

Amazon's Health and Beauty Sales Keep Growing

But cosmetics shoppers prefer offline channels

ARTICLE

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Amazon might not be the first retailer that comes to mind for health, personal care and beauty products, but it's **the third-fastest-growing category** by our estimates. We forecast that Amazon's US sales of those products will reach \$16 billion this year, a 37.9% increase over 2017.

According to new **Edison Trends** data, health and beauty is the third-most-purchased category on the Amazon in 2018. For the year ending in September 2018, Neutrogena and Dove had the largest market share in the category.

Top 5 US Beauty Brands on Select Retailer Sites, Ranked by Retail Ecommerce Sales Share, Oct 2017-Sep 2018

% of total

	Walmart		Amazon		Target
1. Dove	41%	1. Neutrogena	28%	1. Dove	26%
2. Neutrogena	18%	2. Dove	26%	2. Neutrogena	23%
3. L'Oréal	15%	3. Burt's Bees	18%	3. Burt's Bees	18%
4. Garnier	13%	4. Maybelline	14%	4. Aveeno	17%
5. Olay	13%	5. Aveeno	14%	5. Maybelline	17%

Note: represents activity tracked by Edison Trends, broader industry metrics may vary; numbers may not add up to 100% due to rounding
Source: Edison Trends, Oct 12, 2018

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Of the top five beauty brands by market share, only Maybelline is associated with makeup exclusively. Judging by the other four brands (including Aveeno and Burt's Bees), it seems that skincare is more commonly bought on Amazon, likely due to items such as moisturizer, body wash or lip balm being bought on price and product attributes rather than subjective qualities like color or coverage.

This idea is reinforced by [One Click Retail](#) findings. In Q2 2018, nutrition and wellness and mass skincare were the top-selling product subcategories within health and personal care and beauty.

In an October 2018 [CivicScience](#) survey, more US women said they had made their last cosmetics purchase at a big-box store (21%) than those who reported shopping through other channels. This was followed by specialty retailers like Sephora or [Ulta](#) (17%) and drugstores (15%). Beauty retail sites and beauty brand sites were far less popular (3% each). Amazon was not mentioned specifically but would fall under "other" (8%).

It appears that online vs. offline beauty shopping is spurred by different motivations. The beauty buyers who valued quality most were far more likely to shop directly at a beauty brand site (64%), while big-box stores won shoppers on price (28%). Mysteriously, 61% shopped at an online beauty retailer for "other" reasons besides quality, price, reviews, brand or variety.

Rewards might have something to do with it.

Beyond price and store location (which doesn't apply to ecommerce), the most important factors for US female beauty buyers in choosing a store were special sales, unique products and rewards programs, according to a February 2018 [Pymnts.com](#) survey. [Ulta.com](#), [Sephora.com](#) and [SallyBeauty.com](#) all carry products that are exclusive to each retailer, and many online beauty retailers offer free samples and membership perks like free shipping, exclusive sales and points redeemable for merchandise.