

A Spotlight on the LGBTQIA+ beauty consumer

June 2024

NielsenIQ

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Self-identification as LGBTQ+ is on the rise in the U.S., with these consumers now representing over \$69 billion in spending power. They are integral members of communities across the nation, showcasing diversity in personal characteristics, socioeconomic backgrounds, health statuses, and lived experiences. Understanding the diversity of the consumers we serve is crucial. Our data-driven insights help reveal consumers' preferences, behaviors, and needs. These insights are invaluable, helping us tailor products, marketing strategies, programs, and customer experiences that resonate authentically.

It's important to embrace and understand the unique identities and experiences within the LGBTQ+ community. It drives innovation, builds loyalty, and fosters a culture of respect and inclusion. Inclusive brands resonate more deeply with customers, creating strong emotional connections and long-term loyalty. Consumers are more likely to support and remain loyal to brands that authentically champion LGBTQ+ rights and visibility. By empowering voices and creating lasting change, we ensure everyone feels valued and celebrated. – Dominique Brown Manager DEI Programs NielsenIQ

The Evolution of Pride Month

How did pride month begin and how have brands played a role?

1969

Stonewall Uprising

After NYPD raided a gay and lesbian bar, the Gay Pride movement became front page news worldwide and the movement started to pick up traction

1970

First Pride Parade

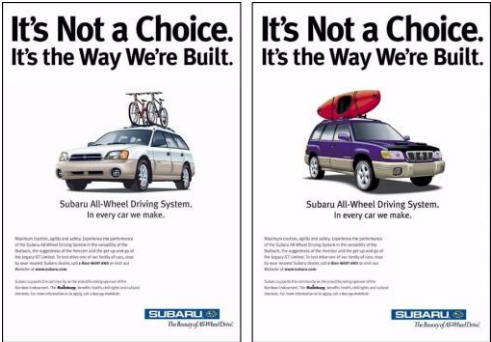
One year after the Stonewall Riots, thousands of members of the LGBTQIA+ community and allies marched in NYC, now known as the first Pride Parade

1980s+90s

Brands Start Backing Pride



Absolut Vodka was one of the first brands to openly advertise for Pride Day with tagline “Absolut Perfection” showing they saw no imperfections with the LGBTQIA+ community



After Absolut, more progressive brands began campaigns to show allyship and support in the 90s



1994

IKEA's Groundbreaking Commercial



In 1994, IKEA aired what is known as the first advertising spot featuring a gay couple, which continued the path of normalizing non-heteronormative couples

2000

First Pride Month

President Clinton officially designated June as Gay and Lesbian Pride Month

2000s - Today

Pride Today

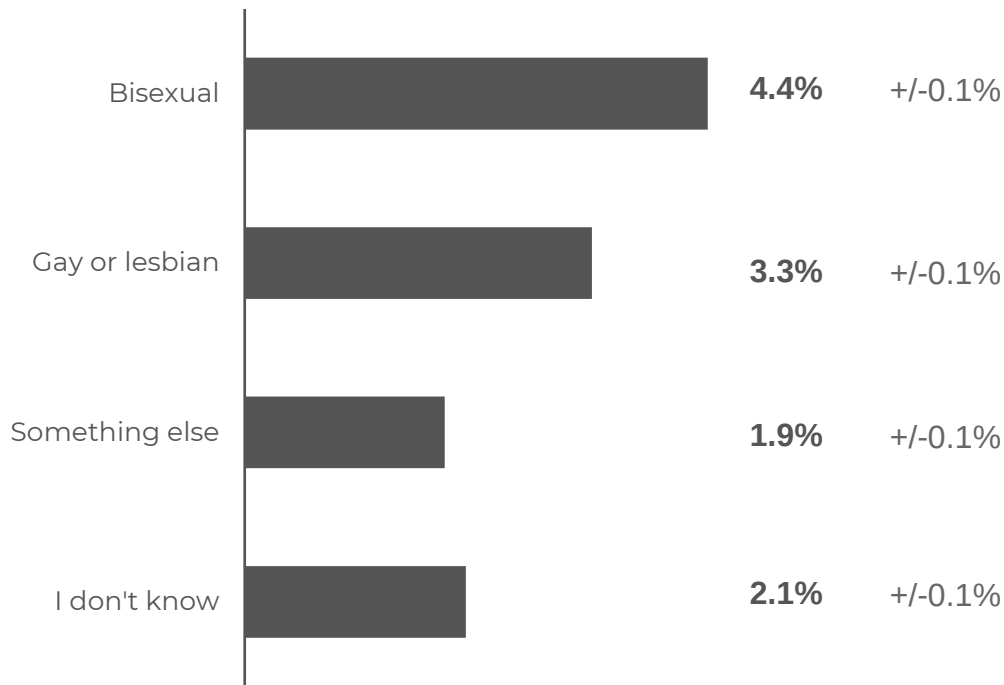
Today, more brands than ever show their support and allyship to the LGBTQIA+ community by promoting special products, donating to organizations, and overall becoming more inclusive



