UNIDAYS

2022 Beauty Report

What Gen Z really wants from beauty brands

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Intro

A research-backed look at what matters to Gen Z when shopping for beauty; their purchasing behaviours and plans. With \$360 billion annual global spend power, Gen Z offers a significant opportunity for beauty brands. As a demographic, they are multi-dimensional and defy a static, one-size-fits all approach to beauty, particularly across geographic regions. While their desire to eschew labels and tidy categorisations is refreshing, it can certainly leave beauty brands wondering what does Gen Z want from you?

To help beauty brands answer this question (with insights backed by data), **UNIDAYS** surveyed Gen Z students in the UK, US, Australia, Germany and France. We delved into their thoughts about sustainability and influence, purchasing behaviour and spending habits in regards to beauty. Let's take a deep dive >>>



"Quality and price are still key factors for Gen Z when buying beauty products, but so are brands that align with values such as social consciousness and students' desire for hybrid shopping experiences. It will be crucial for beauty brands to strike a balance among all these."

ALEX GALLAGHER, Chief Strategy Officer, **UNIDAYS**

No animal testing, more awareness

Gen Z cares about being environmentally conscious — but perhaps not as much as typically thought. When asked the most important factor when deciding which beauty brands to shop, students ranked 'environmentally conscious and sustainability' among the top three, but at 9%, this was significantly lower than quality (33%) and price (28%.) What Gen Z is clear about is their dislike for animal testing and hamful ingredients. While students don't always check if products contain elements they consider unethical, they will make sure their products weren't tested on animals or contain harmful ingredients.

Gen Z wants to avoid problematic ingredients – a quarter of students never buy items containing microplastics or palm oil – yet half also aren't sure whether the products they buy contain these ingredients or not.

The same awareness challenge applies to vegan beauty products, as well: across all five countries, 56% of students said they'd purchased items free from animal products, by-products or derivatives although 1 in 4 students in the UK, US and Australia weren't sure one way or the other.

Ethically sourced products aren't far behind in importance. If something on a product's packaging comes across as unethical, 35% of students won't buy it. As for which countries will pay more for products that are ethically sourced, 41% of students in France and 39% in Germany are willing to pay more, while those in Australia, the US and UK are on the fence, saying it, 'depends on the circumstances.'

In response, beauty brands may want to consider enhanced product labelling and awareness campaigns to educate Gen Z about how your brand is addressing these issues.

- → 43% of Gen Z never buy beauty products tested on animals
- → 37% of students refuse to buy products that include harmful ingredients
- → 10-20%; the additional amount students would pay for ethically sourced and vegan beauty products

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Post-pandemic love of phygital

After Covid restrictions were lifted, Gen Z was hungry for in-store shopping experiences with one caveat: they weren't ready to abandon the convenience of online shopping, either. Enter 'phygital' the combination of physical and digital worlds.

Post-pandemic, Gen Z behaviours tell us it's here to stay. For beauty brands, that's boon — the more channels, the more opportunity. But meeting Gen Z in the phygital space requires understanding the role each purchasing channel plays.

In Germany and France, students usually shop in store for beauty products, but in the UK, Australia and US, students prefer a phygital experience. The UK offers an interesting, however small outlier with 1 in 4 students there shopping only online, while in the other four countries, a scant 1 in 5 do.

As to why students shop for beauty the way they do? It varies, depending on the channel. Online gets a stan from Gen Z for the convenience: "The internet doesn't close (65%) and I can buy from multiple brands at once (60%)."

For 80% of students, it's the tactile experience that brings them to the store. They value the ability to see an item before purchasing it.

Students want the best of both worlds — the physical and the digital — and as brands vie for Gen Z's attention, they should enable these dual, phygital experiences. **UNIDAYS 2022 BEAUTY REPORT**

Buying beauty by the regions — it's not the same

When it comes to shopping for beauty products, what's important in Sydney might not be in Berlin. For brands, it's important to know the differences.

71%

of students in Australia were concerned with testing products before buying them vs. 54% in France.

82%

of students in Germany were the most eager to take their purchases home yet at 43%, they were also the least interested in testing them out first.

1 in 5

US students don't believe shopping online is cost effective but in Germany and France, they do.



These figures illustrate just how critical it is to understand the nuances that drive Gen Z purchases, in this case, across channels and geographic location.

KEY INSIGHT #3: The value of influencers and social media

From Zendaya's Marilyn Monroe-inspired bedroom eyes to influencers with just the right amount of followers, who does Gen Z listen to and where do they go for beauty guidance?

Around 1 in 3 students state that influencers have no impact on their purchasing decisions while influencers with the smallest and largest number of followers are least likely to be trusted. But what makes an influencer trustworthy? According to students, trust comes down to a nebulous, 'who the influencer is."

At 61%, it's safe to say that overall, **social media is the primary platform** Gen Z uses to suss out the latest beauty trends, news and tips. Students in the US and Australia consume the most social media, YouTube, influencers and beauty reviews. Instagram leads the way as the **preferred social media platform** for keeping up with beauty trends and tips, but TikTok is especially popular in the US.

In contrast, more than 1 in 4 students in Germany use **none of these channels**. Chalk this up to their strong sense of self – 79% have their own look and sense of personal style, while 70% do not try to stay on trend at all.

Trend outlier: Students in France *do* want direction from beauty brands. These Gen Zers reported having the lowest degree of personal style (48%); the largest desire to stay on trend (37%); and the most likely (43%) to closely follow beauty trends.

At some point, the majority of students said they've **turned to YouTube** for a beauty product tutorial, but at 70%, it's the US market driving the bulk of engagement on this channel.



Trend spotted: When it comes to video tutorial usage, there's a clear market distinction between the US and Germany: the US leads the way in video tutorial consumption while nearly half in Germany have never used one.

When you consider that students in the US and Germany report the same percentage of personal style and look (79%) Germany's lack of interest in video tutorials is interesting. It's safe to assume that although they are confident in how they look, students in the US have more of an appetite for video how-to's.

KEY INSIGHT #4:

The price of beauty

Whether it's rising costs of living or the pandemic's lasting effects of less-is-more makeup, students are looking for ways to spread their cash further whether that's using brand offers to saving their best glam for special occasions. Among the Zers surveyed, most said they found the best discounts for beauty products on **UNIDAYS**, ranging from 4 in 5 in the UK to 1 in 2 in the US.

1 in 5

students will wear 10+ beauty products for a night out or special event

70%

of all students prefer a natural or even neutral makeup look

9 in 10

students have never tried a virtual makeover and 33% are ambivalent whether a brand offers them or not





When going to market, brands should be cognizant why students are buying beauty products. It's not to stand out they want to feel more confident and cover any perceived imperfections.

Students mostly buy beauty products whenever they run out or need them. However, half will wait until they see an offer or discount. Germany uses discounts the least but nearly half of students in Australia (45%) will delay purchasing until there's a sale.

Conclusion



Beauty brands are in the midst of a pivotal moment with Gen Z. Although most want a no-fuss makeup experience and sustainable products, with the right multi-channel, phygital shopping experiences, Gen Z are ready to find their next favourite beauty product and splurge for the right moment. Will it be yours?

Get in front of Gen Z

There are 27M **UNIDAYS** members across the globe. Talk to us If you'd like to get your beauty brand in front of them.

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