

# provoke

insights

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Consumer Trends  
Beauty & Skincare  
Winter 2023

# Background & Objectives

## Overview

Provoke Insights, a leader in research for branding, advertising, media, and content marketing initiatives, conducts a bi-annual consumer trends study to keep a pulse on the market across multiple industries. The extensive study allows Provoke Insights to stay ahead of the trends and understand consumer mindset in the current moment.

## Winter 2023 Wave

Three years since Covid began, fears of the pandemic have decreased, but consumers have other growing concerns, from inflation to the economy. Provoke Insights wants to understand how these new issues impact consumers' buying behavior. In this wave, Provoke Insights dives deep to understand how these new issues have impacted category buying behavior.

This deck focuses on beauty and skincare.

## Methodology

Provoke Insights conducted a 15-minute survey among 1,500 Americans between the ages of 21 and 65. The study was in-field from Autumn 2022.

A random stratified sample was used followed by weighting to ensure a high degree of representation of the U.S. population (household income, age, gender, geography, ethnicity, and children in the household).

Results based on this sample have a maximum margin of sampling error of  $\pm 2.5\%$  at a 95% confidence level.

Statistical differences between subgroups indicated in this report were tested at a 95% confidence level.



## Current State of the Market

Consumers fear their financial future as the economy and inflation are major concerns. They are experiencing price increases first-hand, particularly at supermarkets and restaurants. As a result, budgets are tightening. Consumers are eating more at home, making fewer impulse purchases, and buying store-label brands.



## Trends in Beauty and Skincare Industries

Nearly one-third of Americans are purchasing beauty products. Even more are purchasing skincare. Female consumers with higher household income are more likely to be purchasing both. While Gen X is more likely to purchase beauty products, skincare is popular among various ages.

Sustainability is important among beauty and skincare purchasers, as both are willing to pay for sustainably sourced products. Skincare consumers, in particular, are less concerned about price when shopping. Quality and in-store availability are important attributes when purchasing beauty and skincare items.



## CBD and Skincare

Reducing inflammation is the most common use for those planning to buy CBD skincare products. Though one-quarter of Americans have purchased CBD skincare items in the past, many of these consumers would not purchase them again as they find the cost is not worth the benefits. Gen Z and remote workers are likely to be among the group who will not be purchasing again.

Those who have never purchased do not see a need for this type of skincare.



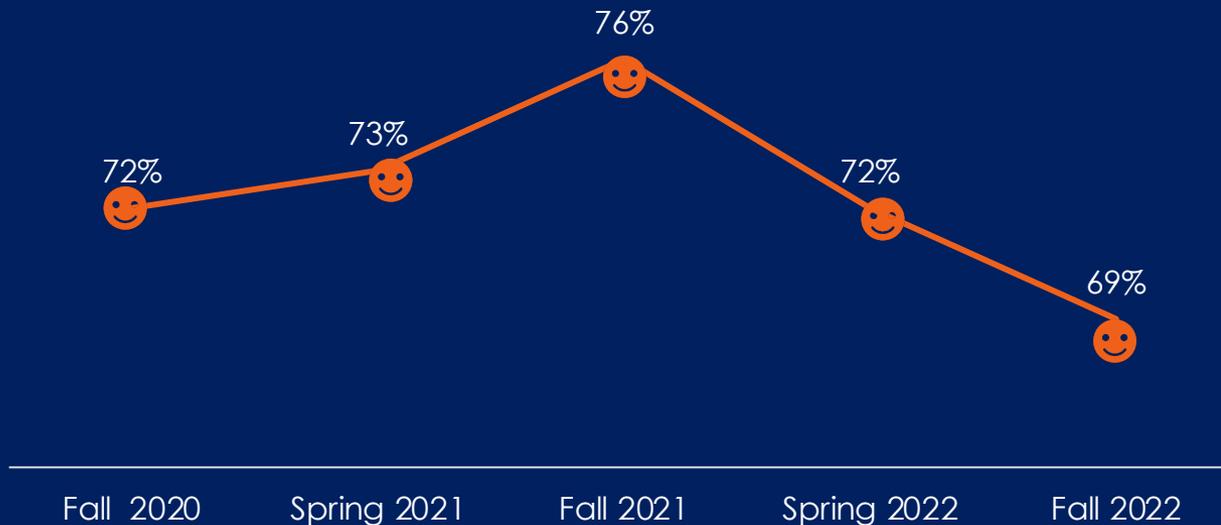
What External Trends are Impacting Brands Today?



