



2021

BEAUTY & PERSONAL CARE INDUSTRY ASSESSMENT

NBCUniversal

WELCOME!



Introduction

Explore NBCUniversal's latest perspectives and insights into the BPC industry. This report provides an overview of recent marketplace dynamics, our prediction of key future trends impacting the industry, and strategic recommendations for BPC brands and marketers as they navigate what's next.

Our Approach

At NBCUniversal, we have a legacy of working with a diverse range of BPC partners to build their brands. This report has been created based on NBCU's:

- Ongoing Industry Auditing
- Conversations with BPC Advertisers and Agencies
- Continual Marketplace Analysis
- Examination of Consumer Attitudes towards the BPC Industry

**WE HAVE
A UNIQUE
PERSPECTIVE**

In 2021, NBCU worked with:

105+ BPC Industry Advertisers



Cosmetics



Personal
Hygiene



Haircare



Skincare



Fragrance



Beauty Tech
& Devices



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2021 BPC YEAR IN REVIEW

A Look Back at 2021

In 2021, we are seeing
Beauty & Personal Care brands

RESPOND TO REDEFINED ROUTINES

after a year of pandemic shock



BPCs RESPOND TO REDEFINED ROUTINES IN 2021



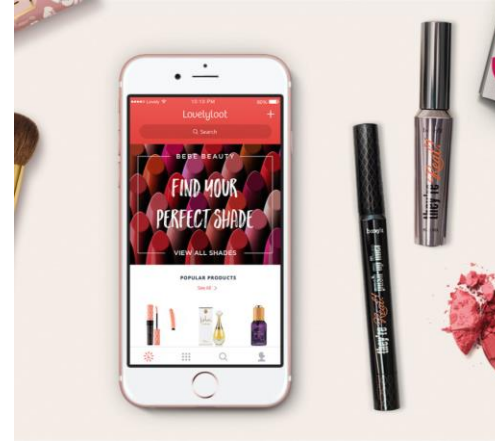
At-Home Routines Drive Demand

Consumers embraced their beauty & personal care at-home routines well into 2021, as pandemic precautions and hybrid work remained widespread. DIY, health and natural trends continue to lead to evolved beauty behaviors.



Self-Care Becomes a Staple

The pandemic heightened the prevalence of self-care, and consumers are increasingly using their BPC routines to support and manage their mental and emotional wellbeing.



Digital Adoption Soars

Ecommerce trends in the BPC space were heavily accelerated by the pandemic as more brands look for ways to engage consumers digitally and with novel tech like AR/VR.



Inclusivity Reshapes the Category

Consumers are seeking out brands that align with their values and offer products that demonstrate authentic commitments to diversity and inclusivity.

BRANDS ACROSS BPC SUB-CATEGORIES ARE NAVIGATING NEW CONSUMER DYNAMICS FUELED BY THE PANDEMIC

Haircare



Consumers used **salon closures as an opportunity to improve hair health and experiment with DIY treatments**. As a result, conditioners are driving the strongest gains. Hair styling product usage has picked up with social occasions, but hybrid work has some consumers forgoing daily frequency.

40%

of adults who colored their hair during lockdowns plan to color their hair at home moving forward¹

Skincare



Consumer focus on skincare has increased, with trends such as “**skinimilism**” **creating demand for natural products**. **Multicultural consumers are a growth driver** as MC consumers are 15% more likely to follow a strict skincare routine than non-multicultural consumers².

34%

of facial skincare users express interest in professional skin treatments they can do at home³

Personal Hygiene



The pandemic **forever elevated engagement with the personal hygiene category**. Focus on hygiene will likely be a sticky behavior post-crisis, as brands reinforce their role in people's daily routines.

28%

of adults agree that they're showering more frequently as a result of COVID-19¹

Cosmetics



Beauty consumers are getting back into the swing of things as **makeup sales were up +71% year-over-year in Q2 '21**. Multicultural consumers continue to drive growth and are much more likely to use social channels for education and tips on makeup⁴.

2X

Multicultural consumers are nearly 2x more likely to look to social media for tips on how to do makeup²

Fragrances



Fragrance has been a **beauty bright spot** in 2021, as it is considered an **accessible luxury**. Future growth is anticipated as the category leans into home fragrance, embraces wellness trends and overall becomes a more constant, less seasonal consideration.

