

# What Drives Choice of a Retailer for Beauty Among Premium Beauty Shoppers?

Thought Leadership with  
BASES Innovation Architect



- Why do people choose one retailer over another?
- What are retailers’ perceived strengths and weaknesses?
- Where should retailers focus for future growth?

30 retailers across premium and mass channels are included



*Ulta Beauty wins among beauty retailers*, offering both the value and convenience shoppers expect from mass with the enjoyable experience and expertise sought from premium retail

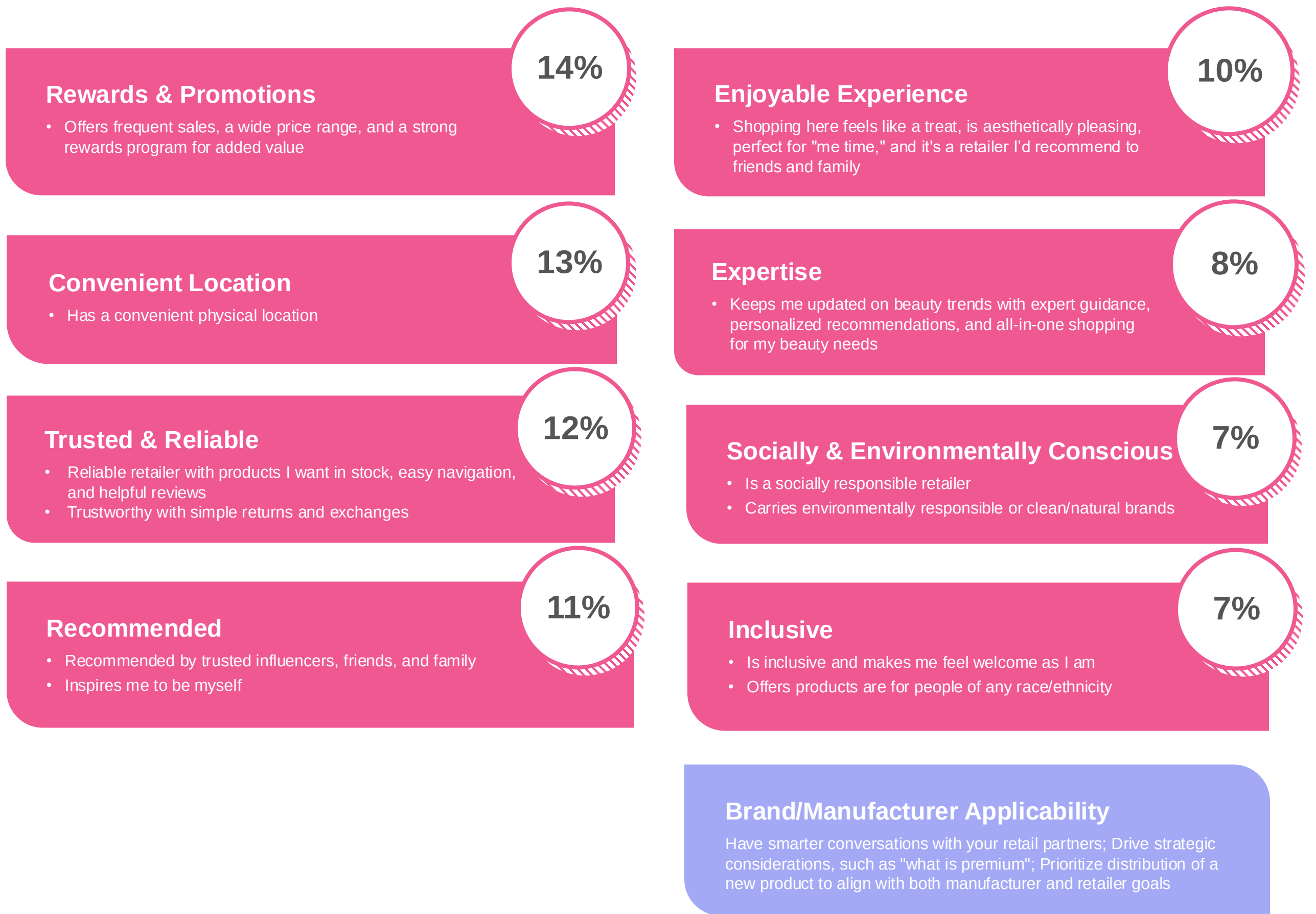
*Drug* and *department stores* show opportunity to better establish themselves as premium beauty destinations

