

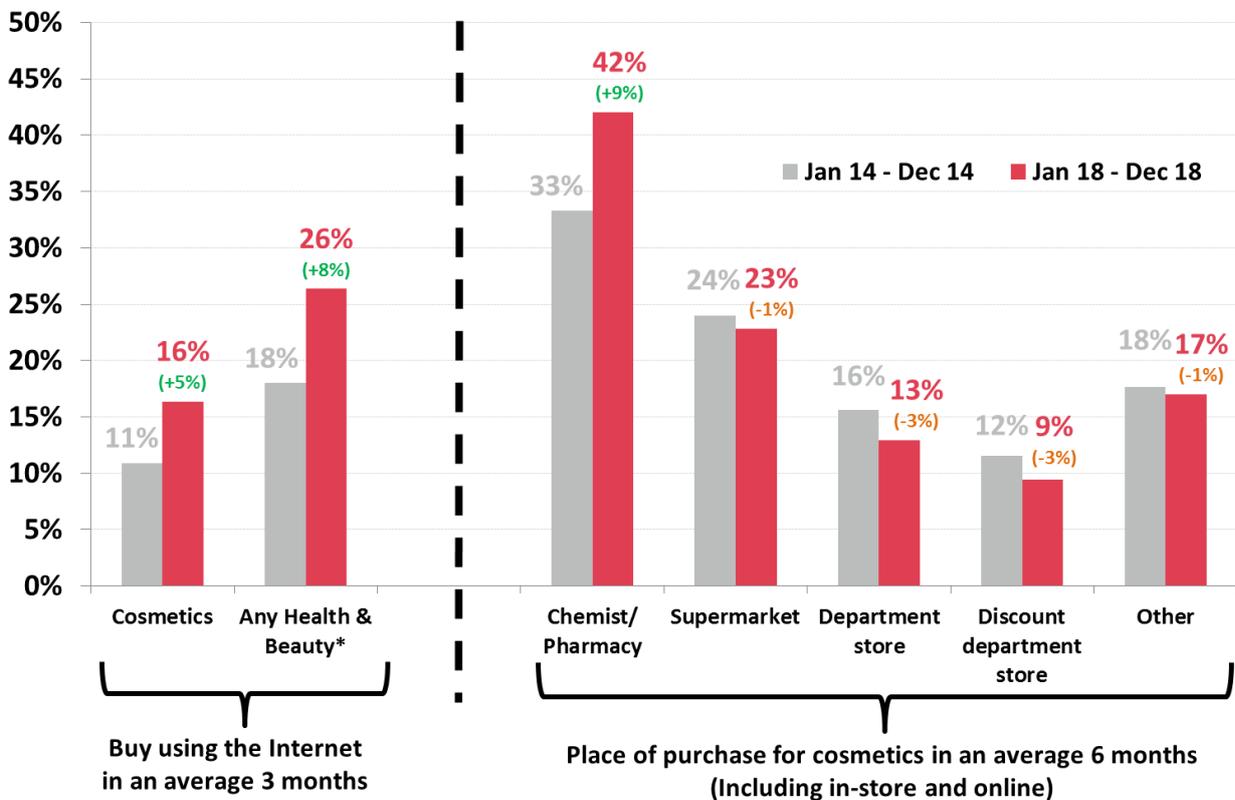
Friday, 22 February 2019

Cosmetics and skincare products increasingly bought online

Over 5.3 million Australian women purchase cosmetics in an average six months, up from under 4.8 million women in 2014, and this growing market is increasingly turning to online options to purchase their cosmetics and skincare products.

Now over a quarter of women who purchase cosmetics buy health and beauty products online (26%) in an average three months, up from 18% four years ago including 16% now buying cosmetics, according to the latest research from the Roy Morgan Single Source in the year to December 2018.

Internet buying of Health & Beauty including cosmetics cf. place of purchase for cosmetics



Source: Roy Morgan Single Source (Australia), Jan-Dec 2014 (n=4,280), Jan-Dec 2018 (n=3,945). **Base:** Australian women aged 14+ who buy cosmetics in an average six months. *Health & Beauty products include Cosmetics, Skincare, Fragrance/Perfume/Aftershave and Health products.

Chemists/Pharmacies such as Priceline & Chemist Warehouse the big winners

This shift to online purchasing of cosmetics is having a definitive impact on what types of stores Australian women purchase cosmetics from. Thus far the biggest winners are Chemists/Pharmacies such as Priceline, Chemist Warehouse and My Chemist.

Now 42% of women who purchase cosmetics in an average six months buy from Chemists/ Pharmacies, whether in-store or online, up a significant 9ppts from four years ago.

Over the last four years there have been slight declines in the proportion of Australian women who purchase cosmetics buying cosmetics from Supermarkets to 23% (down from 24% four years ago), for Department stores to 13% (down from 16%) and for Discount department stores to 9% (down from 12%).

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Michele Levine, CEO, Roy Morgan, says cosmetics and skin care products are a huge industry in Australia with the over 5.3 million Australian women buying cosmetics in an average six months increasingly heading online:

“Australia’s cosmetics industry has grown significantly over the last four years with a majority of 51% of Australian women (5.3 million) now buying cosmetics in an average six months up from 49% (4.8 million) four years ago.

“Increasingly the place to be to capture a growing slice of this rising market is online.

“In 2018 over a quarter (26%) of women who buy cosmetics bought health and beauty products online including cosmetics, skincare products, fragrances, perfumes, aftershave and health products, up from 18% only four years ago in 2014.

“Although the market is growing quickly the increasing shift to online will catch out retailers with business models not suited to the new realities. Already this year high profile Australian make-up retailer Napoleon Perdis has entered administration with the immediate closure of half their stores as competitive pressures became too great.

“The entry of online retailers such as Amazon to the Australian market provides additional competitive tension but the success of Australian chemists and pharmacies in growing their online presence proves that with the right strategy there is growth to be had.

“Now 42% of women who buy cosmetics buy from a chemist or pharmacy – whether in-store or online – up 9ppts in only four years despite the increasing shift online. Over 21% of women who buy cosmetics have bought from [Priceline/ Priceline Pharmacy](#) and nearly 15% have bought from [Chemist Warehouse](#) – clearly the two market leaders. Chemist Warehouse even bills itself as ‘Australia’s Cheapest Online Pharmacy’.

“With the help of Roy Morgan Research’s in-depth cosmetics buyer profiles, brands can gain a more comprehensive understanding of their consumers – as well as those of their competition – in order to tailor their marketing campaigns so as to reach exactly the right audience.”

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Related research findings

View our extensive range of [Shopping and Retail profiles](#), including Australians buying various types of [cosmetics](#), [hand & body lotions](#), [face care products](#), [personal products](#) and many other types of consumer products. These profiles provide a broad understanding of the target audience, in terms of demographics, attitudes, activities and media usage in Australia.

About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 75 years’ experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
1,000	±3.0	±2.7	±1.9	±1.3
5,000	±1.4	±1.2	±0.8	±0.6
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

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