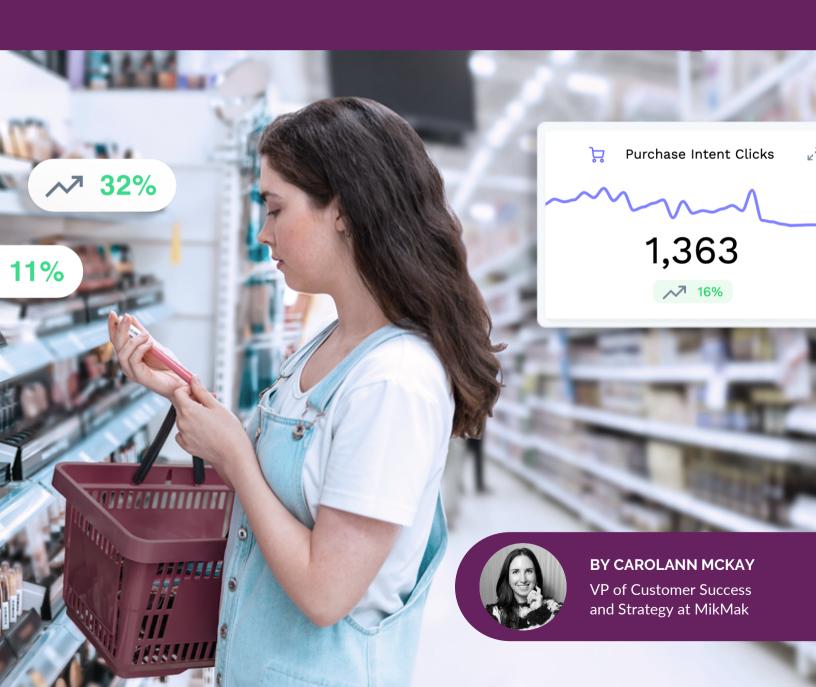
MikMak

Grocery Is the New Sephora: eCommerce Beauty Tips For 2022





Introduction

Picture this. You're in line at the grocery store. What's in your basket? Is it just food and beverage items? Chances are when you're visiting retailers like Target, Walmart, Albertsons, and Whole Foods, beauty and personal care products are in your cart too.

MikMak has discovered that this is true in eCommerce as well. Say you encounter a chocolate commercial while scrolling through Instagram. When you go to your cart on Target, you remember that you need to restock for date night, and also purchase your favorite lotions, eyeliners, and foundation. Beauty and personal care brands may be surprised to find that their products are popular not just at specialized retailers like Sephora or Ulta but increasingly also at grocery eRetailers like Amazon Fresh, Instacart, Kroger, Peapod, and Walmart Grocery.

This is truer than ever in 2022. So how can brands prepare?

The Marketing Funnel for Beauty Brands Has Shifted

When it comes to beauty and personal care eCommerce, product consideration comes first. That means when your consumers embark on their shopping journey for your product, they start with the intent to make a purchase. Developing brand awareness and cultivating loyalty come *after* they have your product in hand and decide whether it was a positive experience. Making sure that your media and inventory are available where your consumers are when they intend to buy, and being able to shorten that path to purchase, then, is step one to eCommerce marketing success.

So what does this mean for 2022? It means that brands should be making decisions around timing and messaging with consumer habits in mind. For example, MikMak's Shopping Index found that eCommerce traffic for beauty and personal care products <u>began increasing as early as January 21st</u>.



These shoppers most commonly paired their purchases with Valentine's Day candies. This was a sign that beauty and personal care shoppers were already making purchases with Valentine's Day in mind three weeks before the event. Knowing this, brands that showed Valentine's themed ads during this time would have resonated better with their consumers. This is true for other event-driven shopping occasions as well.



Understanding Product Adjacency to Drive Profitability

Product adjacency means knowing what other products your brand is associated with, and when this association occurs. Many online beauty purchases will take place as an additional item on an eGrocery run and beauty brands should be looking at **basket level data**. This can open doors for better understanding your shopper, how they view your product, and even developing potential partnerships with other brands.

Findings such as shoppers pairing candy with beauty and personal care purchases can unlock new strategies. Perhaps partnering with a well-known candy brand could help shoppers make the final decision to add a beauty product to their cart as they shop. Product adjacencies like this exist year-round and shift with the seasons.



"The purchase stage for one product could simultaneously be the consideration stage for another."

6.81 items

Average eGrocery Basket Size

The power of understanding product adjacency is especially strong when it comes to omnichannel shopping, where purchase intent can arise anywhere, including at checkout. As we saw with our example with candy, the purchase stage for one product could simultaneously be the consideration stage for another.

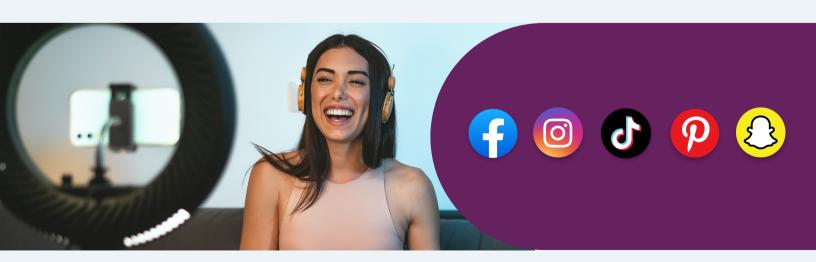
With the average basket size for eGrocery currently sitting at about 6.81 items, it is clear that consumers who are buying groceries online are already hardwired to buy several products instead of one or two. All of a sudden, adding some mascara or face masks to your cart becomes muscle memory.

