

Unveiling Success Secrets of Celebrity Beauty Brands

June 2024

NIQ

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Your presenters today



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Co-Founder
Spate

Celebrity beauty remains a growth engine

\$1B in sales and outpacing the growth rate of total beauty

2024 welcomes 'A-List' celebrity founders

Easier to gain trial, but there are no shortcuts when it comes to product performance

Social performance is a strong predictor of sales

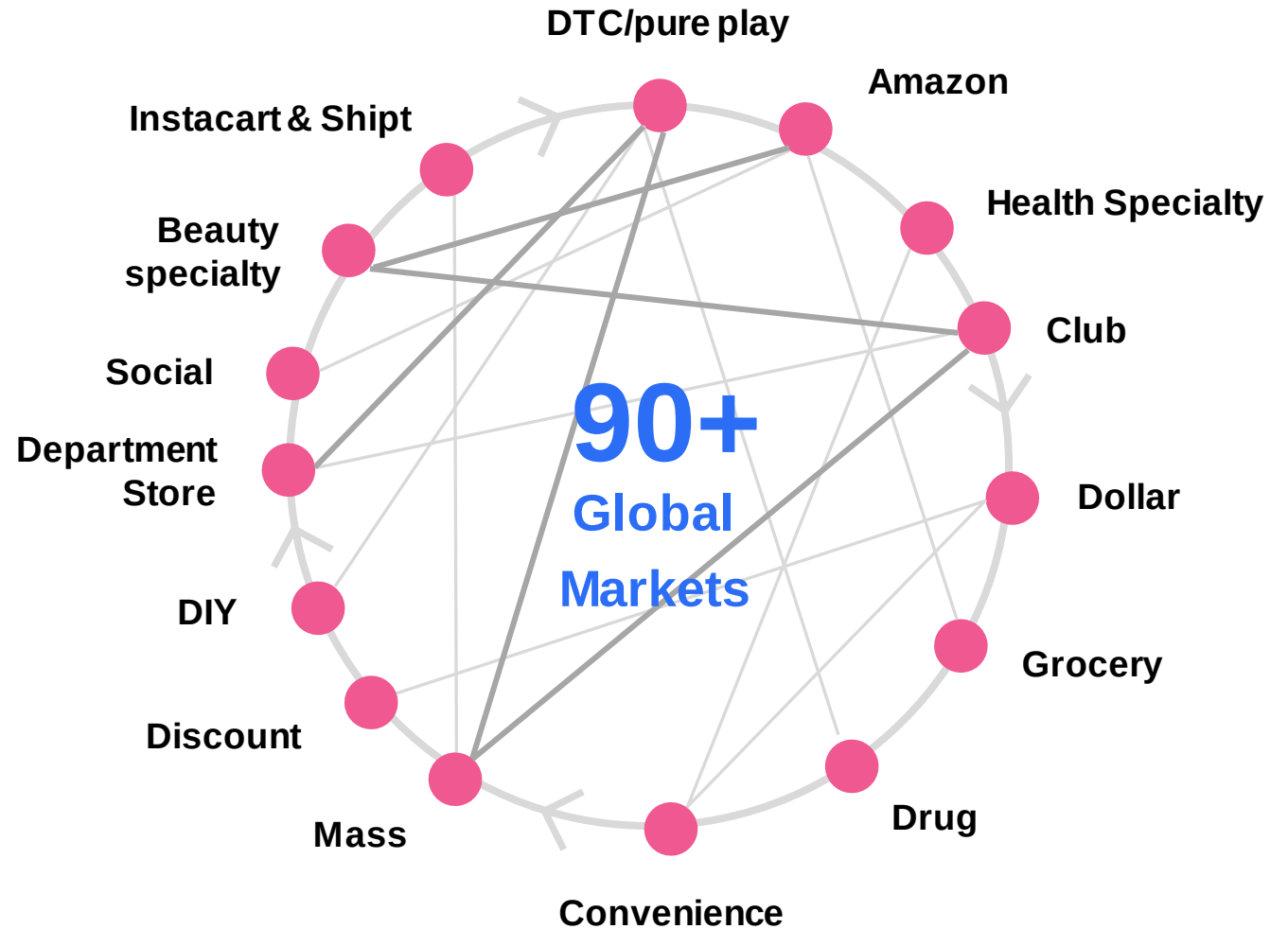


The State of Celebrity Beauty



NIQ delivers the *Full View* of beauty buying behavior

- The industry's most trusted consumer data—more channels, sources, consumers, and regions
- Validated with point of sales data directly from retailers

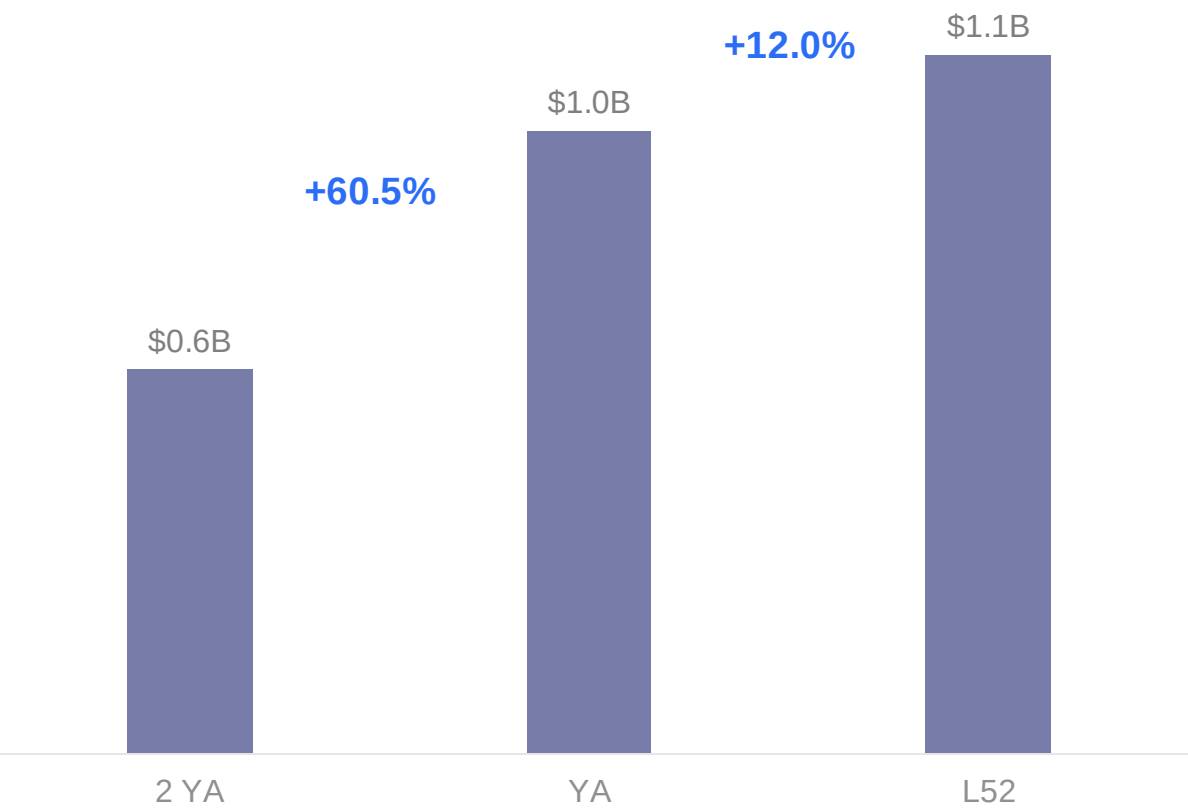


Celebrity brand launches slowed in 2023, in 2024 the industry welcomes A list founders



Celebrity beauty is worth over one billion dollars in the U.S.

Celebrity Beauty Brands Dollar Sales

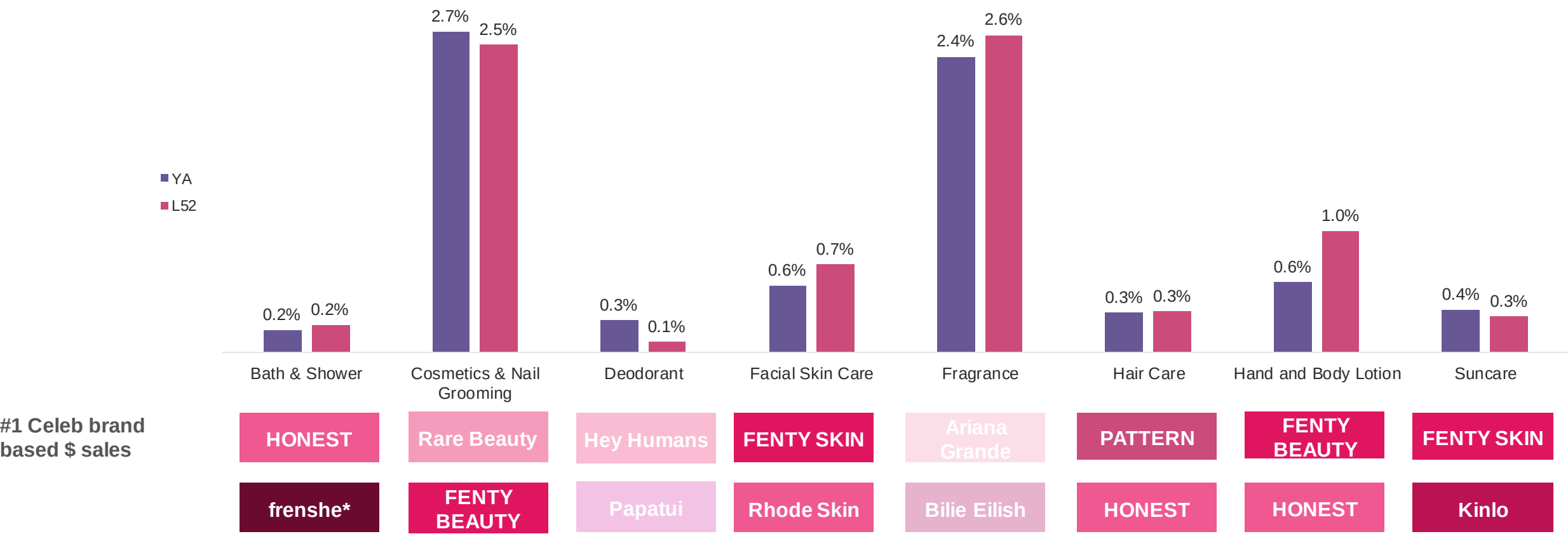


Source: NielsenIQ Omnishopper Panel | 52 week ending 4/20/2024 vs YA.