# Consumer Optimism

Optimism levels have declined to below where they were during the peak of the Pandemic.

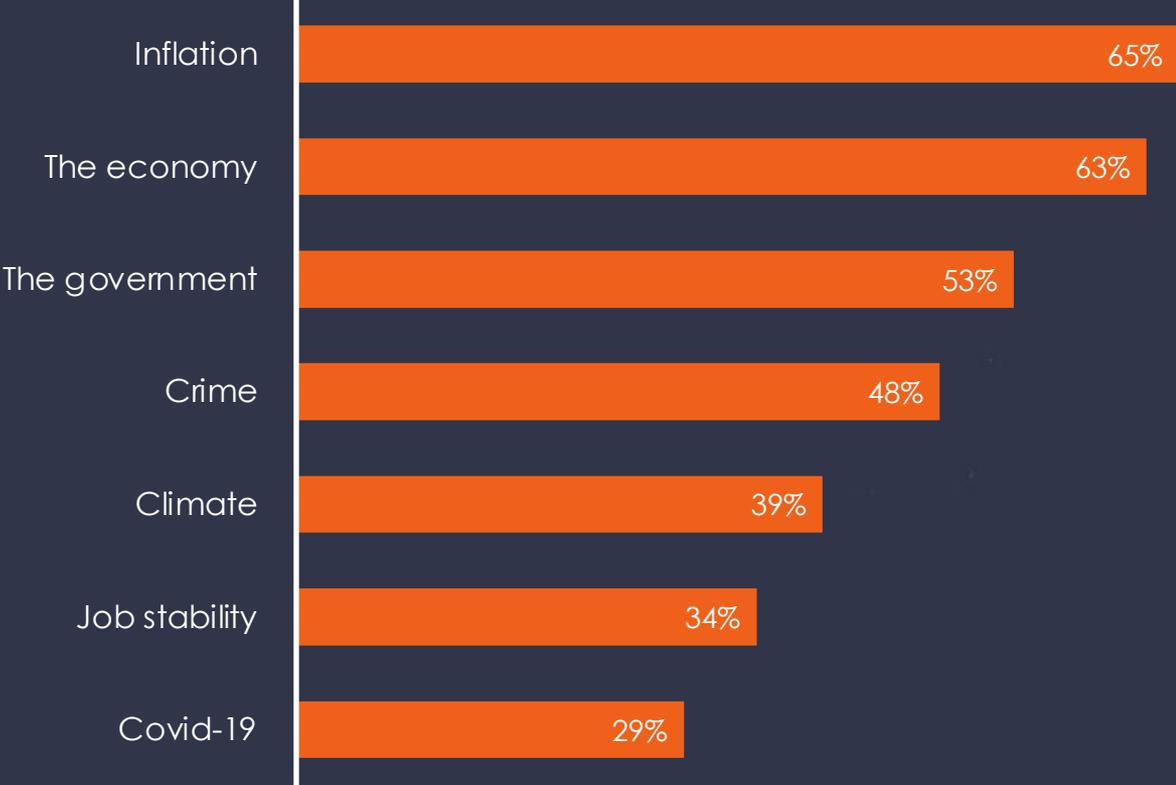
## Very/Moderately Optimistic



# Top Concerns Impacting Consumers

*Inflation and the economy are major issues for most Americans. Job stability and Covid-19 are not key worry areas.*