Higher identification percentages on the west coast

Size of population

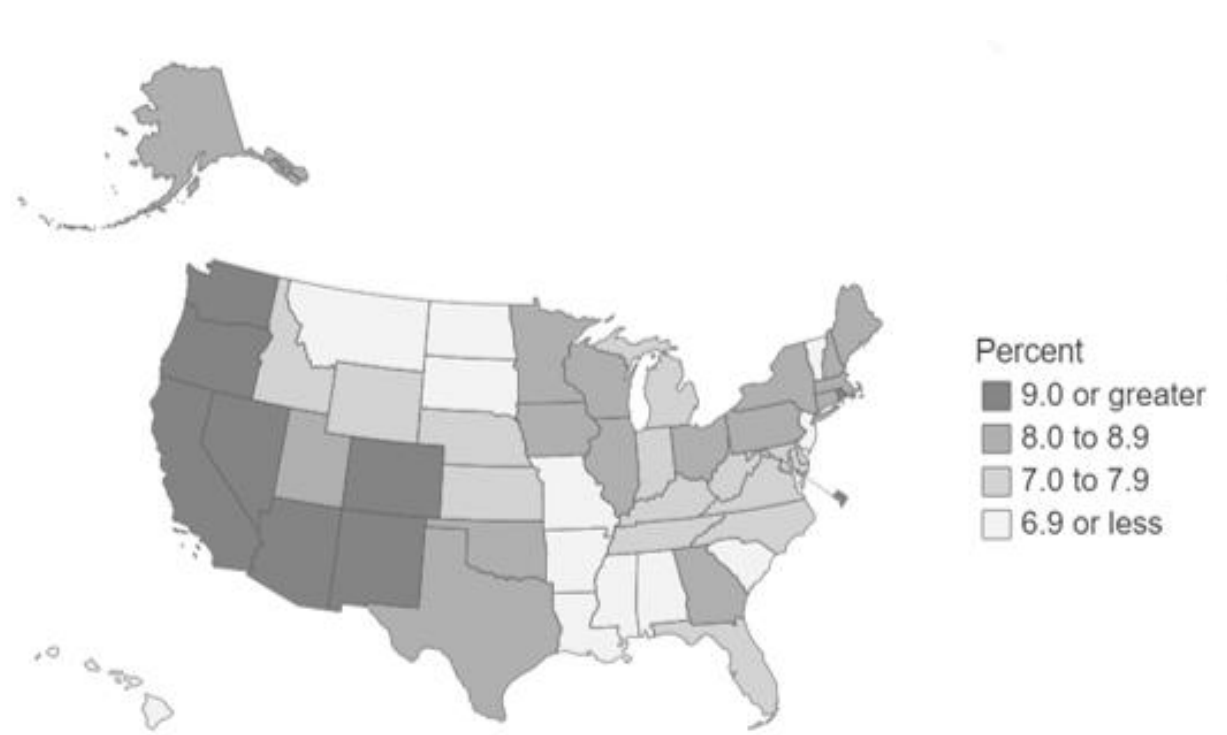
Adults aged 18 and over^



Which of the following best represents how you think of yourself?