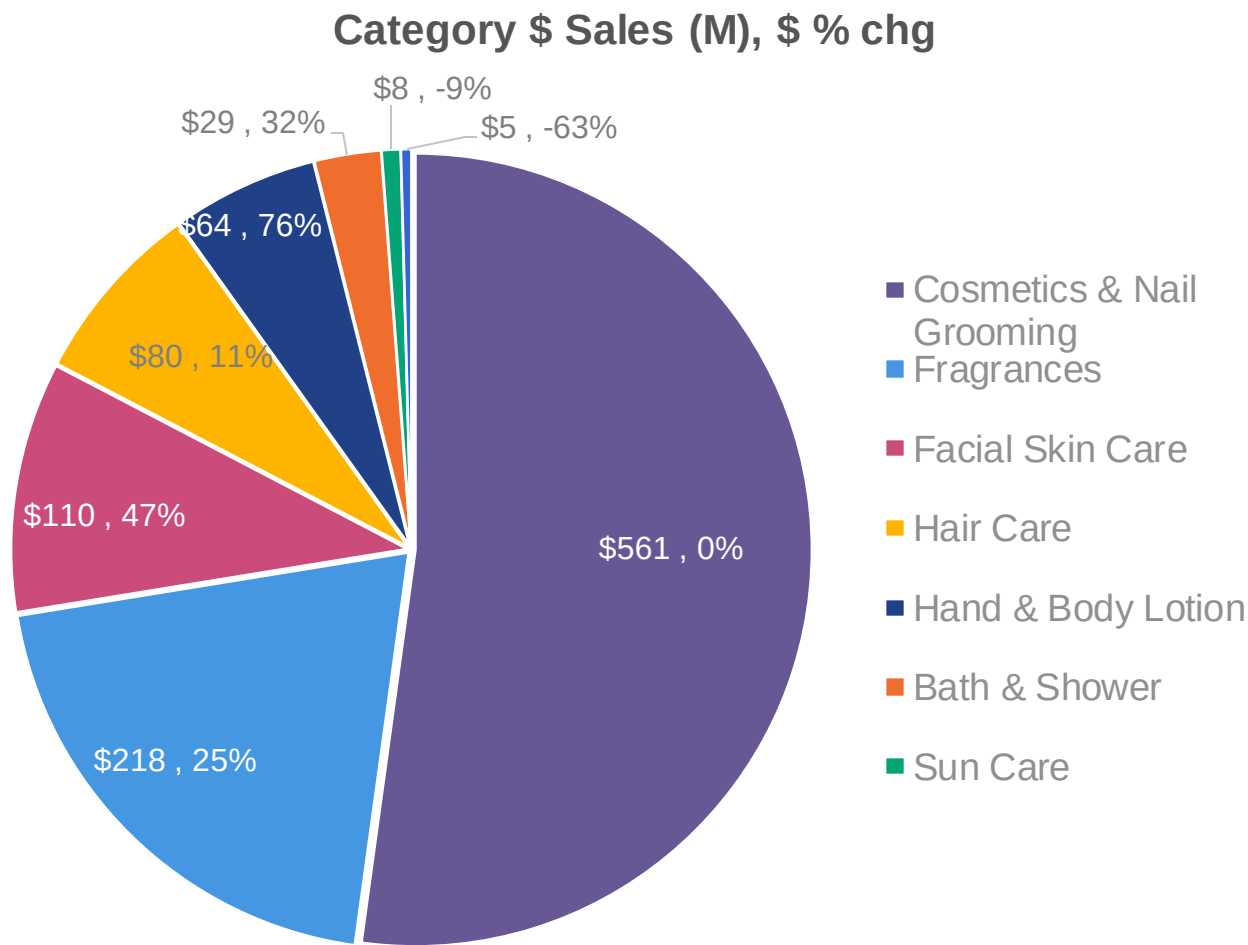
Highest sales concentration in the Cosmetics & Nail and Fragrance categories

Category \$ share of celebrity categories



Source: NielsenIQ Omnishopper Panel | 12 months through 4/20/2024 | Health & Beauty Care
* New Brand

Cosmetics represent the biggest portion of Celebrity beauty sales, but struggling to see growth like the total category



While Mass retailers have the largest assortment of celebrity beauty brands, Sephora is driving the highest revenue per brand



Source: NielsenIQ Omnishopper Panel | 12 months through 12/30/2023 | Health & Beauty Care

Celebrity Founders find success by living their brand values



Key Attributes:

Involvement

Passion

Commitment

Relatability

Presence

Priority

Authenticity



Not every celebrity brand is a success story



Happy Dance by Kristin Bell closed after 2 and a half years.



JLO Beauty was removed from Sephora stores in March 2024.



Twentynine Palms by Jared Leto was in the market for close to a year before he severed ties with the brand.

Lessons Learned:

- Authenticity is crucial
- Category Must Be Sustainable
- Brand & Celebrity must be aligned

Celeb beauty buyers are beauty enthusiasts

Beauty enthusiasts

Celeb beauty buyers spend **\$1,003.64** per year on beauty, **1.25X** the average buyer

Growing segment

20.7MM households are purchasing celeb beauty, up **+21.9%** vs. year ago



Source: NielsenIQ Omnishopper Panel; Total U.S., Total Beauty & Personal Care, L52 WE 11-4-23

Current Celebrity Beauty buyers are comprised of high income, mid-large size households with older children; represent a younger and diverse shopper base

Celebrity Beauty Buyer Demographics



Younger, Middle-Aged Consumers (Ages 18-44)



Diverse Households
(Black/African American, Hispanic, Asian)



Mid-Larger households
(3, 4, 5+ members), **Kids Age 13-17** present in the HH



High Income Households
living in **Pacific and Mid Atlantic Regions**

Source: NielsenIQ Omnishopper Panel; Total U.S., Total Beauty & Personal Care, L52 WE 11-4-23

**Demos where \$ over-index (120+)*

Evaluating Success in Celebrity Beauty: Brand Case Studies

DASH HUDSON

DASH HUDSON

Outsmart Social

A social media management platform that delivers sophisticated insights and workflow tools, keeping you in the know and saving you time — so you and your team can get back to marketing.

TRUSTED BY BRANDS OF ALL SIZES

Rare Beauty

ESTÉE
LAUDER
COMPANIES

HARRY'S

UNITED 

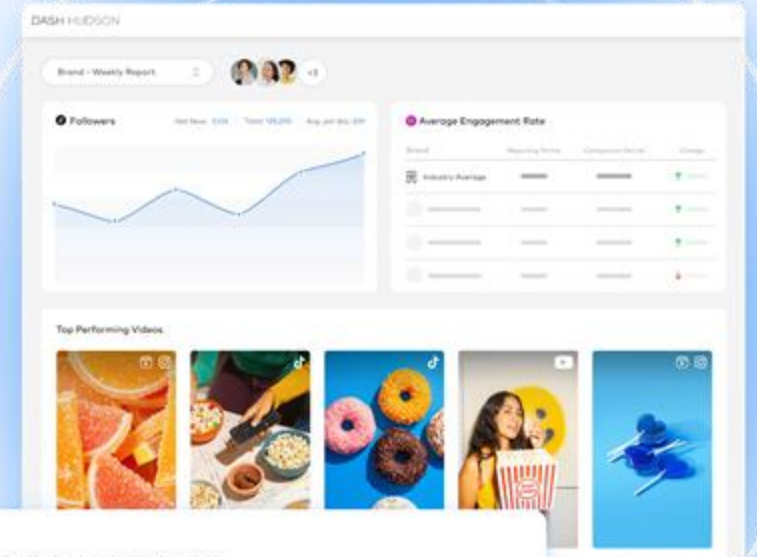
MEJURI

Crate&Barrel



Andie Social Media Manager

Hey team! Sharing our weekly social performance dashboard for review.



Dash Hudson's Entertainment Score

Dash Hudson provided brands' TikTok and Instagram Reels Entertainment Score based on content from 2023.