Key Insights

- Customers of all ages prioritize convenience, value, and reliability foremost
- Attract younger shoppers with recommendations, inspiring self-confidence, and experiential benefits
- Older shoppers seek a straightforward shopping experience with fewer frills and prioritize a variety of price ranges, promotions, and a convenient, well-stocked, navigable store

## What drives choice of a retailer?

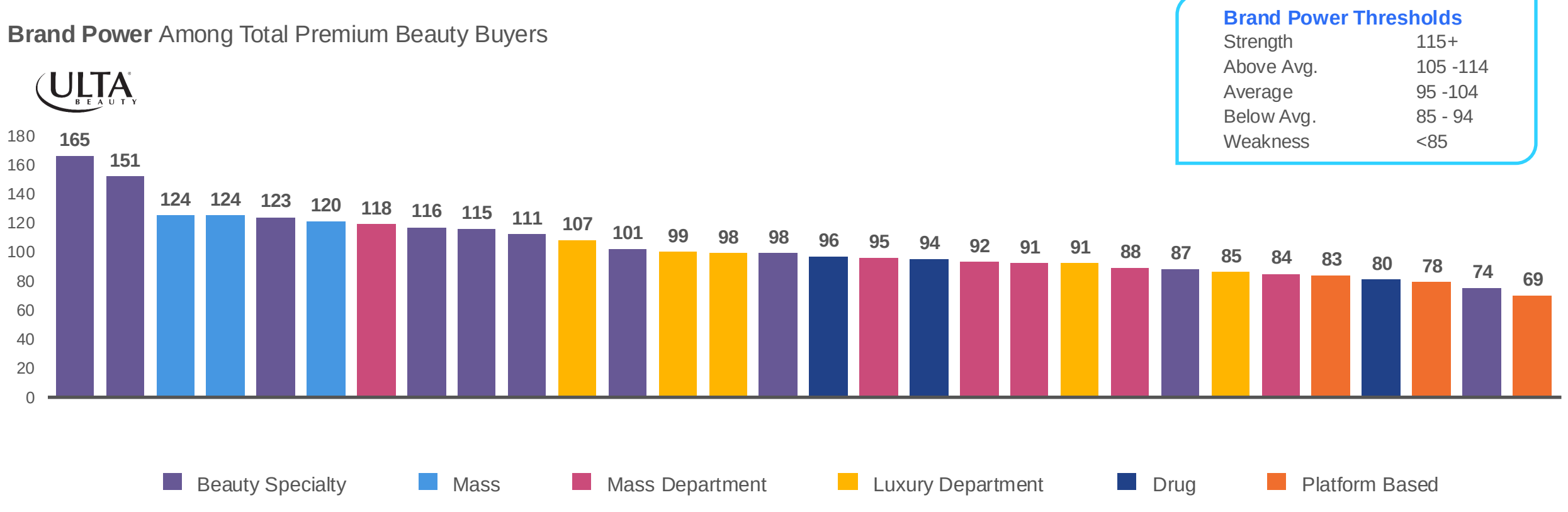
Driver Structure and Importance % Among Premium Beauty Shoppers



Key Insights

- Rewards programs are especially important for premium retailers vs. sales promotions in mass outlets
- Influencer recommendations are more impactful for premium vs. mass retailers where friends / family have more influence

*How do today’s beauty retailers stack up versus competition?* Ulta Beauty leads by a wide margin; Mass retailers are key competitors, offering superior convenience, value, and reliability



Brand Power provides an aggregate measure of each retailer’s performance. It is a holistic metric that represents overall potential from the consumer perspective. It accounts for the retailer performance on a driver and the relative importance of this driver. Retailers that perform better on more important drivers will have a higher brand power.