Regions

Percentage of adults aged 18 and over categorized as LGBT



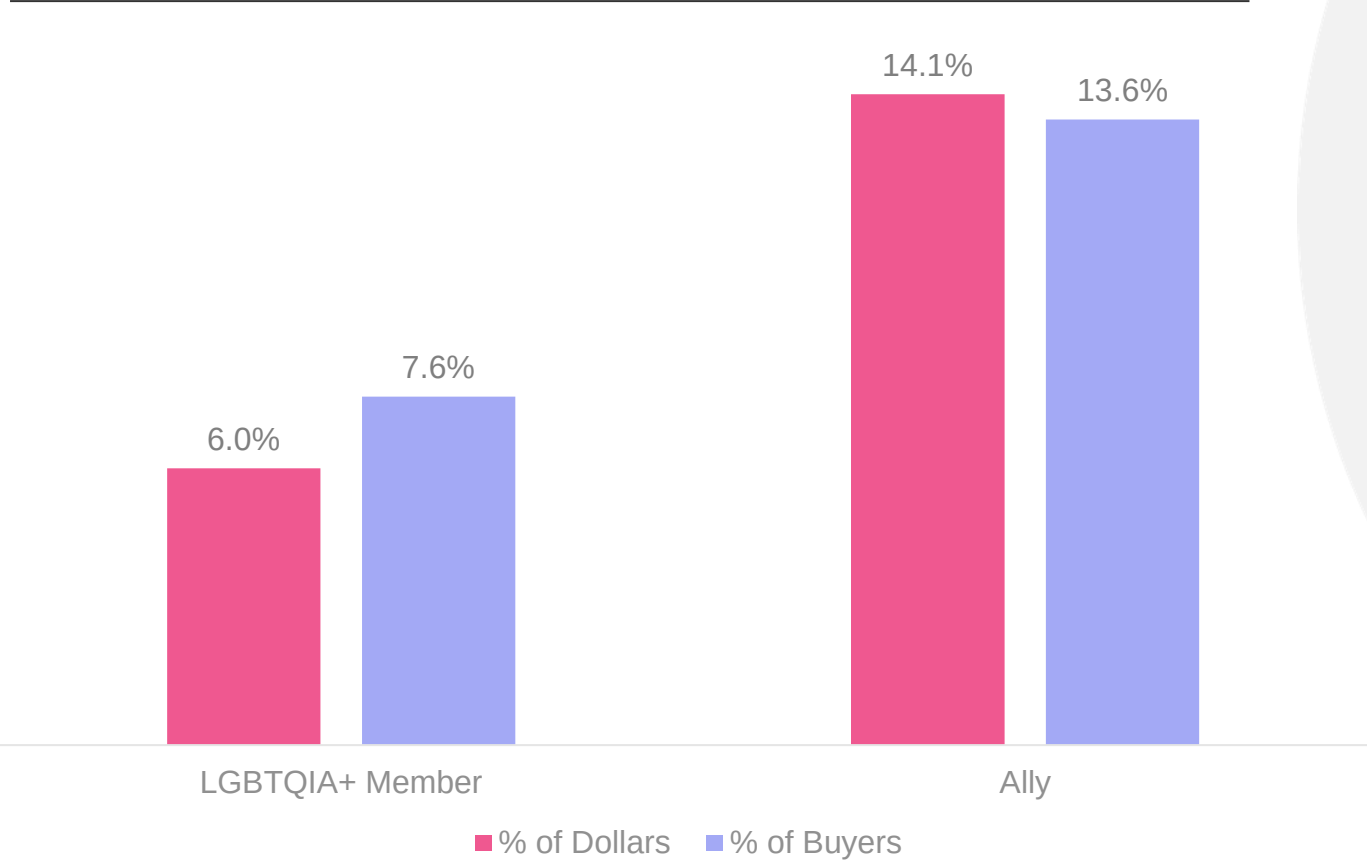
Note: Respondents in the "Did not report" category are excluded from percent calculations