The Entertainment Score is measured on a scale from 0–10



Instagram Reels



Engagements

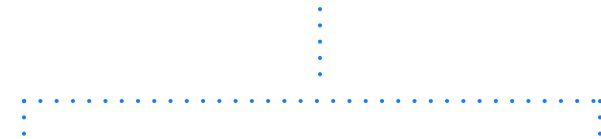
How are users engaging with your video

Reach

How many users are exposed to your video



TikTok



Engagement Rate

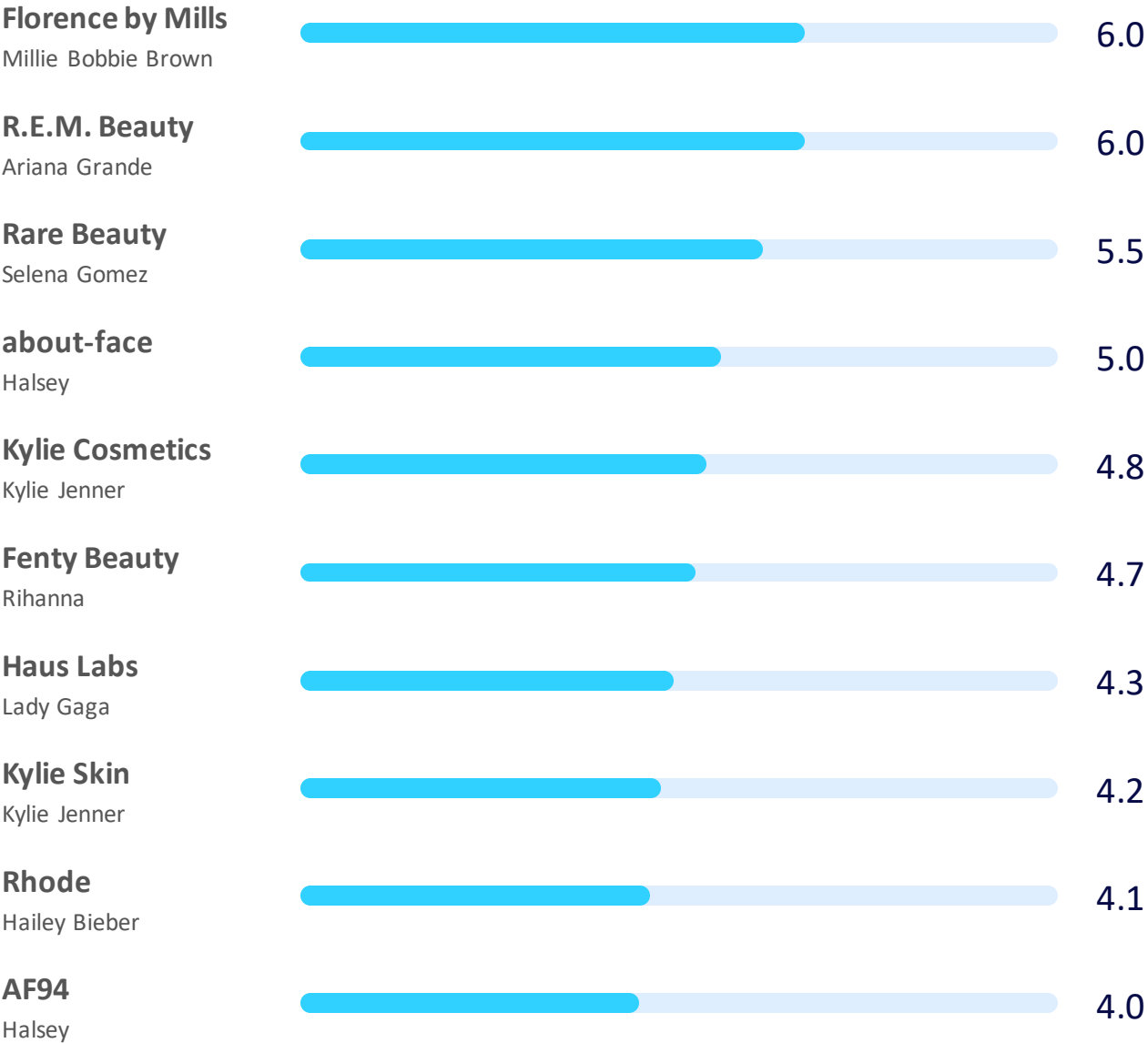
How are users engaging with your video

Retention Rate

How long are users watching

TikTok Is an Outlet for Authenticity Among Celebrity Beauty Brands

Top Performers on TikTok by Entertainment Score





How Authenticity and Fun Created the Most Entertaining Brand on TikTok

6.0

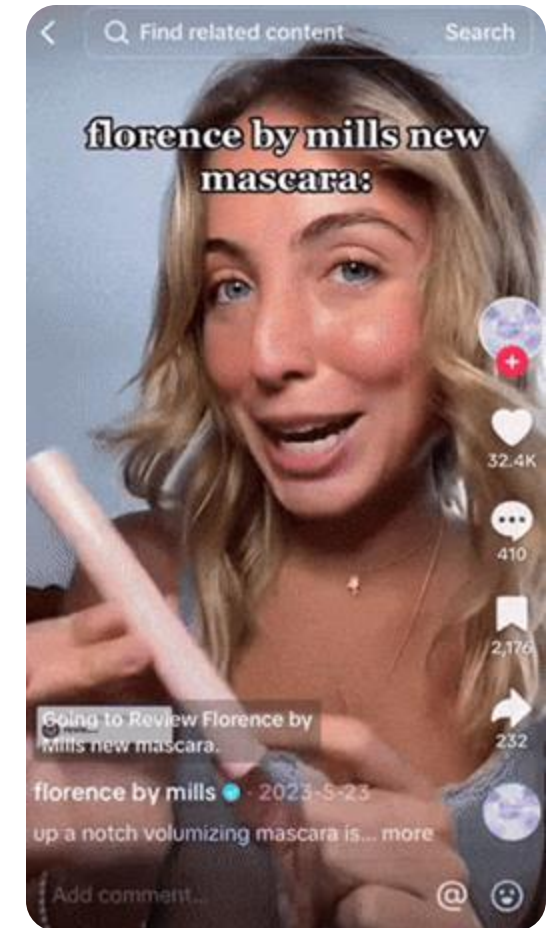
Average Entertainment
Score on TikTok

+60% higher than the celeb beauty average



Entertainment Score: 9.9

Video Views: 2.6M

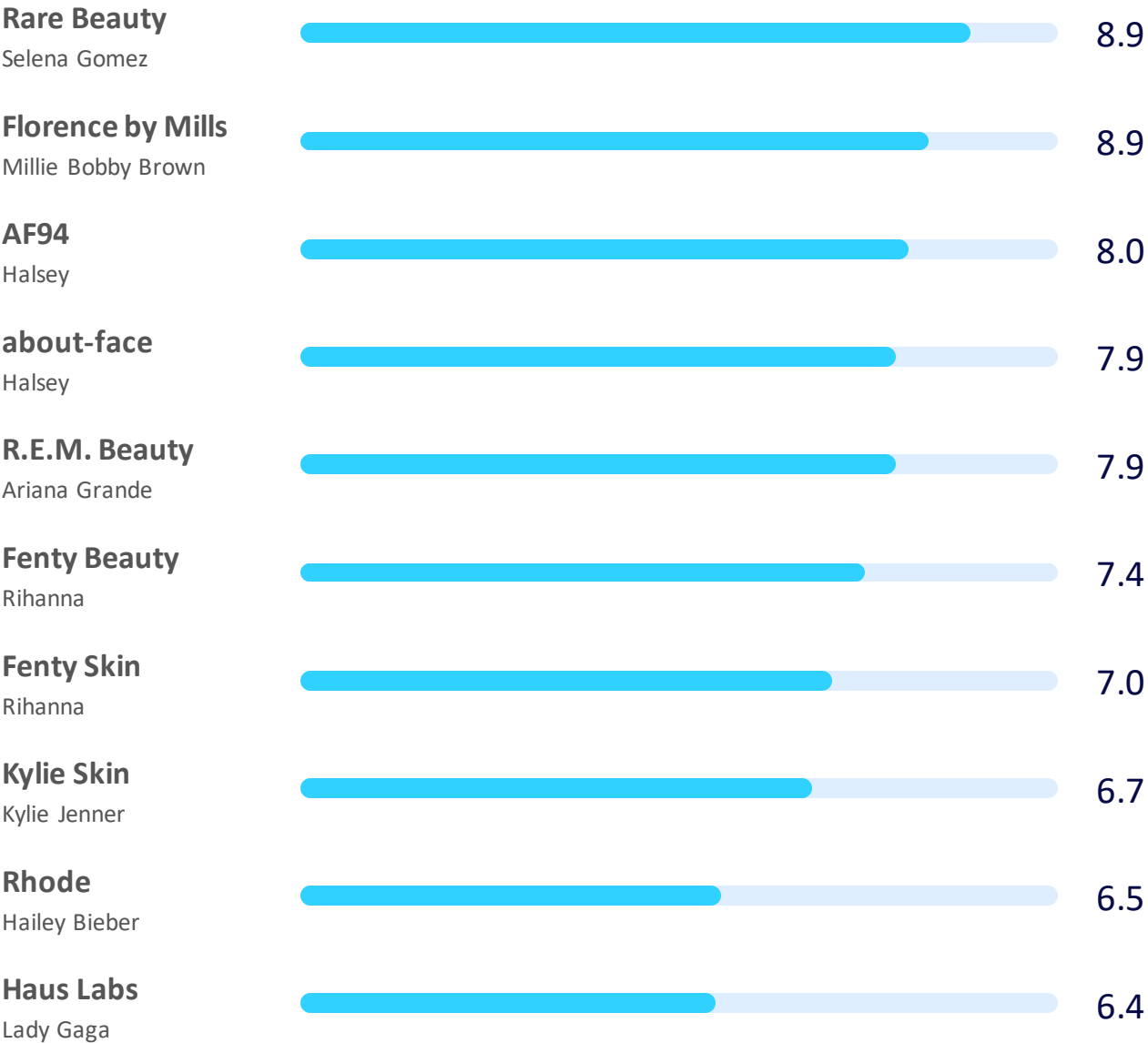


Entertainment Score: 9.3

Video Views: 206K

Instagram Enables Celebrity Brands to Build Trust Through Engaging Content

Top Performers on Instagram by Entertainment Score



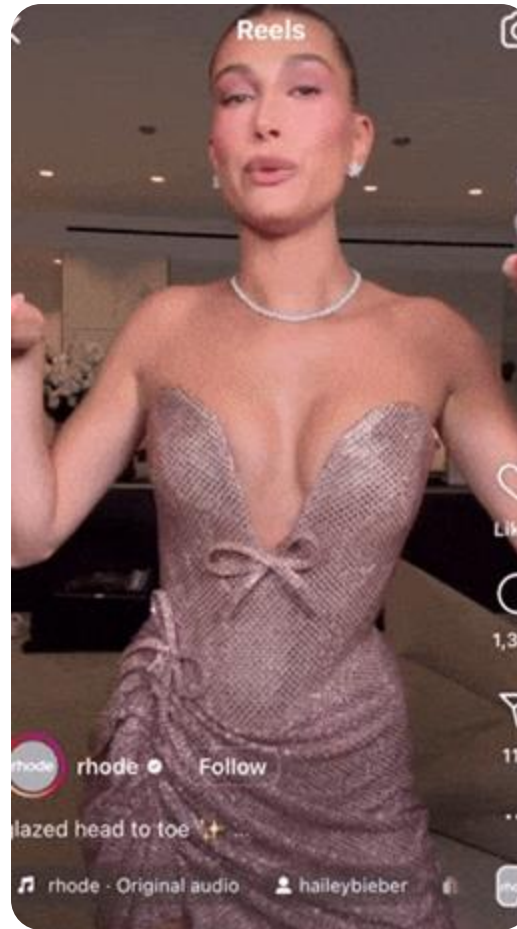
rhode

Embracing Trends to Lead the Beauty Industry on Instagram

6.5

Average Entertainment Score on Instagram

+25% higher than the celeb beauty average



Entertainment Score: 9.9

Video Views: 7.1M



Entertainment Score: 9.6

Video Views: 1.8M

Evaluating Success in Celebrity Beauty: Brand Case Studies

CreatorIQ is

The engine powering creator-led marketing for the world's most innovative, iconic brands & agencies.

Our industry-leading data and robust technology help marketers manage, Measure and maximize their impact in the creator economy.