## Extremely/Very Concerned

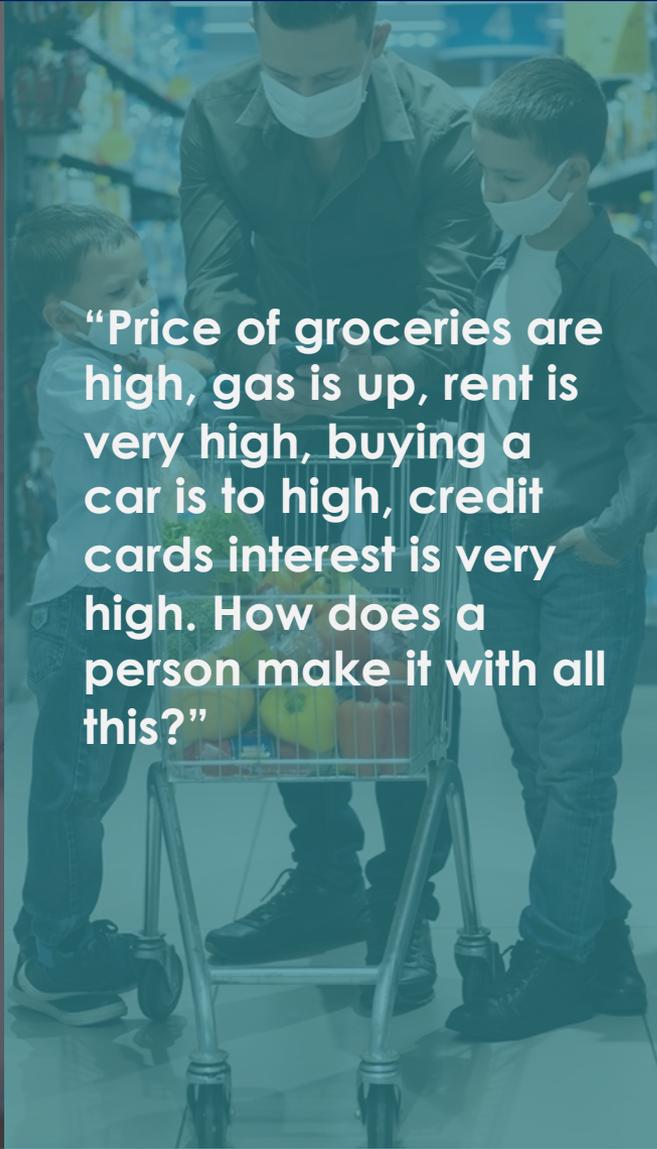


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# Optimism Will Grow As The Economy Improves



“I’ll be more optimistic when inflation is finally curbed, and prices drop so that we all can afford to purchase the things we need instead of doing without to make ends meet.”



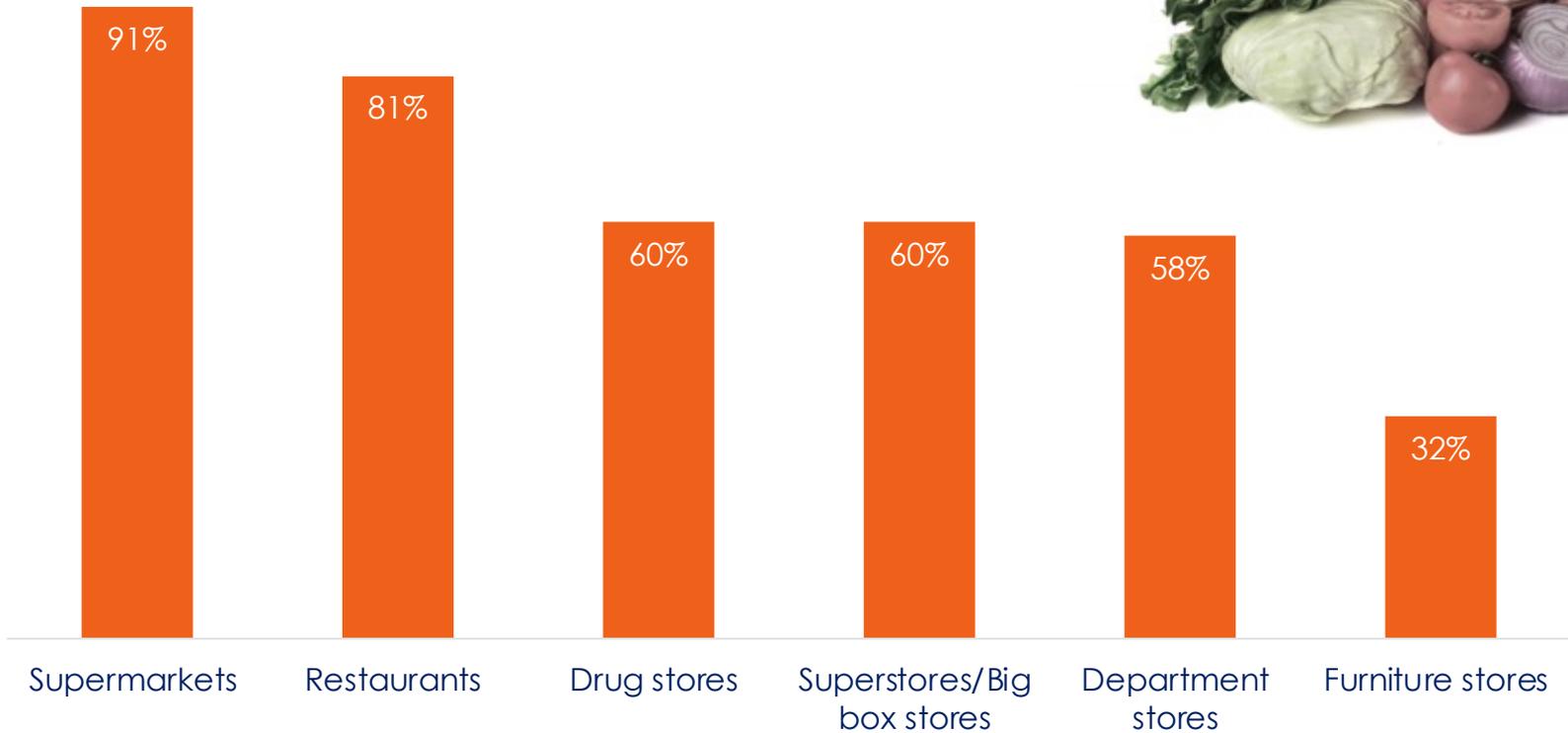
“Price of groceries are high, gas is up, rent is very high, buying a car is too high, credit cards interest is very high. How does a person make it with all this?”



