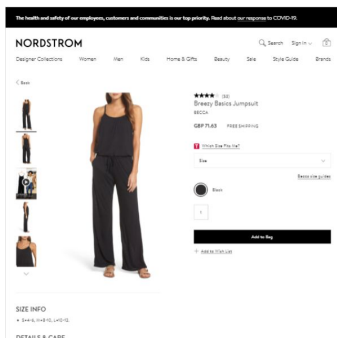
of consumers cite  
**rewards for online  
engagement** as  
something that would  
encourage more online  
beauty shopping

**14%**

of women aged 18-34  
cite **live chats with sales  
associates** as something  
that would prompt more  
online beauty shopping

**Base:** 2,000 US internet users aged 18+

**Source:** Lightspeed/Mintel



Nordstrom's online site offers pre-recorded styling videos

## Provide human connection within digital platforms

As stated in Mintel's 2030 BPC Trend *Identity Traders*, by relying on digital connections, people lose the ability to relate to one another on a human level, **leading to an epidemic of loneliness**. As consumers find themselves more isolated than ever before, it is imperative that brands **break the mold of traditional digital communities and create more substantive connections**.

Look to **Nordstrom's fashion styling videos**, which provide an interactive view of the product with specific call-outs on fit and product features. **Sephora** has also increased how-to and Q&A content on social channels and is guiding consumers to instant-chat customer service options.

*Source: Nordstrom*

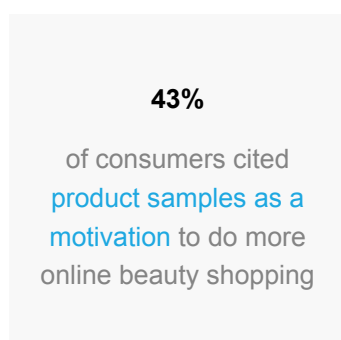
## Offer more tips and tutorials

Consumers will seek education and guidance online, as 40% of consumers who've browsed for beauty online **look for beauty tips** and 30% look for beauty tutorials.

**Livestream product application or small group makeup tutorials** that allow consumers to **ask real-time questions** and **seek advice will provide human interaction** without the risk of harm. Brands may consider allowing retail staff to forge video connections with online shoppers from the comfort and security of their own homes. With the length of self-isolation still unknown, consumers will search for variety in their at-home activities. Brands offering **additional services that layer in an element of interaction will thrive**.

*Base: 508 US internet users aged 18+ who have browsed online for beauty products in the last 12 months*

*Source: Lightspeed/Mintel*



## Alter the way you sample

As sanitizing remains critical to containing the spread of COVID-19, retailers must **rethink the sampling aspect of in-store experiences**. While discussion of **no-touch policies** loom, how will interactive, in-person shopping evolve?

Product samples are the **top desired improvement consumers want in order to do more online beauty shopping**, but that doesn't necessarily mean they need to sample products in-store. It's about providing the simple reassurances shoppers need before making a purchase.

*Base: 2,000 US internet users aged 18+*

*Source: Lightspeed/Mintel*



Sephora Studios offer the chains' most digitally advanced technology

Source: [Bustle](#)

To our customers and community locally and globally:

We've made the difficult decision to close all our current permanent and temporary retail locations (New York, Los Angeles, London, and Atlanta) for at least the next two weeks to help mitigate the spread of COVID-19. We will also delay the opening of Glossier Arizona, which was scheduled for next Wednesday. This is obviously a fluid situation, so we'll be monitoring and adjusting our plans and timeline accordingly.



Glossier closes retail locations and commits to continued pay

Source: [Glossier](#)

## Leverage tech for safer product trial

Mintel's 2018 BPC Trend [Private Eye](#) spoke to the predicted increase in digital technologies within the beauty shopping process. In fact, 20% of US women aged 18-34 cite [virtual reality tools as a motivation](#) to do more online shopping. In today's environment, advances in AR technology can not only be used to personalize the experience but also to alleviate the physical element of trial.

Sephora's boutique Studio concept stores feature the retailers most advanced digital technologies. "Cast members", or beauty advisors, are given **iPhones fitted with an array of apps**, one being the **Sephora Visual Artist app which allows for virtual makeup application**. Expect more retailers to **invest in technologies that alleviate the passing of germs**, keeping workers and patrons safe.

## Use your power to evoke change

As consumers struggle to comprehend the complexities of this global health crisis, they **unite in an underlying desire to protect one another**. An understanding that social isolation is the best practice to slow the spread of the virus has sparked outrage regarding beauty and fashion retailers who were slow to close or who are yet to shut their doors.

**Online communities are calling attention to those who they feel are putting employees and the general population at risk.** Intel's 2019 BPC Trend [Beauty with a Brain](#) stated that consumers are more sophisticated than ever before thanks to social media, so they are questioning everything.

The way each brand responds during the outbreak will determine its future trustworthiness. A misstep at this moment may have detrimental effects. **Brands that think beyond the bottom line and put people first will profit down the road.**



## Meet the expert

### **Lauren Goodsitt**

#### **Senior Global Beauty & Personal Care Analyst**

Lauren has a strong research background, and since joining Mintel in 2014 she has worked with nearly all major beauty brands and companies. She utilizes her expertise to help develop innovative product concepts, understand the landscape of the beauty categories, and to apply relevant industry trends.

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