LVMH

ESTÉE LAUDER

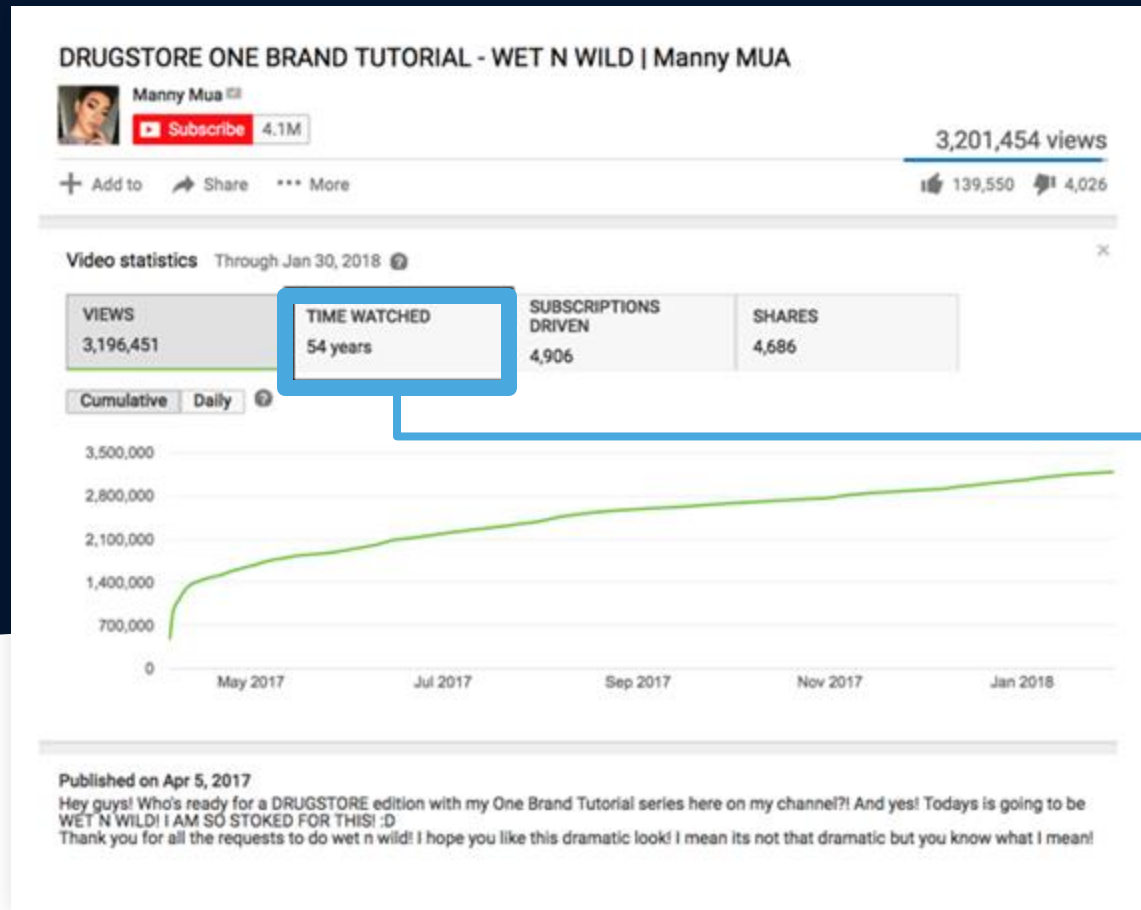


lululemon

SEPHORA

GUCCI





54
Years

=

1/2
Super Bowl
Ad

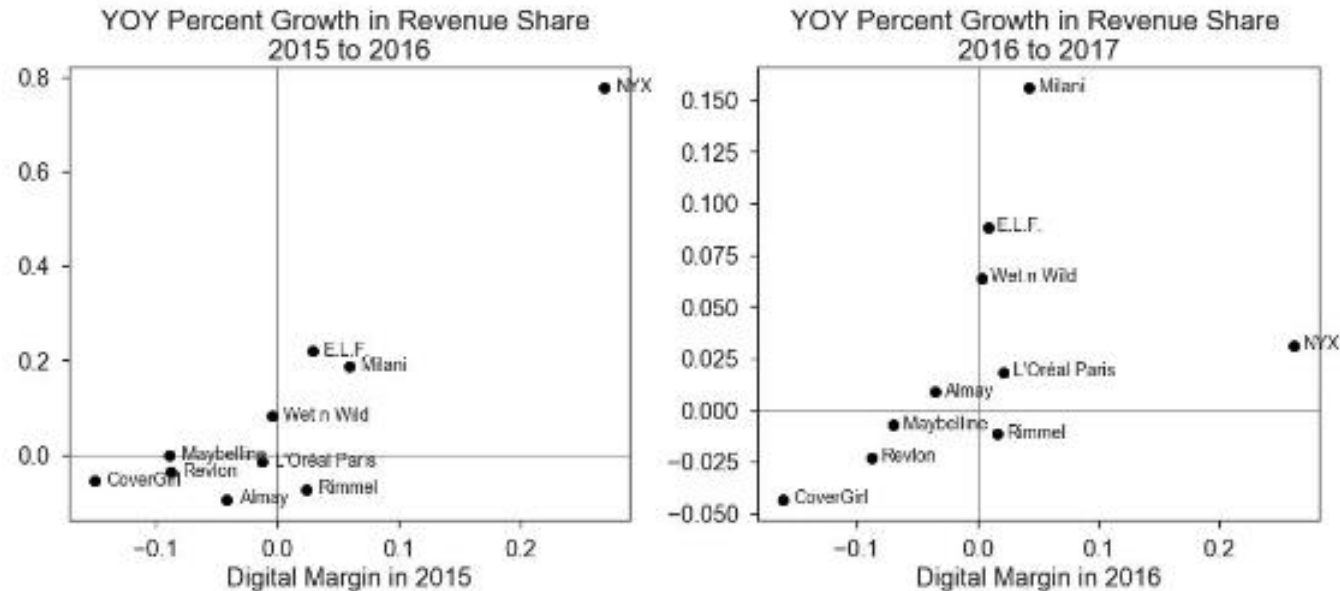
\$7M Cost

\$150k

EMV

Digital Margin and Predicting Performance

Out Performance → +Market Share



Utilizing market share data from NPD and client data, we were able to predict shifts in market share the following year.

- **Digital Margin = (Share of Voice - Share of Revenue)**
- Out-performance led to growth in market share.
- If more people are talking about you than buying from you today, you are likely to grow next year.

2017 Study with L'Oreal



Amazon vs Key Competitors

	2019	2020	2021	2022
Share of Voice	69%			
Market Share \$	30%			



Amazon vs Key Competitors

	2019	2020	2021	2022
Share of Voice	69%	70%	69%	71%
Market Share \$	30%	36%	39%	40%





SINCE 2019

188k

Creators

\$21B

EMV

5.4M

Content

364B

Impressions

11.4B

Engagements

Rare Beauty and Fenty Beauty top the earned media value rankings, far ahead of competitors

Earned Media Value (\$MM)



Source: CreatorIQ Full year 2023



rhode

2024 YTD

#4

US Skincare EMV Ranking

+287%

2024 US EMV

+114%

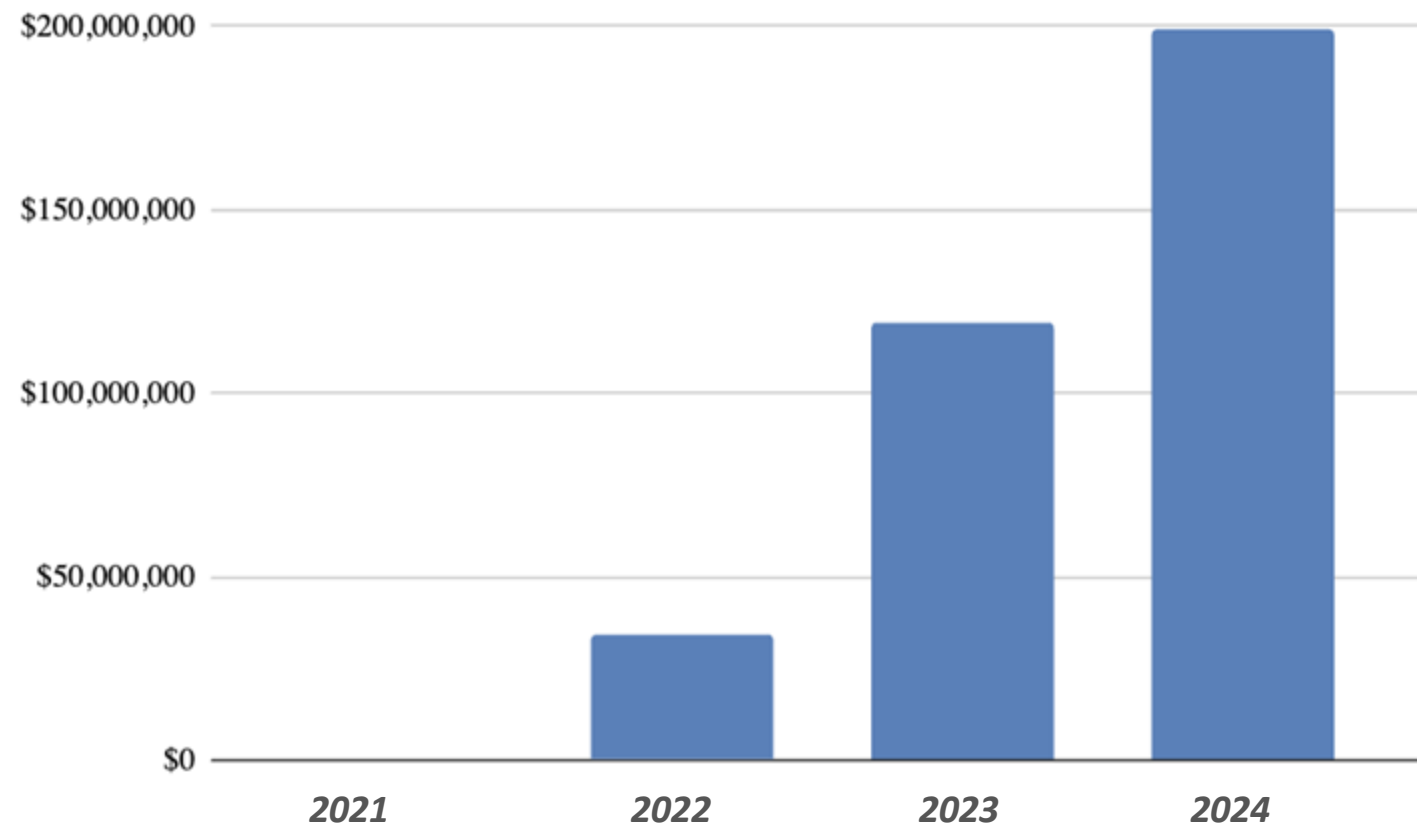
Revenue Growth

\$181M

EMV Last 12 Months

EMV — US

2021–2024



When We Think About RHODE, We Think About...