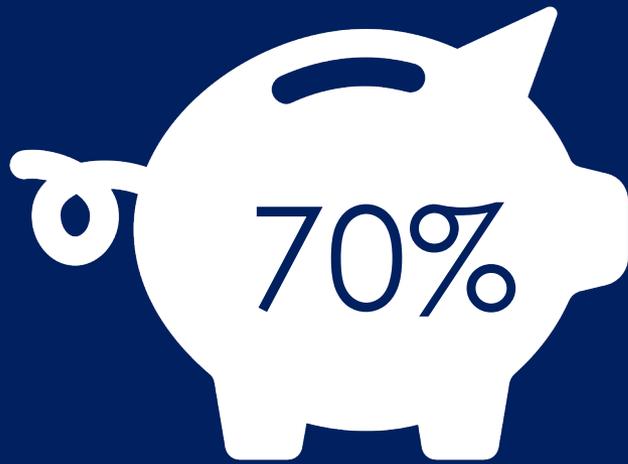
“Personally, I am optimistic about my future. The future of the country leaves me in doubt. I think fixing the economy would be a first step of many this country needs for some recovery.”

# Price Increases

Americans see the impact of inflation at food establishments such as supermarkets and restaurants.



Consumers are in saving-mode; using multiple techniques to reduce their spend.



**More Budget Conscious in the Last 6 Months**

Top Ways They're More Budget Conscious

-  39% Eat at home
-  29% Less impulsive with purchases
-  22% Buy generic/store label brands
-  19% Use coupon
-  17% Less discretionary spending
-  15% Shop at discount store

Base: All Qualified Respondents (N=1,500)

Base: Slightly/More Budget Concern (n=1,051)



# Trends in the Beauty & Skincare Industry

**31%** of Americans have  
purchased beauty products in  
the last month

Significantly more likely to  
purchase beauty products

-  42% Females
-  40% Household Income \$100K+
-  37% Democrat
-  35% are Parents
-  34% Gen X
-  33% Optimistic for Future



# Bought Beauty Products: Purchasing Attitudes

Many consumers purchasing beauty items are loyal to familiar brands. Additionally, they more likely to open their wallets for sustainably sourced products.

*Top 2 on a 7-point agree scale.*



\*Significantly different

**38%** of Americans have purchased skincare products in the last month

Significantly more likely to purchase skincare products

-  47% Female
-  47% Household Income \$100K+
-  41% Democrat
-  41% Millennials
-  39% Gen X
-  39% Gen Z
-  40% Optimistic for Future



# Bought Skincare Products: Purchasing Attitudes

Skincare consumers are environmentally conscious. They are also less concerned about price, especially when choosing sustainable options.

*Top 2 on a 7-point agree scale.*



\*Significantly different

# Beauty & Skincare Purchase Influences

Though price is a primary factor, quality and in-store availability are also important when purchasing beauty and skincare products.