Source: U.S. Census Bureau Household Pulse Survey, July 21-September 13, 2021

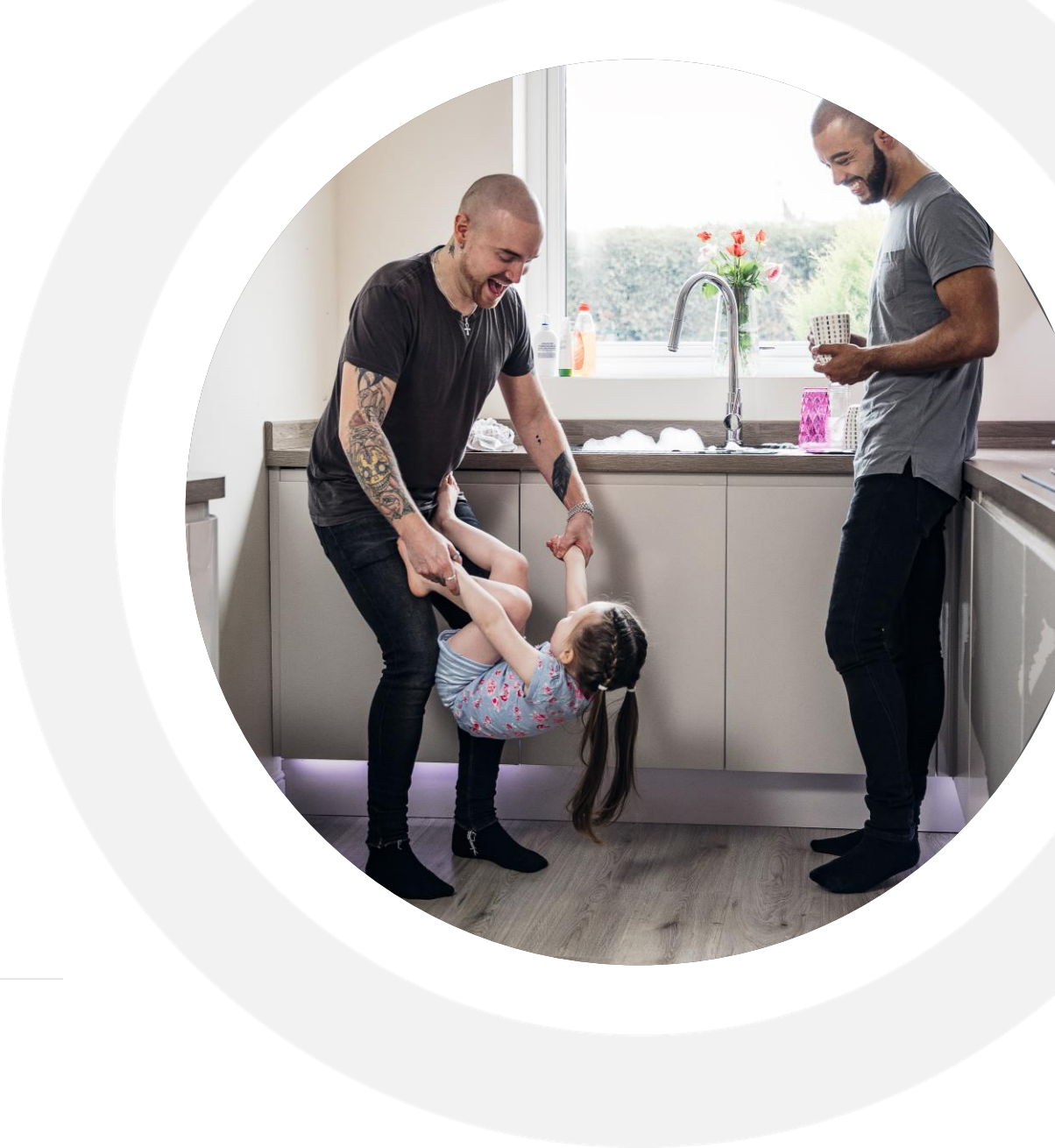
The LGBTQIA+ Consumer

Members of the LGBTQIA+ community are underspending in beauty compared to their percent of buyers.

LGBTQIA+ and Ally dollars vs buyers



Source: NielsenIQ, Total US Omnishopper Panel Survey latest 52 weeks ending 4/20/2024



There is opportunity to increase trips for both members and allies of the LGBTQIA+ community

	Dollars per buyer	Dollars per trip	Trips per year
Total U.S.	\$816.48	\$17.64	46.3
Members of the LGBTQIA+ community spend...	25% less	-\$1.34	~ 8.7 less trips
I or someone else in my household is a member of the LGBTQIA+ community	\$612.86	\$16.30	37.6
Allies of the LGBTQIA+ community spend...	2% less	+\$1.60	~ 4.8 less trips
I or someone else in my household is an ally , but not a member, of the LGBTQIA+ community	\$798.23	\$19.24	41.5

 LGBTQIA+ buyers are more likely to be male, which could be driving their lower spend on beauty and personal care

Source: NielsenIQ, Total US Omnishopper Panel Survey latest 52 weeks ending 4/20/2024

Who is the LGBTQIA+ beauty buyer?

The LGBTQIA+ buyer has a high dollar index among...