Image Credit: RHODE Skin on Instagram



Image Credit: CIQ

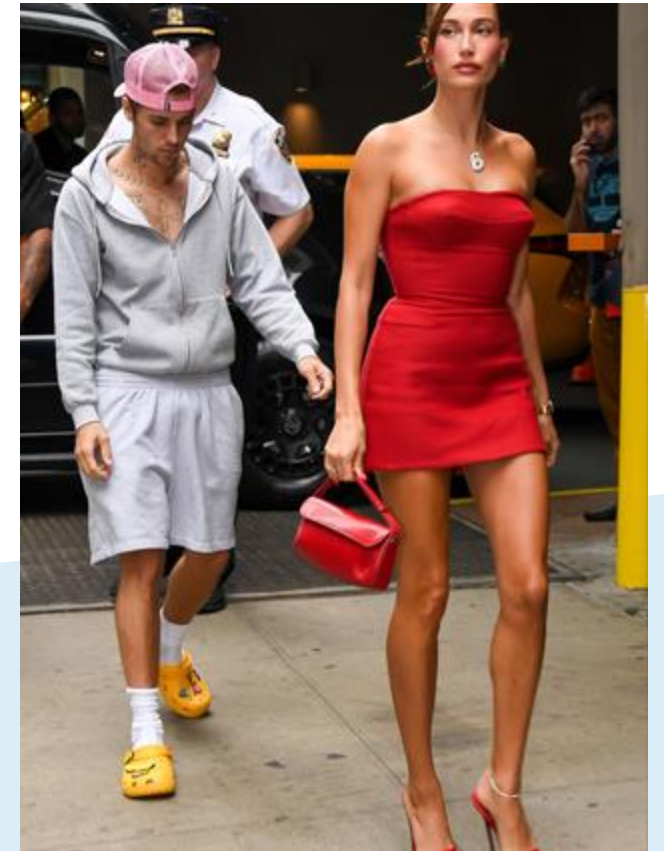
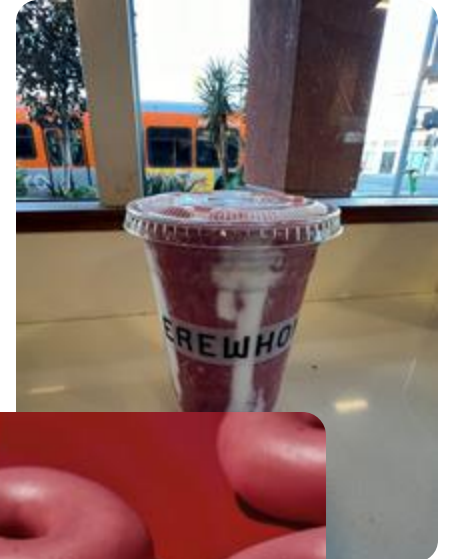


Image Credit: CNN

Skincare Has Everything To Do **With Food**

- RHODE Skin launched limited-edition **Strawberry Glaze Lip**, inspired by **Krispy Kreme's Strawberry Glazed donuts**.
 - **Launch event at Krispy Kreme's Times Square.**
 - PR package w/ box of Strawberry Glazed donuts.
- 08/23, RHODE claims first No. 1 slot. Krispy Kreme up 87% in 2023.
- Approached **Erewhon Market** for a smoothie named after RHODE's viral product—the Strawberry Glaze Skin Smoothie.
- The smoothie regularly **sells 40,000 a month.**



