

# Beauty During a Pandemic: The Impact of COVID-19 on the Cosmetic Industry

Katelyn Gardner – Undergraduate Researcher  
Dr. Diane Edmondson – Advisor, Marketing Department



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## Abstract

- Due to COVID-19, the cosmetic industry in the United States was expected to decline 17.6% in 2020 as well as expected to lose revenue and experience noteworthy setbacks (Hiner, 2020).
- Upon study post-survey, results supported that cosmetic consumers intend on returning to pre-COVID-19 usage but priorities have shown significant changes.

## Introduction

- The following research aims to understand and explain changes in consumer behavior as it relates to the cosmetic industry.
- Specifically, the two research questions are: 1. How have consumers' cosmetic attitudes and preferences changed due to COVID-19? 2. What marketing strategies can businesses adopt and aid industry recovery post-pandemic?
- Mask requirements may affect any type of lip and, partially, face cosmetic usage (Altman, 2020).
- The industry thrived before the pandemic hit and expected growth in the new decade. In fact, MarketLine's industry profile states, "The global make-up market grew by 4.9% in 2019 to reach a value of \$55,692.5 million" (2020), p. 11).
- Dynamic changes in the industry like influencer marketing, exclusivity, and cruelty-free promotions have promoted growth expected of \$4 billion in revenue by 2020 (Brinkmann, 2020).
- In 2019, retail sales of beauty and personal care products in the United States were \$90.71 billion (Statista, 2020, p. 10). Additionally, out of the top 50 beauty retailers, ULTA and Sephora control 49% of the industry (Walters, 2020).
- Because of COVID-19's impact, the overall United States industry's revenue has decreased by 7.4% and employment by 3.91% in 2020 (Hiner, 2020).
- A great part of this decrease is because beauty, cosmetics, and fragrance stores such as ULTA and Sephora were closed for two months due to COVID-19, resulting in its revenue decrease of 5.3% (Fernandez, 2020). In addition, these stores also were forced to furlough tens of thousands of employees (Creswell, 2020).
- Market research done by Catalina Marketing stated that the week ending March 14, 2020, compared to the prior year, lip cosmetics were down 23%, cosmetic applicators were down 30%, and cosmetic gift sets were down 19% (Global Cosmetic Industry, 2020).
- As previously mentioned, many women are starting to stray away from their regular beauty routines due to mask regulations and working remotely (Altman, 2020).
- Now, many women are switching to a bare-faced look and focusing on skincare routines instead (Chernikoff, 2020; Creswell, 2020). In contrast, other women are still wearing lipstick and mascara because it makes them feel like themselves and in control (Chernikoff, 2020; Edwards, 2020).
- Overall, women are becoming more accepting of not wearing make-up daily and going for a more natural look, which could have long-term ramifications on the cosmetic industry (Edwards, 2020).



How to Wear Makeup with a Mask [Online image]. (2020). Chicago Tribune. <https://www.chicagotribune.com/lifestyles/fashion-et-life-makeup-while-wearing-mask-covid-20200715-2n3757sadhbn7wcm3g75ta-story.html>

## Methods and Measures

- The methodology utilized in this thesis research is a quantitative research project based on a survey. This survey was created using Qualtrics and sent to 9,665 female MTSU students enrolled in classes as of 9/25/2020.
- The survey was sent out through Qualtrics to MTSU emails. The data was gathered through Qualtrics and analyzed through Excel and SPSS, a statistical analysis software.
- Out of the original 9,665 students emailed, 2,317 started the survey. After removing incomplete surveys, surveys from respondents who do not wear makeup, and surveys from respondents who failed the attention check, there were 1,715 completed responses used for data analysis.
- All of the attitude-based scales were unidimensional and taken from the extant literature.
- All scales exceeded reliability of 0.7.

## Results

- Everyone within the 1,715 responses was female.
- For age, 85.6% (N = 1,468) of participants were between ages 18 and 24, and 8.7% (N = 149) of participants were between ages 25 and 34.
- A majority of participants were white 70.8% (N = 1,214) or African American 15.3% (N = 262).
- School classification results show that 21.3% (N = 365) of participants were freshman, 19.5% (N = 334) were sophomores, 26.9% (N = 461) were juniors, 31.5% (N = 540) were seniors, and 7% (N = 120) were graduate students.