+27%

growth in fragrance sales in Q1 2021 compared to 2019⁵



LOOKING FORWARD

A Look Ahead at Key BPC Trends

KEY FORWARD- LOOKING TRENDS



BPCs Double Down
on Inclusivity



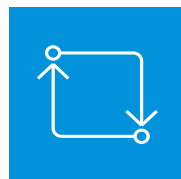
Influencers Become
Entertainers



Digital Touchpoints
Become the Norm



Beauty Enters
the Wellness Economy



From Routines
to Rituals

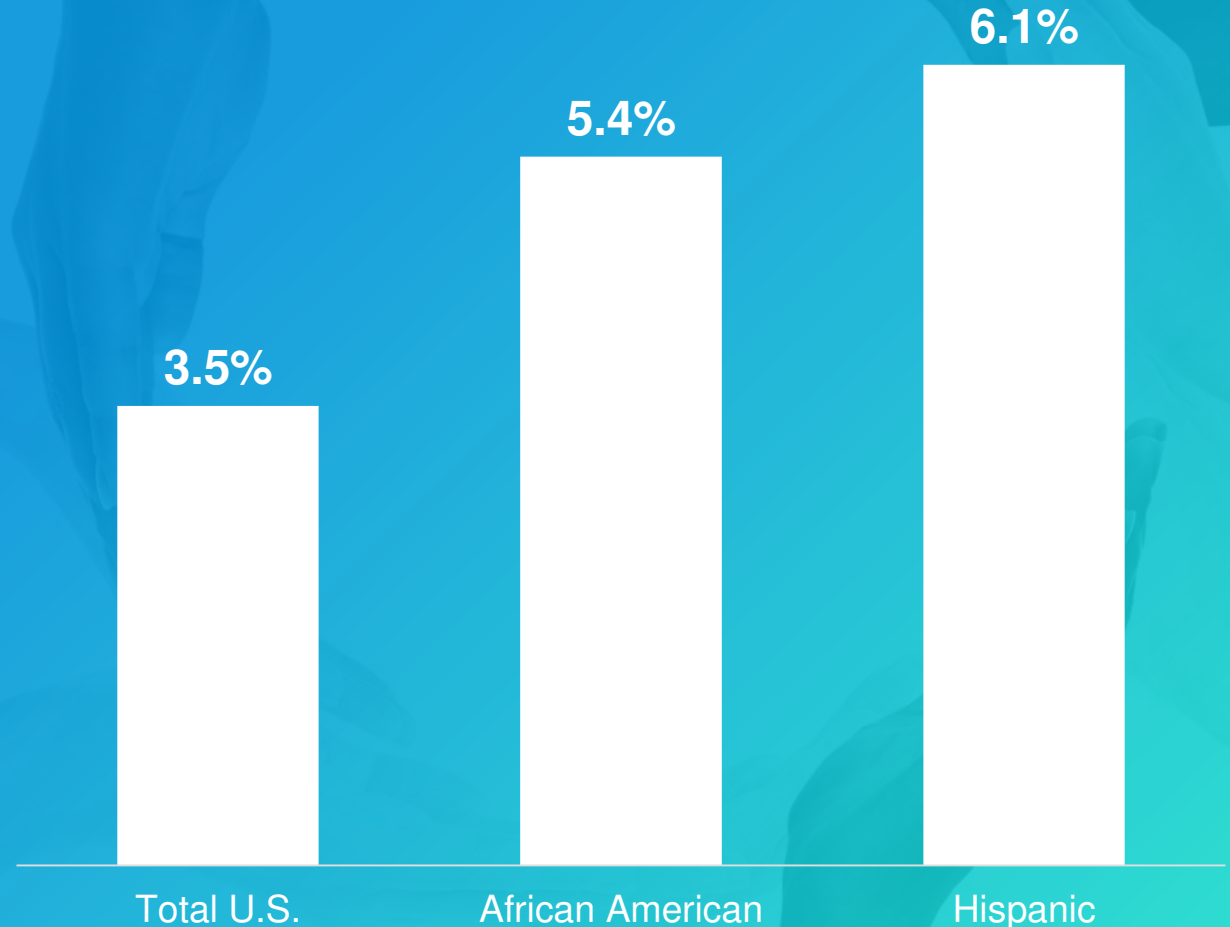
BPCs DOUBLE DOWN ON INCLUSIVITY

As America grows more diverse, BPC brands consider how best to deliver on the needs of their evolving consumer base.

75% of multicultural consumers believe it's important for companies to create advertising that is culturally diverse to stay relevant.² As a result, many BPC brands have **prioritized more inclusive product and marketing approaches.**

As audience considerations expand beyond ethnicity to include gender, disability and generational nuances, brands will continue to evaluate how best to connect with BPC buyers.