HAUS LABS BY LADY GAGA

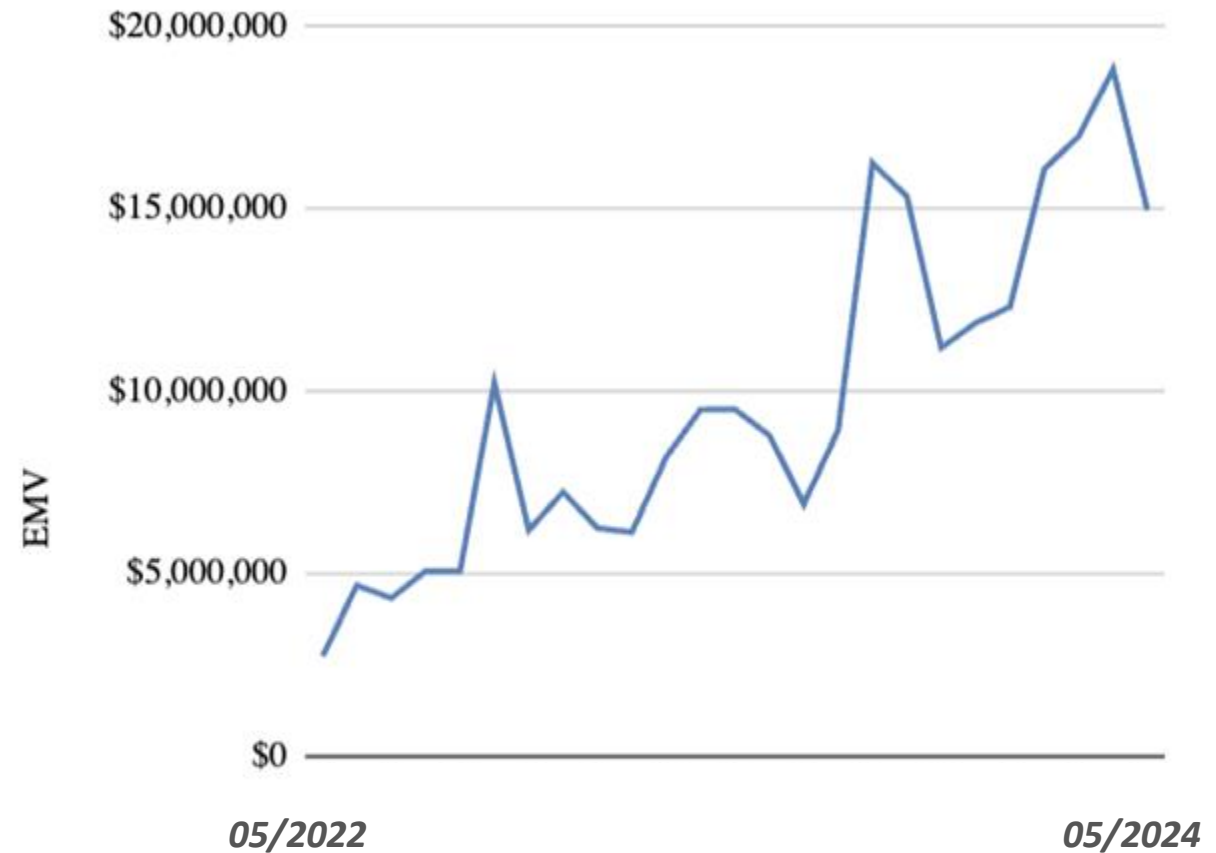
2024 YTD

+101%
US Makeup EMV

+66%
2024 Revenue

\$158M
EMV Last 12 Months

EMV — US 2022–2024



HAUS LABS BY LADY GAGA

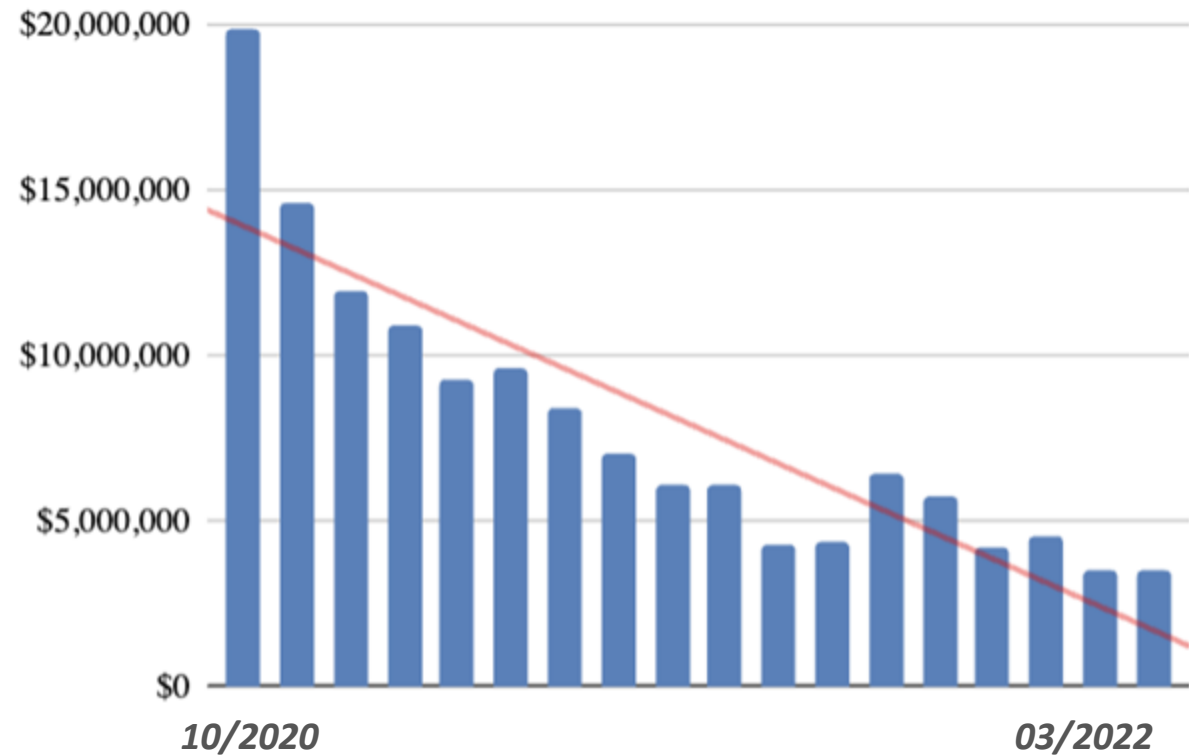
2024 YTD

+101%
US Makeup EMV

+66%
2024 Revenue

\$158M
EMV Last 12 Months

EMV — US 2020–2022



Competitive Benchmarking and Intelligence

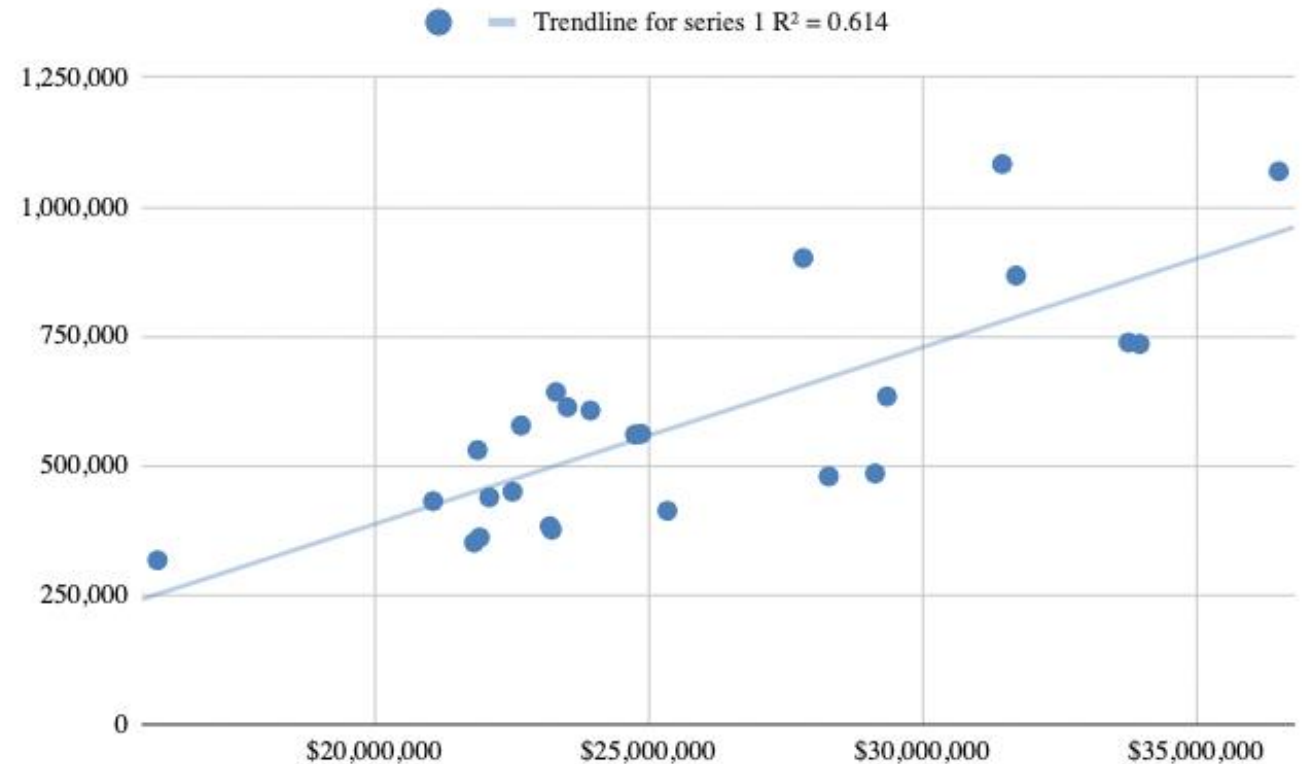
Connection



Connect “Influence” to Core KPIs

Enterprise leaders overlay “Share of Influence” data to core website KPIs.

- Google search data
- Website conversion rate
- Fan count growth



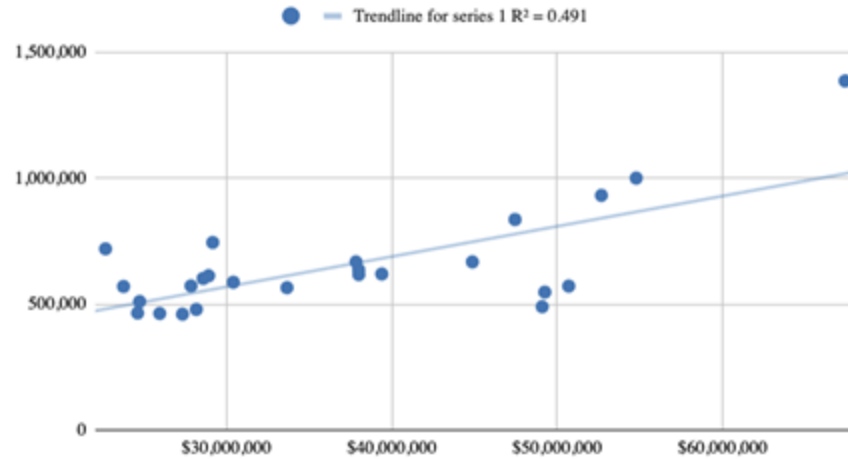
Google search data and EMV over a 24 month period

Once connected, this should drive increased UGC channel budget share.

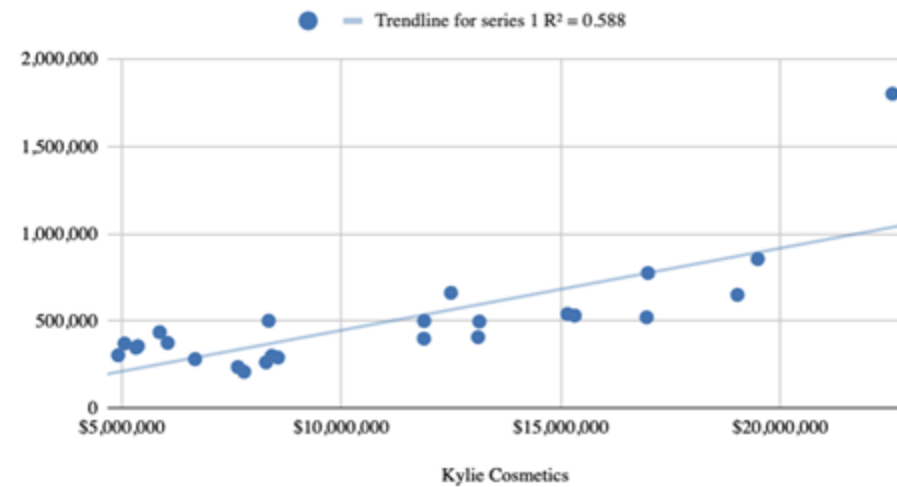


Google Search and EMV Connection

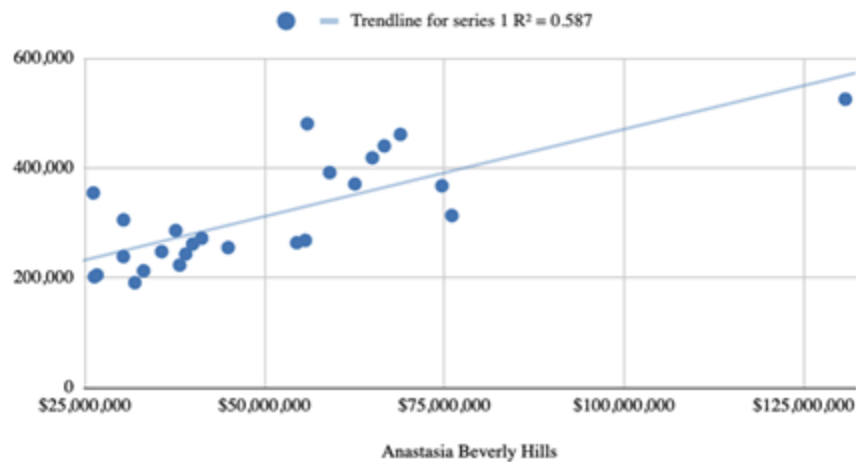
Fenty Beauty - 2020-2022 EMV and Google Search



Kylie Cosmetics - 2020-2022 EMV and Google Search



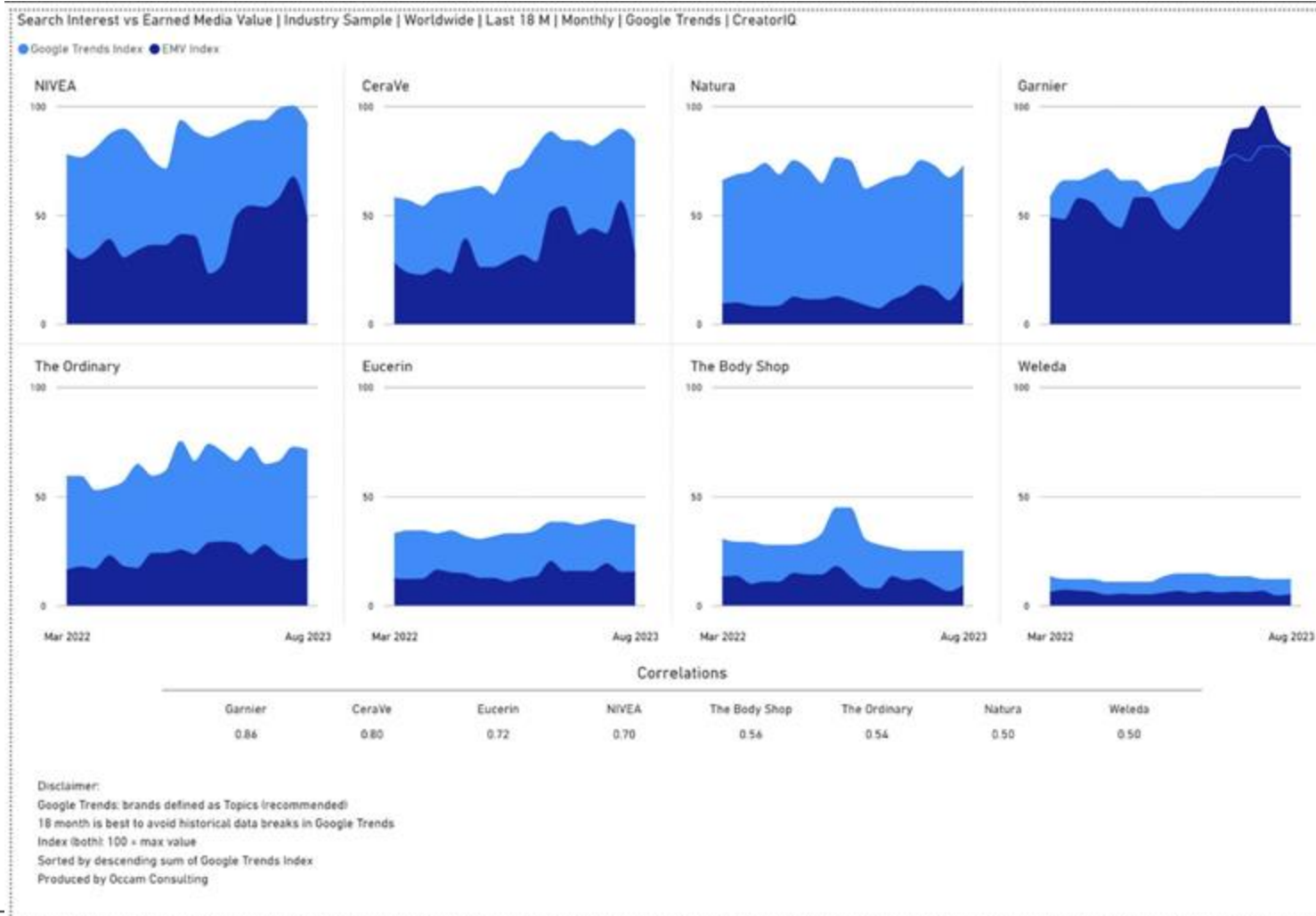
Anastasia Beverly Hills - 2020-2022 EMV and Google Search