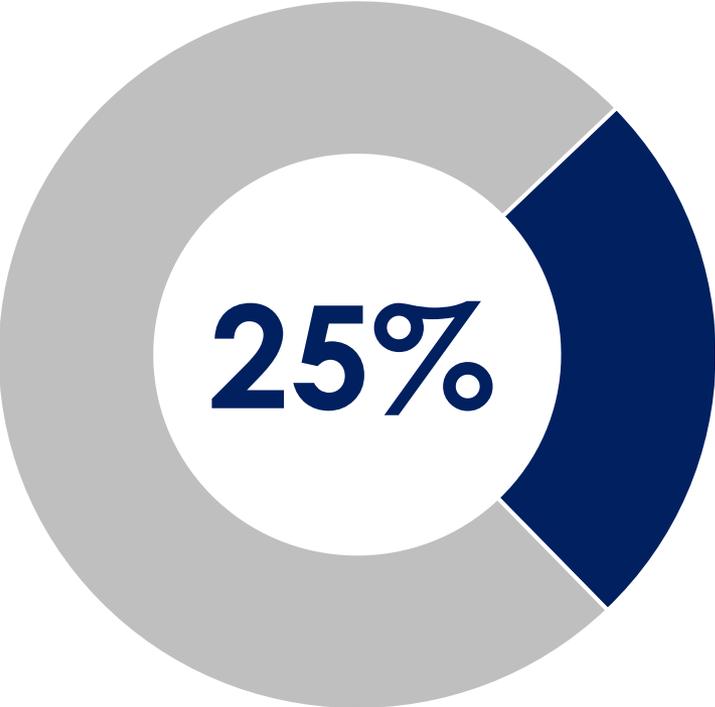


Skincare & CBD

# Trial CBD Skincare Products

One-quarter of Americans say they have purchased CBD. Younger consumers, particularly Gen Z, are buying this type of skincare.

## Purchased CBD Skincare Products



25%

**Z** 40% Gen Z

**M** 30% Millennials

 32% Work From Home

 31% Parents

 30% Household Income \$50K- \$100K

 27% Males

 27% Optimistic for Future

# CBD Skincare Repeat Purchases

One-quarter of CBD Skincare purchasers would buy these products again. Repeat purchases are more likely to come from Millennials and Democrats.

**75%**

Would not buy again

Significantly More Likely

- Z** 83% Gen Z
- X** 77% Gen X
- B** 77% Baby Boomers
-  81% Work from Home
- \$** 76% HHI Under \$50K
- 76% HHI \$50K-\$100K