Male buyers



3-5+ member households



Kids in the household



Professional/Executive
White Collar-Clerical/Sales
Blue Collar



\$100K+ income



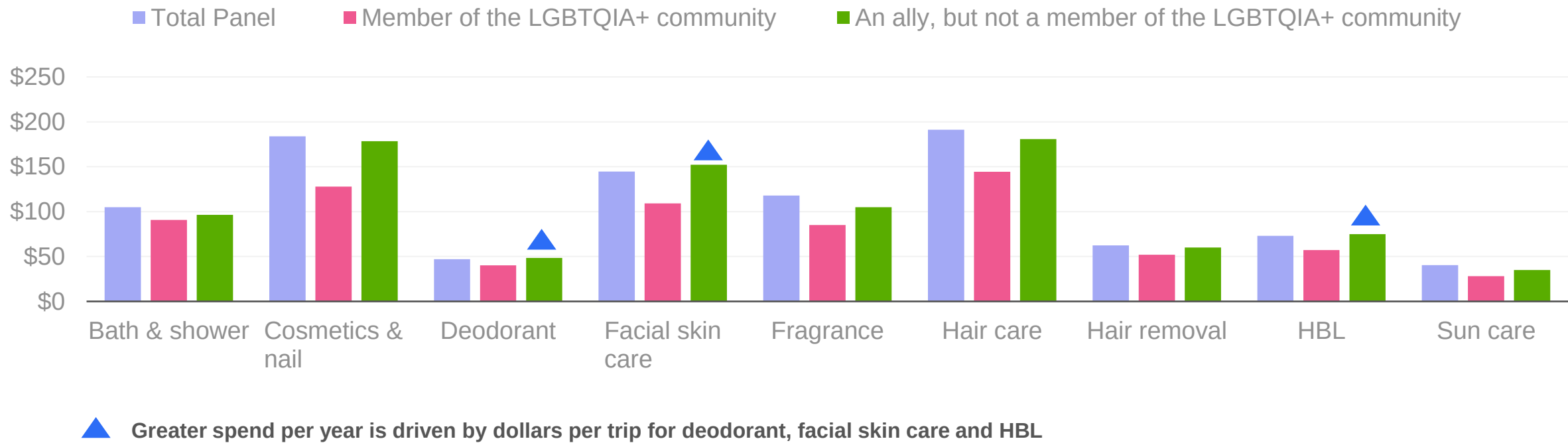
Age 25-54

Source: NielsenIQ, Total US Omnishopper Panel Survey latest 52 weeks ending 4/20/2024

LGBTQIA+ beauty care outspending in bath & shower, deodorant, fragrance, hair removal, and sun care

Item buying rate (\$ per year)

Largest opportunities for the LGBTQIA+ Community to close the spend gap are **cosmetics & nail** and **hair care**



Source: NielsenIQ, Total US Omnishopper Panel Survey latest 52 weeks ending 4/20/2024

While the LGBTQIA+ buyer under paced in total spend for beauty, this cohort is seeing strong dollar growth in a few key categories

 Strong growth categories for the LGBTQIA+ consumer compared to total panel*

Eye Cosmetics
False Eyelashes
Nail Polish
Nail Treatments

Eye Skin Care
After Sun Treatment

Body Spray
Hair Growth Product
Hair Treatment

After Shave
Depilatories

Source: NielsenIQ, Total US Omnishopper Panel Survey latest 52 weeks ending 4/20/2024. *greater than 15% difference in \$ % chg for LGBTQIA+ buyers compared to total panel

Industry Influence

“

Allies are some of the most effective and powerful voices for LGBT people. An ally can be defined as someone who stands up for the equal and fair treatment of people different than themselves...LGBT people cannot do this alone. By being an ally, and showing support of LGBT people, you **help end ignorance leading to issues and actions that adversely impact the daily lives and livelihoods of LGBT people.** Not only do allies help foster safety in the coming-out process, they also help others understand the **importance of equality, fairness, acceptance, and mutual respect.**

National Institute of Health

Office of Equity, Diversity, and Inclusion



Ally brands help the community by promoting awareness and respect

*“Being an ally is a choice. It is about choosing to **visibly and vocally stand up** for the rights of others, call out bias and unacceptable behavior, and use your voice to effect change. It goes far beyond expressing passive support; it is a **long-term commitment** to advocate for others.”* – World Economic Forum



Partnership with PFLAG National with a Pride focused campaign promoting the #ProudInYourSkin hashtag.