### Table 1 Results

- In order to investigate if the usage frequency between pre, mid, and post-COVID is statistically significant, a comparison of means was completed for each of the cosmetic types (see Table 1).
- There is a significant difference between pre-COVID and mid-COVID for all cosmetic types.
- Participants stated that they wore less of each cosmetic type mid-COVID than before COVID began, but plan on wearing each cosmetic type more frequently after COVID.
- When comparing pre-COVID and post-COVID intentions, there were no significant differences in usage frequency for eye, lip, or skincare types. However, there were significant differences in usage frequency for face cosmetics, with post-COVID intentions being slightly less than pre-COVID usage.

Table 1: Comparison in Means for Frequency of Usage between Pre, Mid, and Post-COVID-19

Type	Pre - Mid			Mid - Post			Pre - Post		
	Mean Difference	t	p-value	Mean Difference	t	p-value	Mean Difference	t	p-value
Face	.711	22.894	.000	-.655	-23.862	.000	.057	2.055	0.04
Eye	.628	20.499	.000	-.610	-22.448	.000	.018	.664	.507
Lip	-.518	-14.746	.000	-.535	-17.354	.000	-.017	-.594	.553
Skin	.100	4.117	.000	-.131	-5.260	.000	-.031	-1.178	.239

### Table 2 Results

- When examining if there were statistical differences based on pre, mid, and post-COVID-19, a comparison between means was conducted (see Table 2).
- When comparing pre-COVID-19 and mid-COVID-19 importance factors, there were significant differences for each factor except for price. Convenience was more important, while brand name and trends were less important mid-COVID-19 than pre-COVID-19.
- For differences between mid-COVID-19 and post-COVID-19 intentions, brand name, color options, and trends were stronger post-COVID-19 than mid-COVID-19. There were no significant differences in price and convenience post-COVID-19 and mid-COVID-19.
- When comparing pre-COVID-19 to post-COVID-19, there were significant differences for all factors except for price. Convenience was more important post-COVID-19, while color options, trends, and brand name were statistically more important pre-COVID-19.

Table 2: Comparison in Means for Factor Importance between Pre, Mid, and Post-COVID-19

Type	Pre - Mid			Mid - Post			Pre - Post		
	Mean Difference	t	p-value	Mean Difference	t	p-value	Mean Difference	t	p-value
Convenience	-.199	-5.185	.000	.016	.457	.646	-.183	-4.871	.000
Brand Name	.156	5.433	.000	-.097	-4.051	.000	.059	2.005	.045
Price	-.029	-1.083	.279	.036	1.671	.095	.007	.269	.788
Color Options	.346	11.658	.000	-.083	-3.616	.000	.262	9.600	.000
Trends	.192	7.491	.000	-.103	-4.574	.000	.089	3.435	.001

## Discussions and Recommendations

**Results support that cosmetic consumers intend on returning to pre-COVID-19 usage but priorities have shown significant changes.**

- Cosmetic consumers are expected to go back to pre-COVID-19 usage except for face cosmetics.
- Consumers are trading in face cosmetics for eye and lip cosmetics, which is surprising because it was shown that lip cosmetics experienced the biggest loss.
- Skincare consistently was the most used and important option pre-, mid-, and post-COVID-19.
- Price has and will continue to be the most important factor. Convenience became more important mid- and post-COVID-19.

### Recommendations

- Creating ad campaigns that focus on positive attitudes in wearing makeup again in a fashionable or trendy way
- Creating ad campaigns that are relatable and sympathetic towards cosmetic consumers regarding COVID-19
- Implementing software or an app for a brand to allow consumers to try on different shades and types of cosmetics
- Makeup options when wearing masks
- Tips and tricks on what skincare products to use for maskne
- Luxury cosmetics should maintain their prices to maintain prestige. The results do not indicate that high-cost brands should have lower prices.
- Incorporating a skincare line into each brand
- Incorporating products like cleansing wipes
- Putting less emphasis on face makeup and more focus on tinted moisturizers, lip cosmetics, eye cosmetics, and skincare products
- Focusing more on natural-looking cosmetics like chapstick.
- Putting skincare products in the same aisles as makeup brands
- Making price a priority and fair to cost-conscious consumers



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