Personal Care Sales 2020¹ (Percent Change)



INFLUENCERS BECOME ENTERTAINERS

The role of beauty influencers will be elevated to that of entertainers, as consumers seek out connection and community.

While influencer marketing originally drove success for brands by focusing on information and inclusivity, **new expectations are arising from a fragmented and attention-saturated consumer base.**

Consumers will look to influencers as a source of entertainment, likely prompting the need for an evolved brand playbook when **building connection and community.**

Sources: 1. Mintel: Beauty Influencers; 2. MRI-Simmons

Influencers will need to go beyond...

INFORMATION

32%

of adults who follow beauty influencers trust information their info more than brands¹

REPRESENTATION

24%

of Multicultural consumers follow influencers on social media (vs 11% non-MC)²

...and focus on...



ENTERTAINMENT

41%

of adults are interested in games where you can apply beauty products virtually¹



COMMUNITY

47%

of adults want to see more brands asking their social media followers for input on products¹

DIGITAL TOUCHPOINTS BECOME THE NORM

Ecommerce adoption and new technology permanently shifts how consumers discover and purchase BPC products.

Increased ecommerce adoption paired with the rise of innovative tech like AR/VR, smart devices, and livestreaming has **increased the number of digital touchpoints** that BPC brands have with consumers, allowing brands to drive trial beyond in-store experiences.

BPC brands will continue to lean into these touchpoints to **fuel discovery, engage non-brick and mortar shoppers** and **capture valuable data on key consumers**.

Sources: 1. *The Drum*; 2. *WARC*

“We invested a lot into building new partnerships, but we also **see the rise of new forms of ecommerce, like social commerce from influencers** and their capacity to sell online. It’s an **ongoing transformation**.” ¹

LUBOMIRA ROCHET,
L'Oréal Chief Digital Officer

L'ORÉAL

“We’re working together with all the marketers to make sure that you can almost **‘walk the store’ online and ensure that we deliver the best possible user experience** whether it’s in an ecommerce environment or a bricks-and-mortar environment.” ²

CONNY BRAAMS,
Unilever Chief Digital and Marketing Officer

Unilever

BEAUTY ENTERS THE WELLNESS ECONOMY

A more proactive focus on self-care prompts demand for BPC solutions that enhance mental and emotional wellbeing.

As wellness becomes embedded within traditional beauty offerings like skincare and fragrance, consumers are increasingly asking themselves **“How do I feel?”** rather than **“How do I look?”**

Whether it's ingestible beauty supplements, stress-treating fragrances, or supplementary wellness offerings, brands will increasingly **highlight BPC offerings and rituals as a way elevate one's mood and combat stress and anxiety.**

Sources: 1. [Glossy](#), 2. [WWD](#), 3. [Global Cosmetic News](#)



“Murad creates **wellness-focused editorial publication**, ‘Well-Connected’”¹



“L'Oréal partners with Clue, a **leader in Femtech and digital health**”²



“Procter & Gamble eyes Gen Z with **new brand ‘for body and mind’**, Quiet & Roar”³

FROM ROUTINES TO RITUALS

As lifestyle behaviors become more fluid, brands will look to demonstrate their role in the every day and encourage new or evolved BPC rituals.

Consumers shifting between roles and working models are embracing new **routines**, turning once constant customer bases into more fluid engagers of BPC brands.

Brands will have to engage in customer transformation to a greater degree than ever **before**, driving frequency as routines become less predictable and encouraging BPC rituals to drive dependable revenue.

Sources: 1. [McKinsey](#), 2. [Forbes](#), 3. [AP](#)

Hybrid Working Is Here to Stay

70%

of companies plan to continue some type of remote working even after the pandemic¹

Wave of New Lifestyles Approaching

40%

of the U.S. labor force plans to switch jobs in 2021, many to jobs with different lifestyle routines (WFH, new location)²

Return to Social Activities

63%

of U.S. adults have reported that they are returning to pre-pandemic social activities (bars, restaurants, and parties)³

KEY FORWARD- LOOKING TRENDS SUMMARY



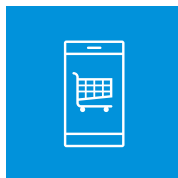
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Digital Touchpoints Become the Norm

Ecommerce adoption and new technology permanently shifts how consumers discover and purchase BPC products.



Beauty Enters the Wellness Economy

A more proactive focus on self-care prompts demand for BPC solutions that enhance mental and emotional wellbeing.