KEVYN AUCOIN

Kevin Aucoin Beauty will be donating 5% of sales up to \$10k from select products to the Hetrick-Martin Institute, an org. that offers free programming services for LGBTQ+ youth



Harry's created a limited-edition Pride set that includes bright colors and rainbow details to make everyone feel fearless and proud. Harry's will donate 100% of their profits from this limited edition set to The Trevor Project in the U.S.



NYX is giving customers the opportunity to take the Allyship Training Quiz to get 25% off on their next order as well as donating to the Los Angeles LGBT Center



BYOMA will be donating 50% of all sales from BYOMA.com to GLSEN, a non-profit org. striving to create safe and inclusive schools for LGBTQ+ youth



OUAI will be donating \$20,000 to the Los Angeles as well as partnering with LGBTQIA+ activists, creators, and business owners



Year-round, 100% of Viva Glam Lipstick sales are donated to the M·A·C Viva Glam Fund, which helps fund local organizations supporting the LGBTQIA+ community and people living with or affected by HIV/AIDS.



Kiehl's has committed to donating \$150,000 to the Ali Forney Center to provide safe and temporary housing for LGBTQIA+ homeless youth



Glow Recipe brought back its best-selling toner in a limited-edition packaging in honor of pride and will be donating to Heritage of Pride as well as being a sponsor for NYC Pride



Poppy & Pout is releasing a lip balm Pride Punch edition and will donate 10% of the balm's retail proceeds to Encircle, an org. that offers programs and therapy for LGBTQ+ youths.



Target switching gears after 2023 pride controversy



After the controversy and backlash caused by Target's 2023 Pride collection, the retailer has announced that this year's Pride collection will only be available in select stores and online and there will be no apparel for children.



Weeks after Target's announcement, Walmart promoted its new Pride apparel on social media posting on Instagram, "Not just a slogan. #PrideAlways is a reminder to lead with love."

Shopping LGBTQIA+ owned brands is a way to support the community year-round, not just during Pride month

(MALIN+GOETZ)

- Health and Beauty
- \$ 6.5M
- +38.5% vs. YA
- 98% of sales are online
- Founded by couple Matthew Malin and Andrew Goetz in 2004 after opening an apothecary shop in NYC. This brand carries varies product lines including body wash, hair care, deodorant, skin care, and more

MADISON REED®

- Hair Care
- \$ 142.2M
- -4% vs. YA
- 89% of sales are online
- Founded by Amy Erret, to created and provide luxurious hair color products with ingredients that won't damage your hair, named Madison after her daughter

Freck BEAUTY

- Cosmetics & Nail Grooming
- \$ 1.5M
- +19.6% vs. YA
- 71% of sales are online
- Founder, Remi, created Freck so that everyone could bear beauty marks, freckles, at any time of the year. The company has grown into more than just freckle products and now sports various cosmetic lines

JVN

- Hair Care
- \$ 5.5M
- +26.4% vs. YA
- 78% of sales are online
- Influencer, *Queer Eye* star, and hair stylist, Jonathon Van Ness' hair care line that is free from silicone and instead uses hemisqualane from sugar cane. This formula adds shine and smoothing effects to hair



According to the National LGBT Chamber of Commerce...

American LGBT-owned businesses contributed an estimated **\$1.7 trillion** to the US economy

By shopping LGBTQIA+ owned brands, you are supporting the community year-round. Support to these brands allows them to...

- Promote inclusivity
- Advocate for self-expression
- Give back to the community

Source: NielsenIQ Panel On Demand Omnishopper | US OSH - NDH Synd Full View - 444 5 yr | US OSH - NDH Synd Full View 5 yr | L52 w/e 4/20/24

LGBTQIA+ influencers are using their platforms to promote self expression and inclusivity



Jules Von Hep
*Founder of **Isle of Paradise***

94K+ followers
on Instagram

As a member of the LGBTQIA+ community himself, Jules aims to empower individuals to feel confident and comfortable as themselves.

Mitchell Halliday
*Founder of **Made by Mitchell***

1M+ followers
on Instagram

Made by Mitchell aims to offer an extensive range of inclusive cosmetic products differing in colors and formulas to make sure every customer is able to express themselves.

Jonathan Van Ness
*Founder of **JVN***

5.5M+ followers
on Instagram

1.1M+ followers
on TikTok

JVN's motto, "**come as you are**", is an invitation to all to create confidence through quality haircare.