**25%**

Would buy again

Significantly More Likely

- M** 29% Millennials
-  29% Democrat

**17%** Have not tried  
CBD skincare yet but plan to  
buy in the future

Significantly More Likely

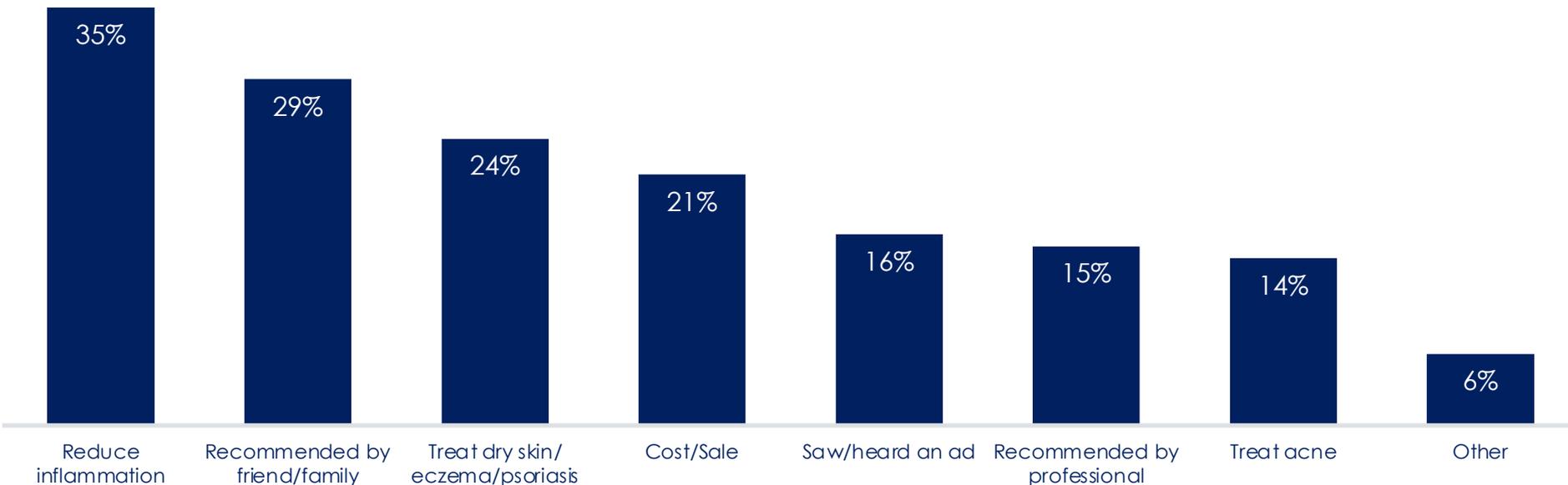
**M** 23% Millennials

 21% Democrat

**\$** 19% HHI \$50K-\$100K

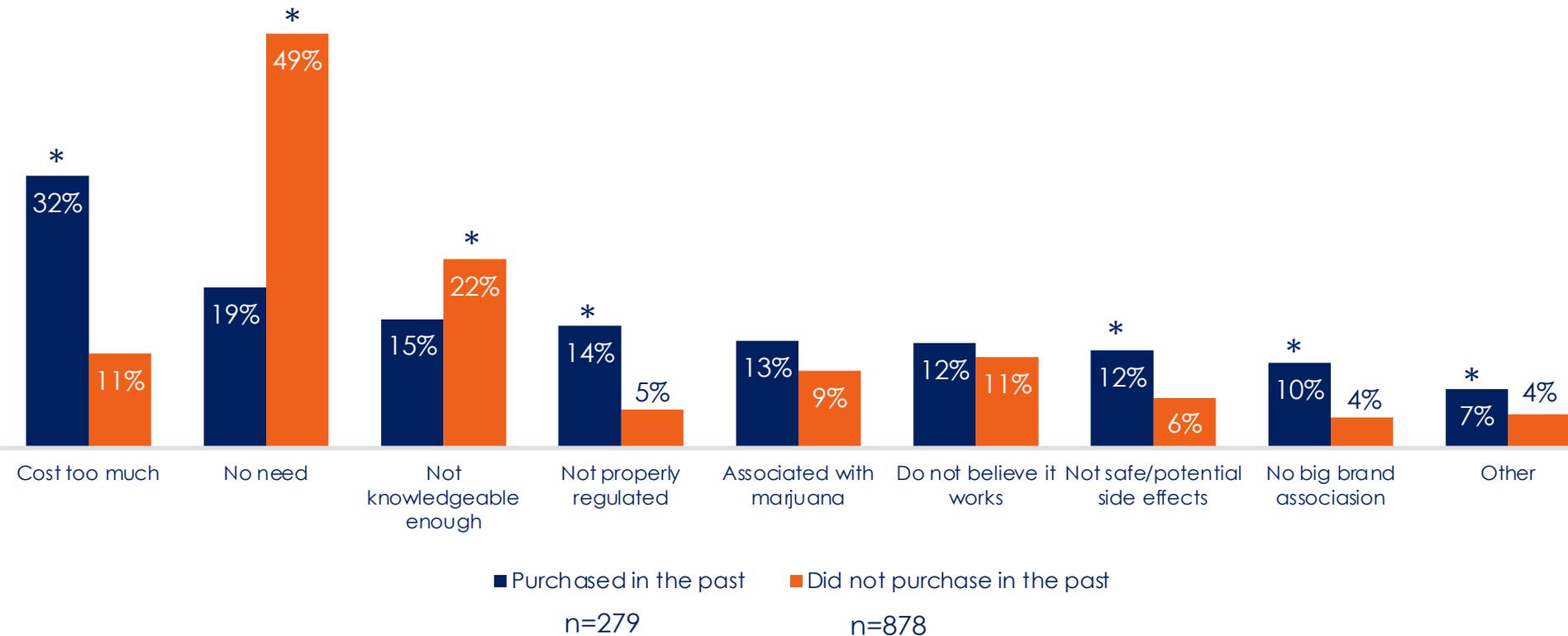
# Reasons for Purchasing CBD Skincare

Reducing inflammation, followed by family and friend recommendations, are the most common reasons for purchasing CBD skincare products. Professional recommendations are less valued in this industry.