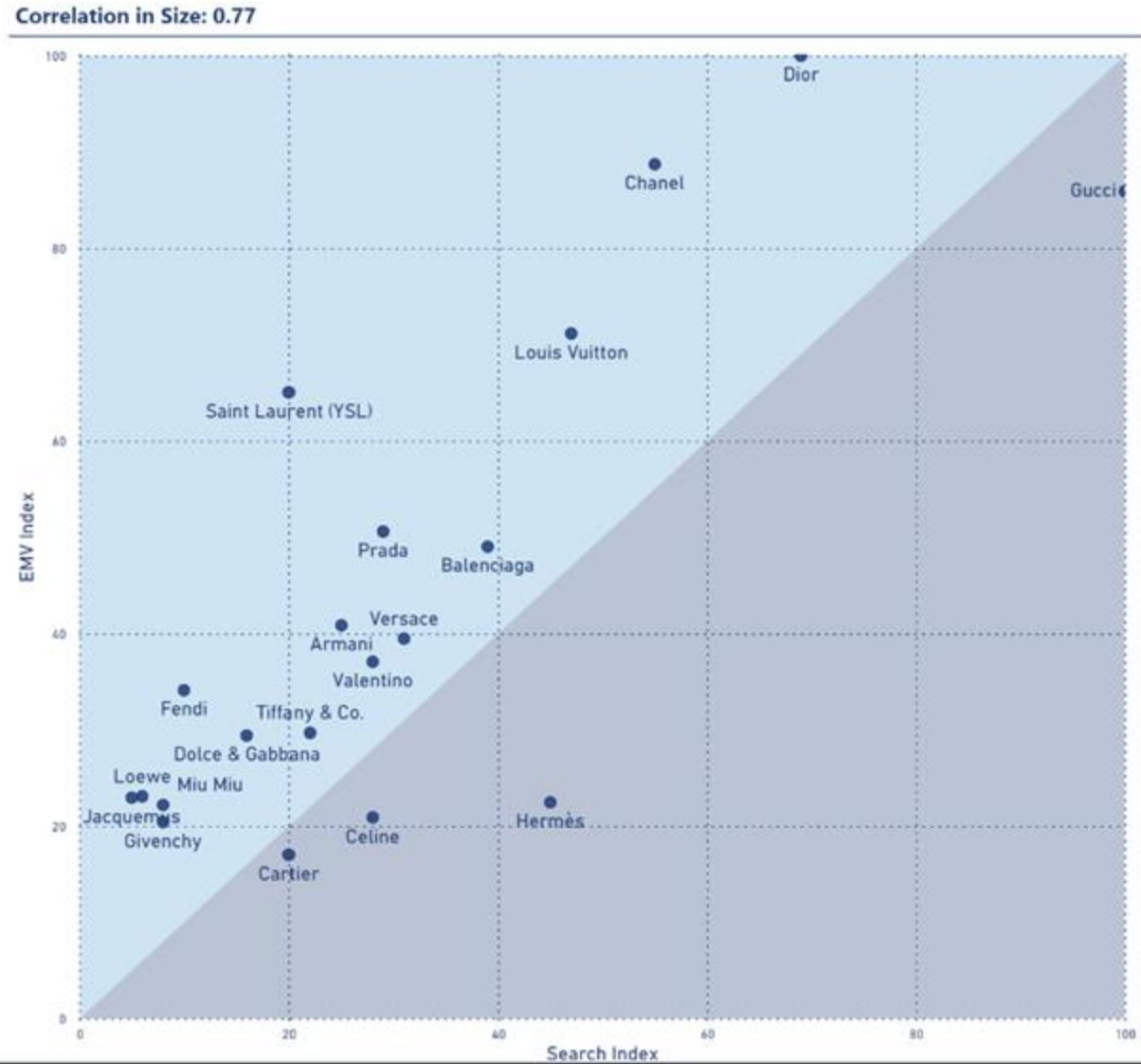
Charlotte Tilbury - 2020-2022 EMV and Google Search



Google Search and EMV Connection



Google Search and EMV Connection



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SPATE

METHODOLOGY

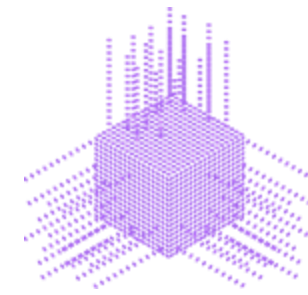
Spate is an innovative data platform that allows users to discover and detect trends across Google search and TikTok. The Spate dashboard analyzes over **20 billion search signals** and over **60 million TikTok videos** across the globe to answer three crucial questions for the consumer goods industry. What's the next big trend? Who's owning the space? How to position the trend?



20 billion search signals &
60 million posts on TikTok

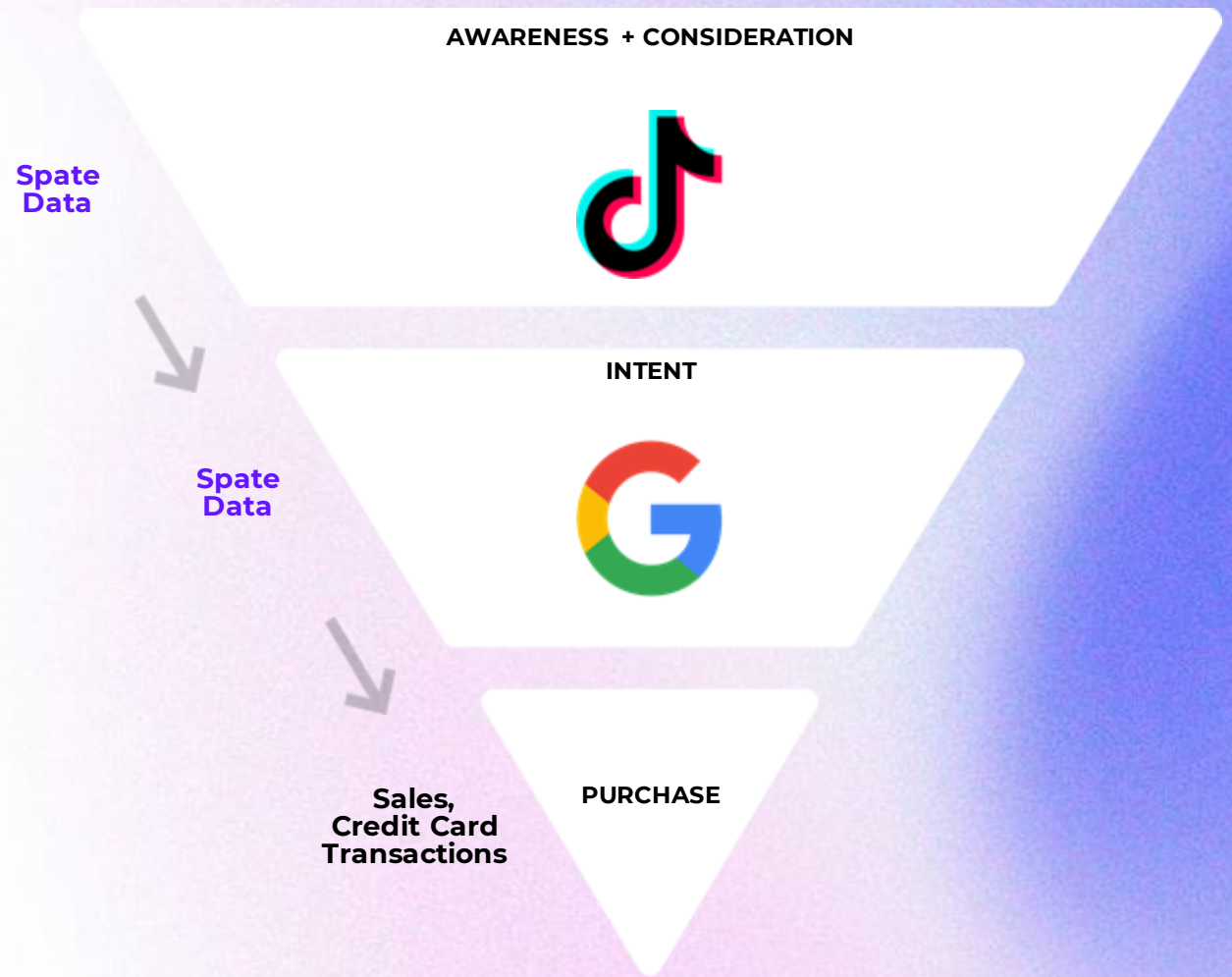


Unsupervised machine
learning to identify
clusters



Trends classification for
insights and implications

Pre-sales data to stay ahead of consumer trends



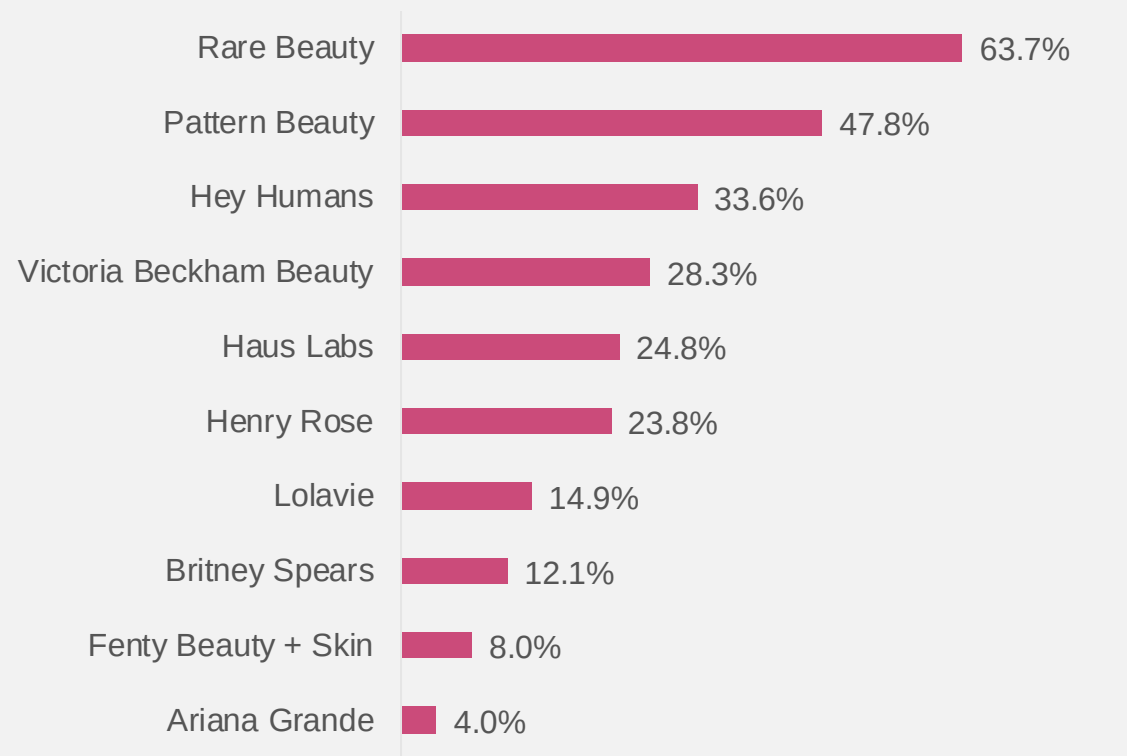
Fenty and Rare lead in search as well

Top 10 total search volume (MM)