From Routines to Rituals

As lifestyle behaviors become more fluid, brands will look to demonstrate their role in the every day and encourage new or evolved BPC rituals.



NBCU BPC STRATEGIC RECOMMENDATIONS

Driving Growth for BPC Brands

KEY STRATEGIC RECOMMENDATIONS

1. Engage Growth Audiences

Establish new consumer relationships by speaking directly to high value audiences via audience targeting and contextual alignment.

2. Tell Your Wellness Story

Leverage high impact storytelling approaches to educate, demonstrate, and/or reinforce your brand's role in enhancing personal wellbeing.

3. Win the “Going Out” Moment

Spark interest and drive trial by aligning with cultural moments and lean-in creative formats.

4. Supercharge Your Influencer Approach

Create an emotional connection and tell your brand story through a trusted, authentic voice by aligning with the content and talent your audience loves.

5. Prompt Inter(Action)

Get closer to point of purchase through actionable content experiences that fuel discovery and trigger consumer behavior.

1. ENGAGE GROWTH AUDIENCES

Why

As BPC audiences grow and evolve, BPC brands are evaluating how best to reach and engage high value growth audiences like multicultural consumers, Gen Z and new trial buyers gained during the pandemic.

What

Establish new consumer relationships by speaking directly to high value audiences via audience targeting and contextual alignment.



Audience
Targeting



Contextual
Alignment



Local to
Global

Goals

Awareness | Consideration | Purchase Intent | Targeted Reach

1. ENGAGE GROWTH AUDIENCES

Consider BPC Strategic Audiences



Multicultural Audiences



Gen Z



Millennial Men



New Buyers



Purpose-Driven Consumers

Audience Targeting

Engage strategic audiences across screens throughout their decision journey

Contextual Alignment

Connect with audiences by standing out in content that aligns with consumer passion points and/or your brand messaging

Local to Global

Connect with communities through premium content synchronized at a local, national and global level

2. TELL YOUR WELLNESS STORY

Why

As wellness becomes a key consideration when making BPC decisions, brands will need to consider how best to communicate their product benefits and/or the role they play in wellness routines.

What

Leverage high impact storytelling approaches to educate, demonstrate, and/or reinforce your brand's role in enhancing personal wellbeing.



Integrated or
Custom Content



Contextual
Alignment



Audience
Targeting

Goals

Awareness | Consideration | Brand Perception

2. TELL YOUR WELLNESS STORY

Educate Audiences Through Branded Content

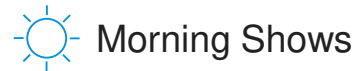
Partner with NBCU to effectively tell your wellness story through branded content that resonates with your target audience.

Leverage NBCU's premium, brand-safe content through sponsorship or integration to further extend visibility.



Align with Wellness-Oriented Programming

Wellness-Oriented Programming Examples



Morning Shows



Lifestyle Entertainment



Cooking



Sports & Fitness

Engage Consumers Using Behavioral Signals

Wellness-Interest Behavioral Signal Examples



Fitness



Nutrition & Diet



Sleep



Mindfulness

3. WIN THE “GOING OUT” MOMENT

Why

As consumers return to pre-pandemic activities, BPC brands have an opportunity to reinforce their role in new routines. As consumers reengage with the category, trial and discovery mindsets are likely to be heightened.

What

Spark interest and drive trial by aligning with cultural moments and lean-in creative formats.



Cultural
Moments



Integrated or
Custom Content



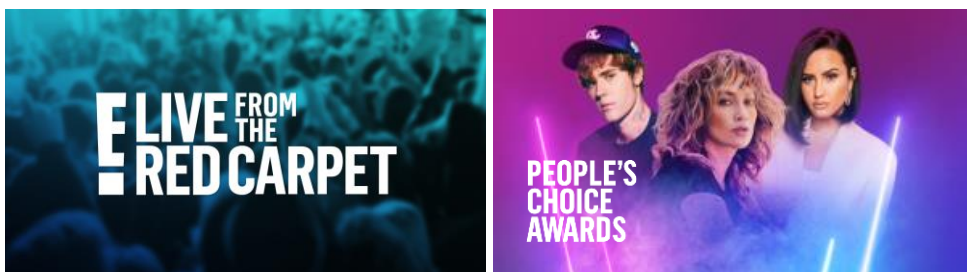
Innovative /
Actionable Content

Goals

Awareness | Consideration | Brand Perception | Brand Memorability | Purchase Intent | Search Traffic