# Reasons for Not Purchasing CBD Skincare

Previous CBD skincare purchasers did not find the products to be worth the cost, while those who have never purchased do not see a need for them.





# Purchase Influencers Index

## *Industry Comparison*



# Influence of *Price* on Purchase Decision

## Industry Comparison

### Index

1.	<b>Hotels</b>	18%
2.	<b>Airlines</b>	17%
3.	<b>Toys</b>	8%
4.	<b>Apparel</b>	8%
5.	<b>Outdoor gear</b>	7%
6.	<b>Beauty/Skincare products</b>	3%
7.	<b>Major Appliances</b>	1%
8.	<b>Electronics</b>	-4%
9.	<b>Fitness gear</b>	-5%
10.	<b>Alcohol</b>	-11%
11.	<b>Automobiles</b>	-12%
12.	<b>Fine jewelry/watches</b>	-12%
13.	<b>CBD products</b>	-17%

*\*Index is calculated by dividing the industry percent by the average and then deducting 100%*



# Influence of *In-Store* *Availability* on Purchase Decision *Industry Comparison*

## Index

1.	Alcohol	18%
2.	Toys	11%
3.	Outdoor gear	10%
4.	Apparel	10%
5.	Fitness gear	8%
6.	Beauty/Skincare products	8%
7.	Major Appliances	0%
8.	Electronics	-2%
9.	CBD products	-16%
10.	Fine jewelry/watches	-16%
11.	Automobiles	-31%

*\*Index is calculated by dividing the industry percent by the average and then deducting 100%*



# Influence of *Quality* on Purchase Decision

## Industry Comparison

### Index

1.	Hotels	37%
2.	Fine jewelry/watches	20%
3.	Fitness gear	17%
4.	Electronics	10%
5.	Outdoor gear	7%
6.	Apparel	6%
7.	Beauty/Skincare products	0%
8.	Toys	-1%
9.	Major Appliances	-2%
10.	CBD products	-5%
11.	Automobiles	-22%
12.	Alcohol	-29%
13.	Airlines	-38%

*\*Index is calculated by dividing the industry percent by the average and then deducting 100%*



# Influence of **Available Inventory** on Purchase Decision *Industry Comparison*

## Index

1.	<b>Airlines</b>	19%
2.	<b>Apparel</b>	16%
3.	<b>Outdoor gear</b>	16%
4.	<b>Electronics</b>	14%
5.	<b>Toys</b>	6%
6.	<b>CBD products</b>	-4%
7.	<b>Beauty/Skincare products</b>	-5%
8.	<b>Fine jewelry/watches</b>	-6%
9.	<b>Alcohol</b>	-8%
10.	<b>Hotels</b>	-8%
11.	<b>Major Appliances</b>	-10%
12.	<b>Automobiles</b>	-14%
13.	<b>Fitness gear</b>	-15%

*\*Index is calculated by dividing the industry percent by the average and then deducting 100%*



# Influence of *Next Day Delivery* on Purchase Decision *Industry Comparison*

## Index

1. Major Appliances	66%
2. Electronics	31%
3. Automobiles	19%
4. Fitness gear	17%
5. Fine jewelry/watches	14%
6. Outdoor gear	5%
7. Toys	-1%
8. Apparel	-22%
9. CBD products	-26%
10. Beauty/Skincare products	-37%
11. Alcohol	-65%

*\*Index is calculated by dividing the industry percent by the average and then deducting 100%*



# Influence of *Customer Service* on Purchase Decision *Industry Comparison*

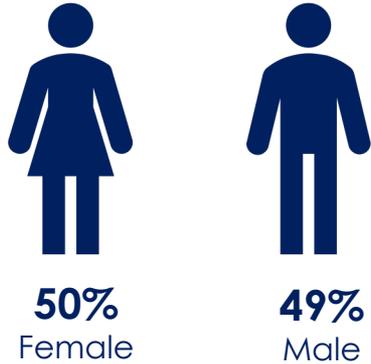
## Index

1.	Airlines	51%
2.	Fitness gear	50%
3.	Hotels	47%
4.	Electronics	17%
5.	Fine jewelry/watches	12%
6.	Major Appliances	11%
7.	CBD products	4%
8.	Automobiles	3%
9.	Outdoor gear	-20%
10.	Apparel	-30%
11.	Toys	-41%
12.	Beauty/Skincare products	-43%
13.	Alcohol	-61%