More eCommerce Beauty Tips

More and more shoppers are embracing eCommerce. Consumers appreciate the convenience of shopping for multiple purposes in one place, as well as the flexibility of receiving the product how they want and when they want it. This year, it is especially important for brands to pay attention to availability, product pairings, adjacencies, and even a deeper understanding of the consumers themselves.

In addition to timing and product adjacency, here are several more beauty eCommerce tips for 2022:

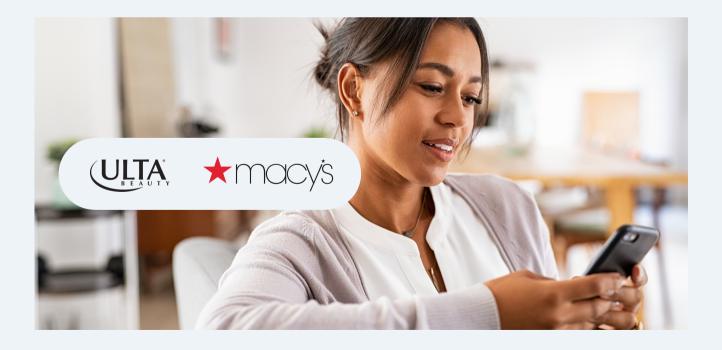
- Make sure you are available on Facebook and Instagram, where nearly half of all beauty eCommerce traffic originated on the MikMak Platform in 2021.
- Also include TikTok, Pinterest, and Snapchat in your social commerce strategy, all of which are rising stars for beauty eCommerce.

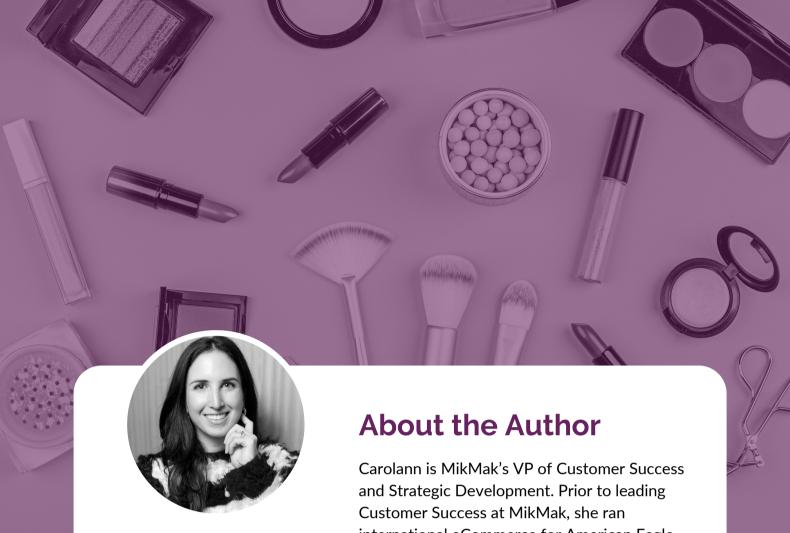


More eCommerce Beauty Tips

- In addition to exploring eGrocery, ensure that Ulta and Macy are included as retailer options. These were the two most preferred checkout destinations for beauty shoppers in 2021 on the MikMak Platform.
- Take a full funnel approach and be everywhere at least two weeks before the event date. The golden timing for event-driven shopping occasions is two weeks prior to the celebration date, where multiple demand peaks are expected to occur.

2022 brings new opportunities, strategies, and audiences. Test and learn to stay up to date with shifts in shopper preferences, demand distribution, and new ways to help consumers experience and purchase products.





CAROLANN MCKAY

VP of Customer Success and Strategy at MikMak

Carolann is MikMak's VP of Customer Success and Strategic Development. Prior to leading Customer Success at MikMak, she ran international eCommerce for American Eagle Outfitters and global eCommerce program management at Urban Outfitters. She is the proud working mom to a busy toddler and growing baby!

The MikMak Shopping Index is a collection of key eCommerce KPIs collected across hundreds of brands and over 250 channels and 2000+ retailer integrations to understand consumer online shopping behavior. With a sample size of up to 5M shoppers, MikMak's Shopping Index provides insights into current and developing industry trends, and forecasts demand and behavior in the online marketplace. The Index also includes data from MikMak Shopper Intelligence, which ties first-party eCommerce data to 1000+ demographic and psychographic data points, and can be segmented by product, retailer, and more. Shopper Intelligence is available through an industry exclusive partnership with LiveRamp.

MikMak's Shopping Index was developed to provide a standardized set of metrics, methodology, and benchmarks to help drive brands' business results and strategy.

To learn more about these metrics and how they drive eCommerce Performance, check out <u>The Modern Digital</u> Marketer's Guide to eCommerce Performance Metrics

Learn More

