

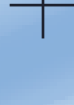
Beauty tech trends across the globe

In 2020 beauty and personal care ecommerce sales amounted to \$63 billion and are expected to reach \$99 billion by 2023 ⁽¹⁾.

The global beauty tech market is forecast to reach \$34 billion by 2024 ⁽²⁾. Today beauty brands are implementing emerging technologies including artificial intelligence (AI), virtual reality (VR) and augmented reality (AR) to improve the customer experience and to keep the customer engaged in a fiercely competitive market.



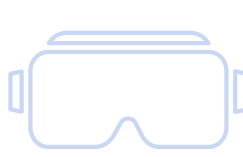
KEY GLOBAL STATISTICS



The US livestream shopping market is expected to reach \$11 billion by the end of 2021 and \$25 billion by 2023 ⁽³⁾.



In 2020, social commerce sales in the US were estimated at \$27 billion and are expected to reach \$79.6 billion by 2025 ⁽⁴⁾.



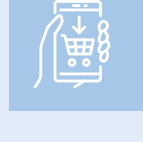
The global AR and VR market is forecast to reach \$30.7 billion in 2021, rising to close to \$300 billion by 2024 ⁽⁴⁾.



The global beauty devices market was valued at \$51 million in 2020 and is expected to reach \$311 million by 2030 ⁽⁵⁾.



MAJOR TRENDS



The increasing demand for phygital experiences

Before the Covid-19 pandemic, beauty consumers in the US were 54% more likely to discover brands via product samples ⁽⁶⁾. Today, 33% of consumers are buying more beauty products online, with about half using social media to search for beauty products to purchase ⁽⁶⁾. US consumers are also looking for ways to try beauty products before buying them online. For instance, interest towards online tutorials and do-it-yourself (DIY) quality products for home use is on the rise. Beauty brands are focusing more and more on creating educational online content on their products and expanding investments in VR technologies to enable consumers to virtually try products on at home. Already, 62% of US consumers who have used AR when shopping claim that it encouraged them to make a purchase ⁽⁷⁾.



The rise of social commerce

Social networks like Tok Tok are moving into ecommerce, partnering with providers to integrate shopping features into their platforms. In 2020, over 3.6 billion people were using social media worldwide, a number projected to increase to almost 4.4 billion in 2025 ⁽⁴⁾.

More and more beauty brands are relying on social media to attract potential new customers and generate higher revenue. For instance, 9 in 10 US companies will implement ecommerce features to their social media sites by 2025 ⁽⁸⁾. Beauty brands are adding a shopping tab to their account profiles and synchronize their beauty product catalogs to their brand's app, creating a direct link to their online store. By doing this, they enable new in-app shopping experiences while fostering a sense of community and strengthening their relationship with their customers



Enthusiasm towards beauty devices

With people becoming more conscious of their appearance and more tech-savvy, beauty brands are implementing AI technologies to develop personalised beauty devices. AI-powered devices can deliver on-the-spot skincare, lipstick, and foundation tailored to the consumer's needs. Additionally, beauty devices can help with a range of age-related concerns, such as improving the firmness of the skin and revitalizing it. This is driving beauty tech to also focus on providing skincare solutions for ageing consumers. The APAC beauty device market is expected to witness the fastest growth between 2025 and 2030 ⁽⁹⁾, mainly due to its increasingly ageing population and the presence of leading beauty brands that are introducing less expensive beauty devices in the region. The availability of branded beauty devices on online channels will also further increase the projected growth of the segment.