*\*Index is calculated by dividing the industry percent by the average and then deducting 100%*

# Respondent Overview

## Gender



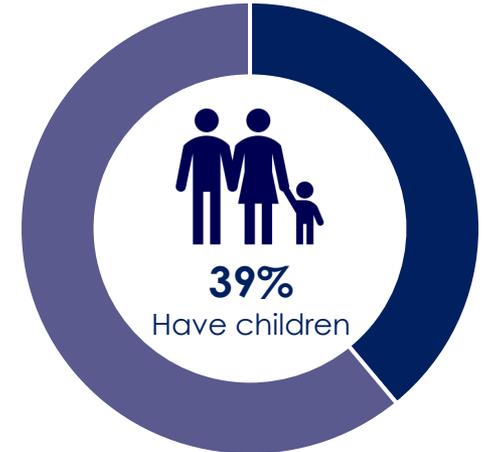
\*1% other identity

## Generation

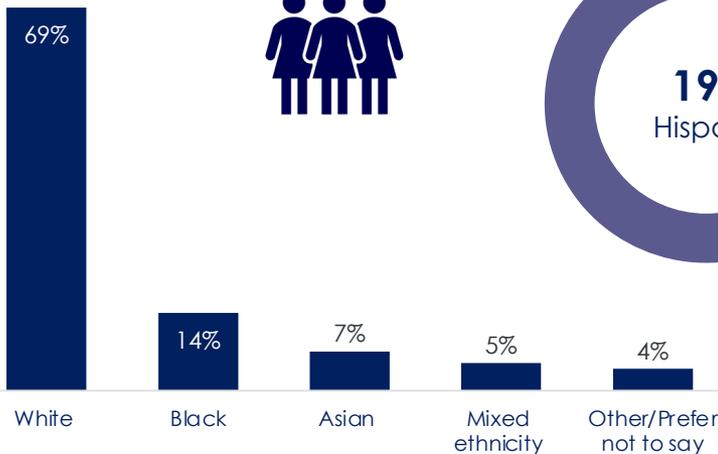
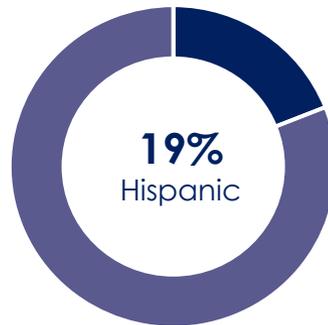
42 years old  
Average Age



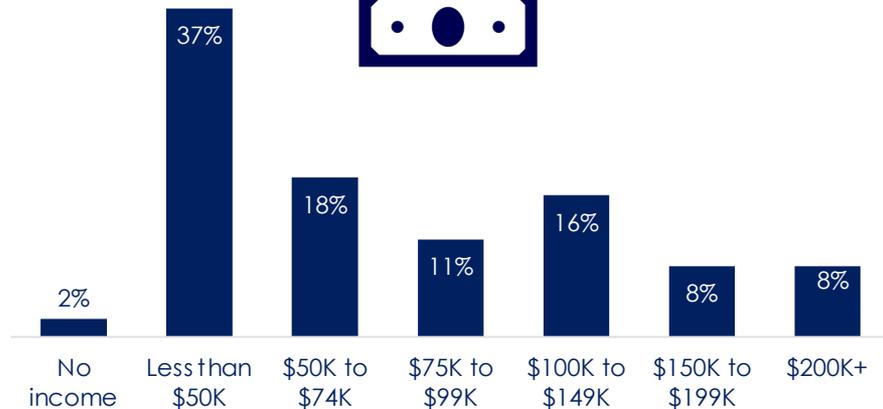
## Parental Status



## Ethnicity



## Household Income



# About Provoke Insights



Founded on the premise that research should better align with marketers' needs, Provoke Insights empowers brands to navigate through today's cluttered advertising space. This full-service market research firm solely focuses on research for **branding, advertising, and content marketing** initiatives.

At Provoke Insights, you work with a research expert who is also a seasoned brand strategist; this ensures that questions are deeply explored, and insights are cultivated and capitalized. We develop insights from the data to help guide growth for your company's vision.

For more information or press inquiries, reach out to [info@provokeinsights.com](mailto:info@provokeinsights.com).