3. WIN THE “GOING OUT” MOMENT

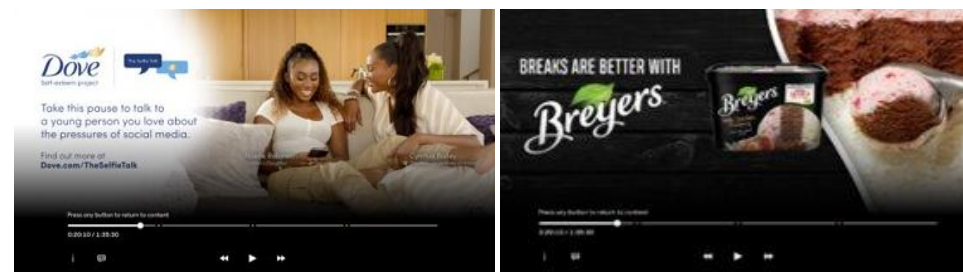
Cultural Moments



Authentically tap into the tentpole events and celebrations that define today.

BPC brands can lead the cultural conversation, capture attention, and create deeper connections with (increasingly fragmented) consumers who are revisiting their beauty and personal care routines and embracing the return to glamour.

Commercial Innovation



Seamlessly blend advertising and content to better engage the consumer and create interactive viewing experiences.

Stand out with engaging and innovative formats including but not limited to:

- ShoppableTV
- Must Hear TV
- Stay in Show

4. SUPERCHARGE YOUR INFLUENCER APPROACH

Why

Influencers have become ubiquitous in the BPC world, allowing brands to organically connect with consumers via self-selected authority figures. As consumers look for more than information, BPC brands are evaluating how best to both entertain & educate their evolving consumer base.

What

Create an emotional connection and tell your brand story through a trusted, authentic voice by aligning with the content and talent your audience loves.



Integrated or
Custom Content



Talent



Social

Goals

Awareness | Consideration | Brand Perception | Search Traffic | Launches | Trial

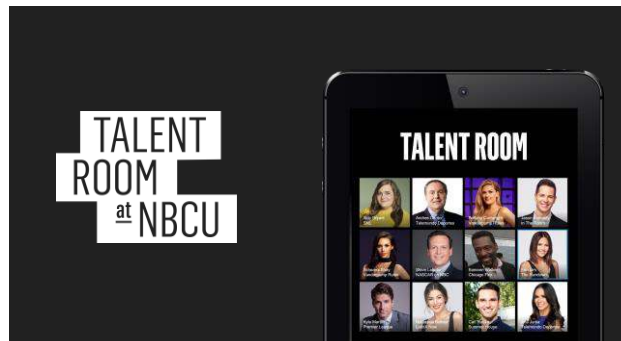
4. SUPERCHARGE YOUR INFLUENCER APPROACH



Alignment with IP

Align your brand with NBCU's premium, brand-safe content via sponsorship and integration opportunities.

Leverage NBCU's talent in front of and behind the camera to create custom content that connects with fans alongside the content they love.



Talent Room

NBCU's premium content is home to diverse talent who can become influencers and create an emotional connection between you and your audience.

The Talent Room is NBCU's influencer hub, a standalone website connecting brands with the right talent to authentically share their brand story.



Social Extension

Leverage NBCU's social platforms to deliver on advertiser objectives through innovative ad formats that can extend the impact and engagement of creative.

Drive conversation and commerce through video extensions, product discovery experiences, and branded content storytelling.

5. PROMPT INTER(ACTION)

Why

As the BPC shopper journey continues to evolve, there is an opportunity for brands to align with content experiences that both create and convert demand. Innovative formats can be leveraged to invite users to learn more and continue to normalize digital shopping experiences.

What

Get closer to point of purchase through actionable content experiences that fuel discovery and trigger consumer behavior.



Integrated or
Custom Content



Innovative /
Actionable Content



Social

Goals

Consideration | Purchase Intent | Search Traffic | Qualified Leads | Launches | Trial