Rare holds top spot in search growth

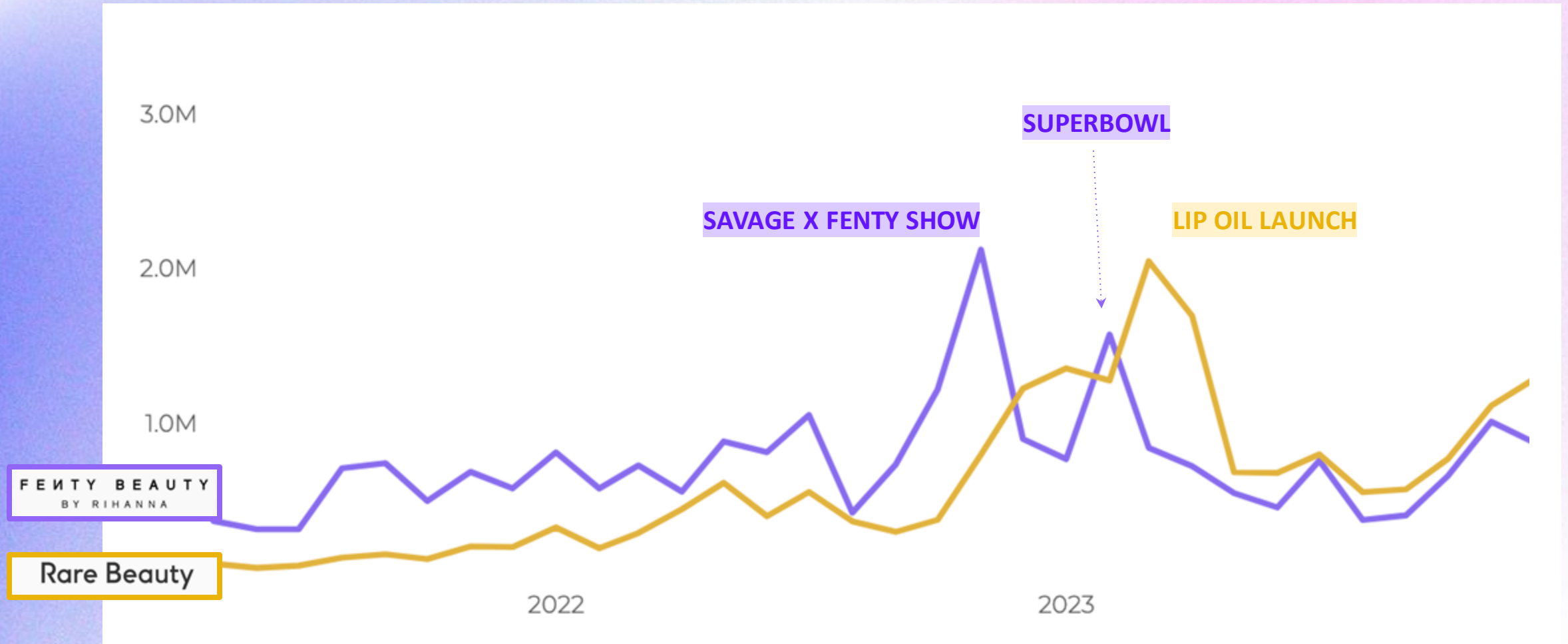
Search volume growth vs YA*



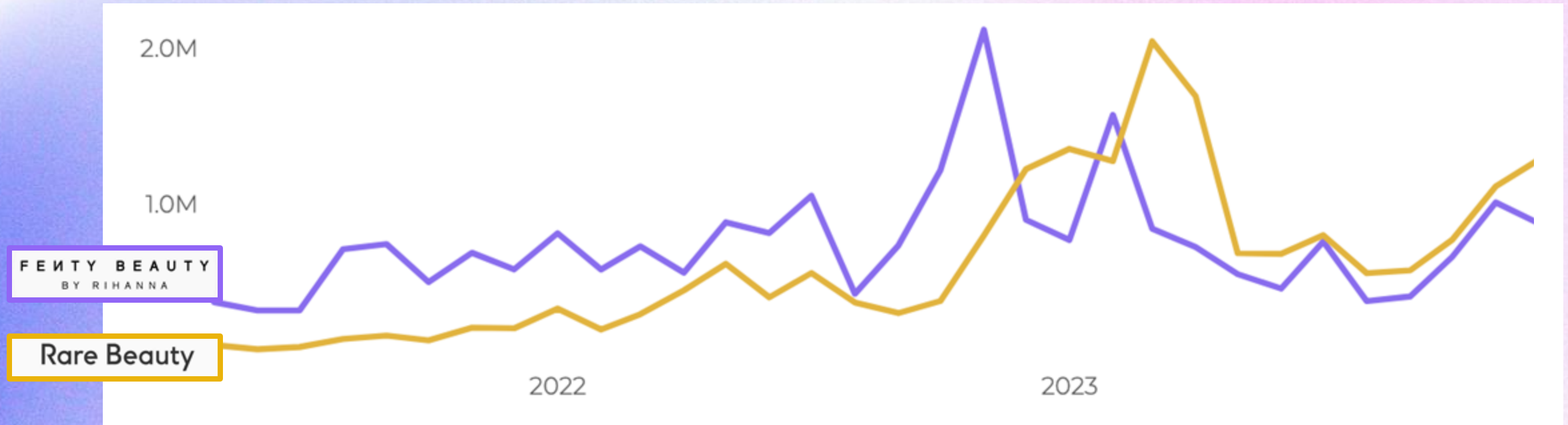
**among brands with at least 200K search volume*

Source: Spate Full year 2023

FENTY BEAUTY VS RARE BEAUTY GROWTH



FENTY BEAUTY VS RARE TOP PRODUCT ASSOCIATIONS



FENTY BEAUTY
BY RIHANNA

Rare Beauty

foundation,
lip gloss, powder, lipstick,
highlighter

blush, foundation, mascara,
lip, concealer, liquid blush,
eyeshadow, primer

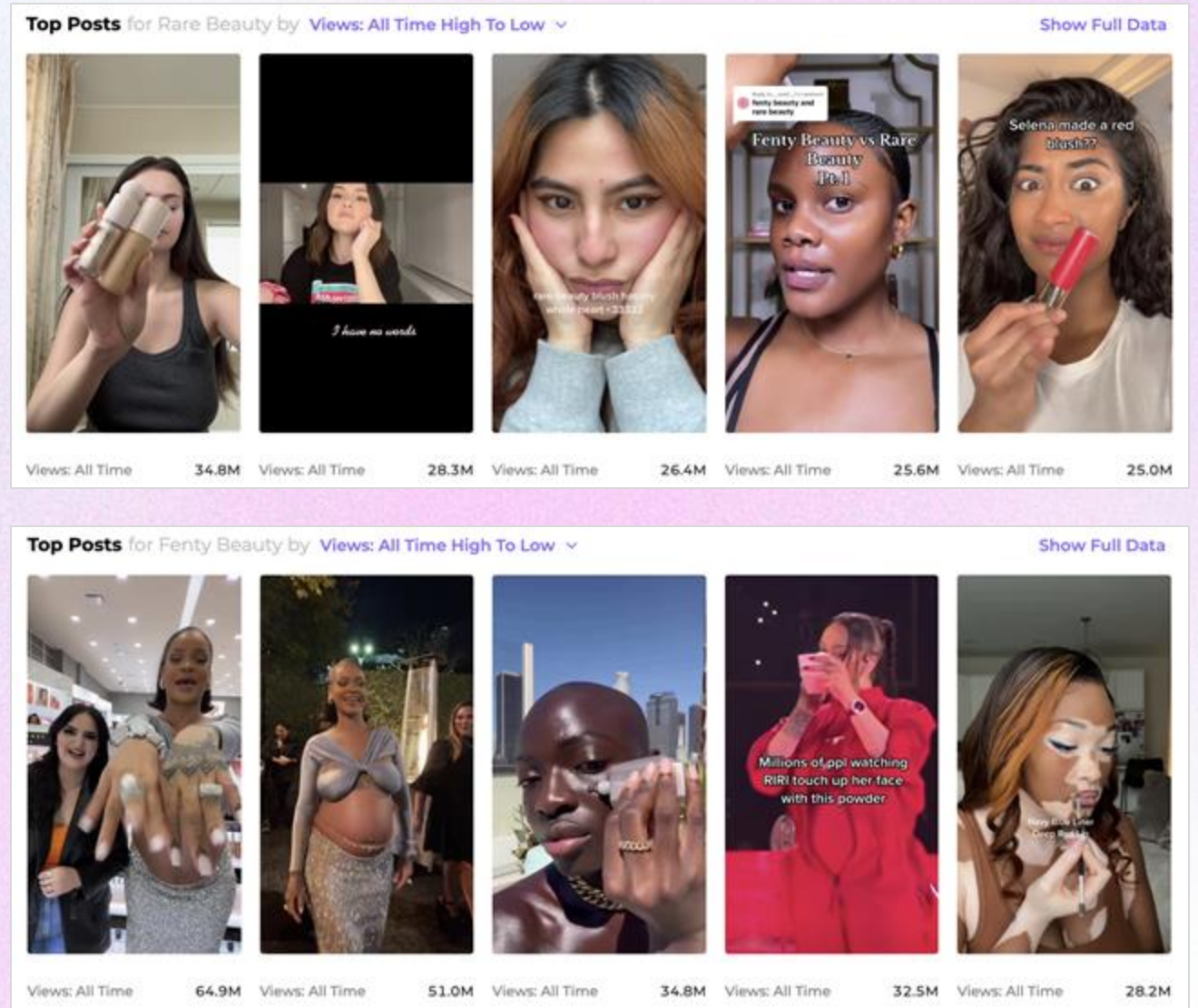
foundation,
lip gloss, powder

blush, lip, foundation,
highlighter, tinted moisturizer,
concealer, liquid blush, bronzer

foundation,
lip gloss, highlighter, stick,
powder

blush, lip, lip oil, highlighter,
concealer, foundation,
mascara, liquid blush, mini

Product vs Celeb-driven approach



Final Thoughts

NIQ: In the pursuit of trial, don't neglect your repeat customers that will become your base

Dash Hudson: Engage with authentic, entertaining content and prioritize community

CIQ: Don't underestimate the power of creators to build audiences and launch brands

Spate: Stay relevant by aligning your products and launches with consumer trends (ie formats, aesthetics).



Thank you for joining us!



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