Kim Chi
*Founder of **KimChi Chic***

1.8M+ followers
on Instagram

251k+ followers
on TikTok

Created by Drag Queen KimChi, this line of cosmetics is designed to provide colorful palettes and products to anyone and everyone who wants to express their individuality

Key takeaways

Beauty is a key category for the LGBTQIA+ community because its products allow people to express who they are, regardless of identity or orientation. Beauty brands can help foster an environment that celebrates our differences and allows for self-expression.

Ally brands are important to the LGBTQIA+ because they can offer support both financially and through promoting awareness of key issues. Ally brands who find success are those who recognize that inclusivity and representation are what will find traction with the LGBTQIA+ community.

Supporting the LGBTQIA+ community doesn't have to only occur in June. Shopping LGBTQIA+ owned brands is a great way to give back to the community and support brands whose values align with your own.



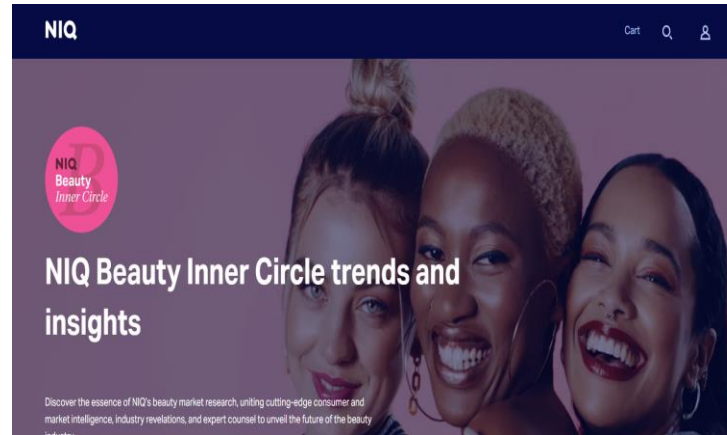
Thank You!
For more information, get in touch!



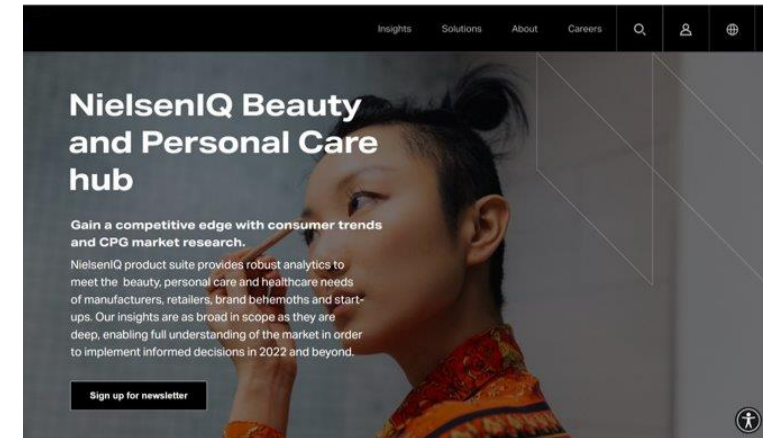
Katie Hazlett

Katie.hazlett@nielseniq.com

<https://www.linkedin.com/in/katie-hazlett-374b4957/>



<https://shop.nielseniq.com/beauty-inner-circle/>



<https://niq.com/beauty>

Interested in more enhanced demographic consumer panels?

Enhanced demographics on consumer panels

Understand the volumetric impact of consumer groups to uncover growth opportunities

When to use:

Quantify how the way consumers think impacts the bottom line, providing the ability to understand the volumetric impact of attitudes or other consumer characteristics that go beyond standard demographics.

What is it?

Analysis of panel purchase data to explore and diagnose consumer/shopper behavior to drive improvements in penetration and buy rate among specific consumer groups.

Types of enhanced demographics

- WIC/SNAP
- Amazon Prime, Walmart+, and other memberships and loyalty programs
- LGBTQ
- Dog/cat owners
- Ailments
- Diets
- GLP-1 users
- Financial constraints
- Saving strategies
- Sustainability attitudes and behaviors
- Life moments
- Private label attitudes
- On-premise and off-premise consumption of alcohol

And many more!

Source Data Alternatives

Omnishopper Panel:

- ❑ Best for analyses that require a full view of online and channel shopping

Homescan Panel:

- ❑ Best for analyses focused on primarily on product detail (e.g., flavor, form, etc.)