5. PROMPT INTER(ACTION)





NBCU BPC RELEVANT MATERIALS

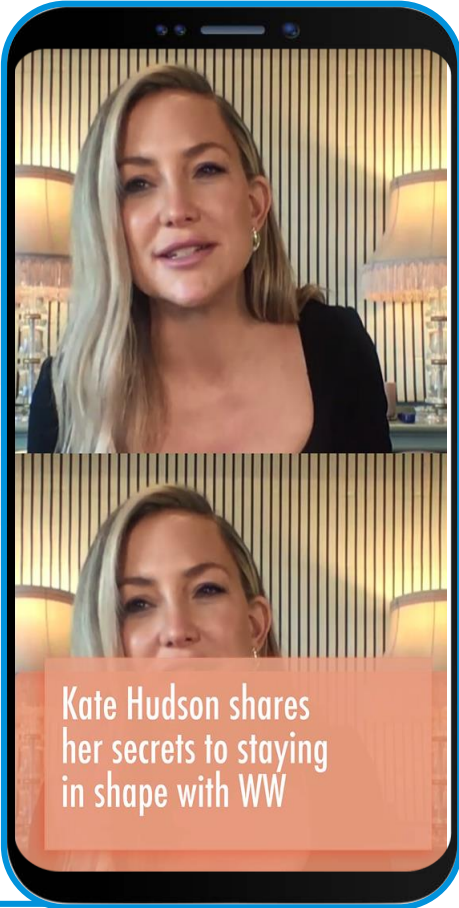
NBCU BPC Industry Content

BPC PARTNERSHIPS @ NBCU



L'ORÉAL
PARIS

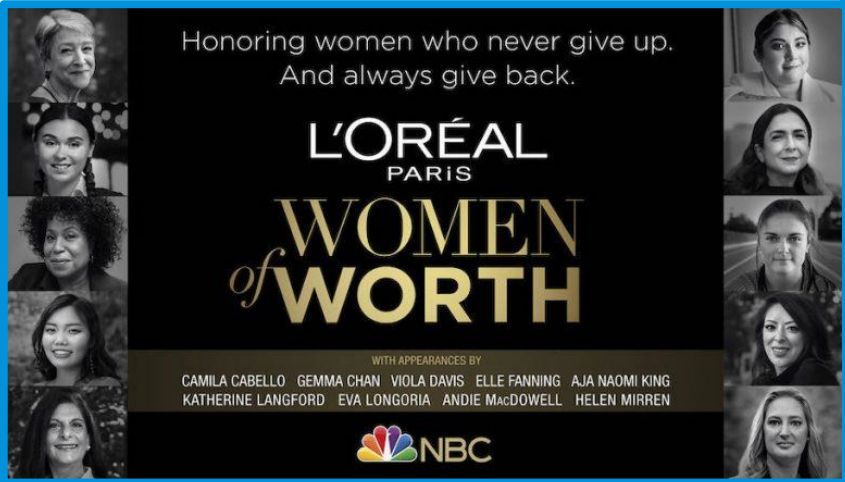
Women
of Worth



NBC
One App



Weight
Watchers



Latin
AMAs



Self-Esteem
Project

NBCU BPC INDUSTRY CONTENT

TOGETHER SITE

Category Content & Strategies



The Power of
Tentpoles

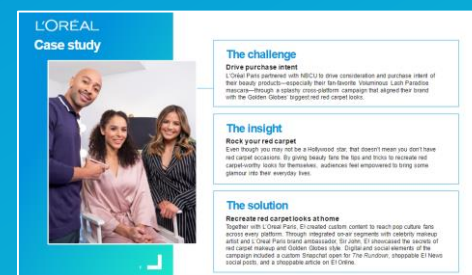


Purpose &
Purchase

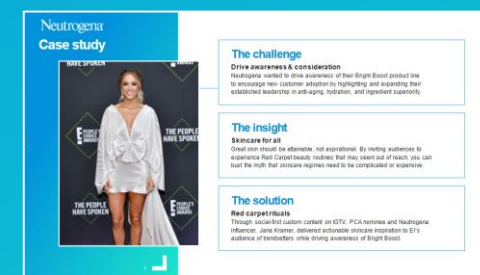


The CBD
Opportunity

BPC Case Studies



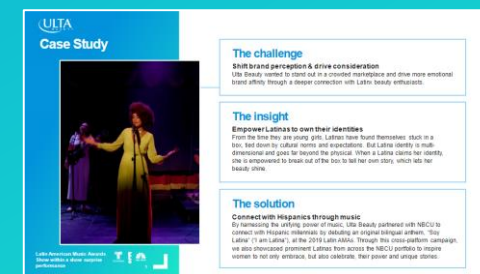
NBCU Portfolio
+ L'Oréal Paris



PCAs +
Neutrogena



AdSmart
+ Cosmetics Brand



NBCU Portfolio +
Ulta Beauty



2021

BEAUTY & PERSONAL CARE INDUSTRY ASSESSMENT

NBCUniversal

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