Livestreamed shopping is gaining traction

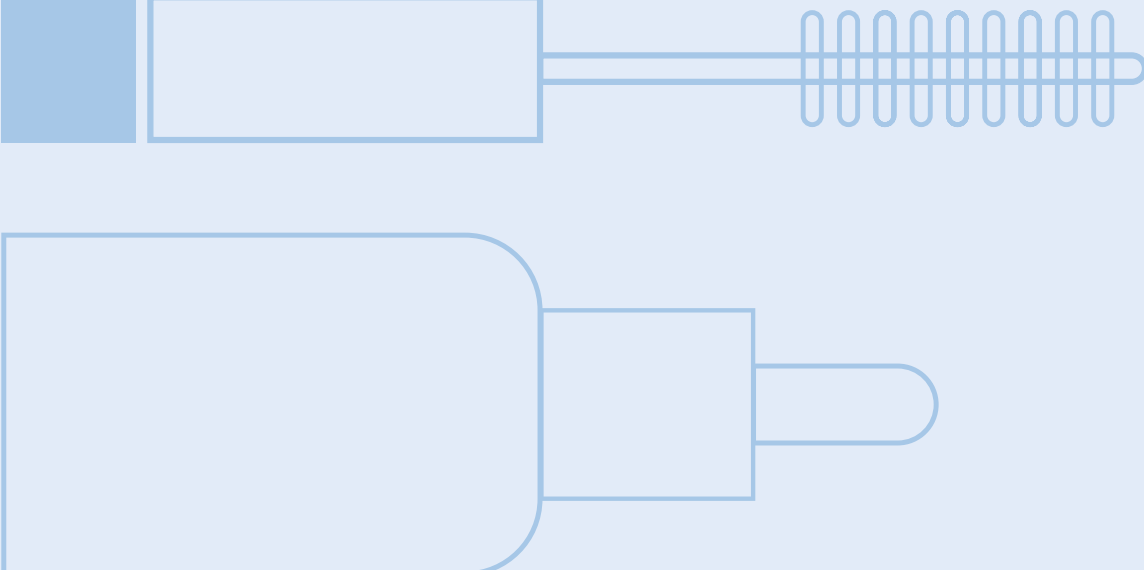
Livestreamed beauty shopping is surging on social platforms such as Facebook, Instagram, Tik Tok and YouTube. Livestreaming enables consumers to watch product demonstrations through videos, photos and more platform features before purchasing a product. According to Mintel, 47% of customers who have bought beauty and personal care products via live streaming channels say that they bought what they really needed ⁽¹⁰⁾. This approach is already successful in Asia and is now taking off also in the US market. Most beauty livestreaming activities are driven by brand influencers and ambassadors to further increase customer excitement and engagement with the brand and its products.

Neal's Yard Remedies partnered with THG Ingenuity to expand their presence and audience in China. Ingenuity ran a partnership between NYR and top Key Opinions Leaders (KOLs) in China to generate awareness of the brand and convert audiences into customers. Thanks to Ingenuity's local market team's expertise, NYR signed an agreement with one of the top KOLs in China to promote a few of their products. [Click here](#) to see how the campaign delivered revenue for the brand in under 10 minutes from the co-CEO of NYR.



The value of artificial intelligence(AI), VR and AR

The rise of trying on make-up virtually, evidence-based skin analysis, augmented reality (AR) and other disruptive technologies are changing the way beauty consumers discover and connect with brands ⁽¹¹⁾. AR and VR beauty apps have been gaining more attention since the pandemic, as consumers needed to try beauty products at home remotely, rather than in stores. For instance, 61% of consumers say they prefer to shop from brands offering AR experiences ⁽¹²⁾. Beauty brands are looking to combine AR and VR technologies to further enhance the consumer digital experience while offering more personalized products through data collection and analysis. Artificial intelligence (AI) and data analytics will be key drivers to the successful use of tech ⁽¹³⁾. Beauty brands are developing high-resolution imaging systems, next generation virtual mirrors and virtual consultation services to enhance the customer experience.



MAJOR TRENDS



45%

of global consumers find new beauty purchase inspiration on social media and 63% of Gen Z use social media to discover new products ⁽¹⁴⁾



84%

of beauty consumers worldwide say a brand's video or product demonstrations have convinced them to make a purchase and 96% of them have watched a video to learn more about a product or service ⁽¹⁵⁾



51%

of global consumers are willing to use AR to assess beauty products as they find it useful and beneficial ⁽¹⁶⁾



30%

of women in the US say they are interested in trying facial products with integrated diagnostic tools ⁽¹⁷⁾



1/4

of consumers now expect retailers to offer AR and VR experiences ⁽¹⁸⁾



75%

Deloitte predicts that by 2025, nearly 75% of global consumers and almost all smartphone users will be frequent AR users ⁽¹⁸⁾