“When it comes to cosmetics, Baby Boomers and Millennials tend to gravitate towards certain brands and specific product attributes”

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Introduction

Marketing to two different generations can be a challenge, especially with the rise and increased use of technology. Online shopping and social media have made marketing to both ends of the age spectrum more complex than only relying on traditional media such as television and magazine advertisements. Makeup brands, trends, and other products are heavily influenced by online shopping and social media, particularly YouTubers and fashion and makeup blogs (Zhu, 2013). Makeup plays a profound role in females’ lives, and this lifestyle is heavily impacting younger females, especially with the rise of technology (Punchard, 2011). It is critical that marketers learn the differences between how Millennials and Baby Boomers purchase cosmetics, including: different channels in which women hear about new products; how much they are willing to pay for a certain level of quality; and what products and brands they generally purchase. This paper will focus on these areas and describe the ways cosmetic companies cautiously segment and target these two audiences through tailored messaging and product-attribute advertisements.

Research Findings

Many makeup and beauty retailers have learned that Millennials do not want to purchase cosmetics in the same ways as their mothers once had, which has been seen through the expansion of beauty retailers like Sephora and Ulta (Halzack, 2015). Prior to these retailers opening in malls and shopping centers around the nation and online, people purchased their makeup at either drugstores or department store counters. To market makeup in a different way and generate individualism, Sephora and Ulta have enhanced the beauty shoppers’ experiences through their “assortments of upscale brands and trendy store design[s] that give them a more exclusive luster than a drugstore, yet feel more accessible than a department store because shoppers can test out all of the products for themselves” (Halzack, 2015). This has proven to be a major advancement in shopping for cosmetics because it is a more interactive experience for shoppers.

Millennials also learn of new beauty products and brands through the rise of social media and online shopping, rather than going to a makeup counter to receive the same information. According to
Cosmetics Mag, the Meredith Corporation, which is a media and marketing corporation, conducted the Meredith’s Women 2020 study analyzing over 2,500 women ranging from the ages of 18 to 67 and discovered that “before hitting stores, Millennial women will go online to compare beauty products, search for reviews, find coupons, look for sales, and create a shopping list - engaging in these behaviours much more commonly than [Baby] Boomers;” Millennials also partake in these activities while in stores (Agnew, 2015). Social media is a critical factor in Millennials’ purchasing decisions where 42% of “heavy buyers” make purchases due to reviews on social media; the most popular resources amongst buyers include beauty and fashion blogs (29%) and YouTube (23%) (“TABS Group Explores the Relationships between Millennial Shoppers, Social Media, and Cosmetics in its 2014 Cosmetics Consumer Study,” 2014). In a study conducted by Ann Marie Britton in Fall 2012, Pinterest ranked the highest in terms of how college students, a group that makes up Millennials, receive the most information about makeup and beauty trends, furthering the impact social media has on purchasing makeup.

In addition to learning about new products through social media and in-store hunting, Millennials also rely on the opinions of others. Meredith’s Women 2020 study also reported that Millennial women trust recommendations from professionals in print magazines and peers; 75% of Millennial women “try beauty products based on recommendations and that 55% constantly recommend products to others” (Utroske, 2015). This shows that word of mouth amongst Millennials is a key factor in their decision making process when purchasing cosmetics.

For Millennials, price is a main purchase driver. In a study surveying over 2,500 females of the ages 18 to 67, 60% of Millennials purchase products based on price compared to only 38% of Baby Boomers (Agnew, 2015). This is largely due to the price/quality relationship, where a relatively high price indicates high quality. Millennials will splurge on higher-quality cosmetic brands even though they have limited purchasing power. In a study of 1,000 Millennial women, 80% scored “‘value’ and ‘product quality’” as the most critical factors when purchasing makeup, with Clinique and MAC in the top five brand category (Zaczkiewicz, 2015). This shows that Millennials want value and are willing to sacrifice more money for higher quality brands and products. Even during a “tough economy,” 68% of female
Millennials tend to stay loyal to the same cosmetic companies instead of purchasing cheaper brands (Andrea, 2013). This demonstrates that quality and value are highly important factors when purchasing makeup.

It is important to understand the most popular brands purchased by Millennials in order to compare them to Baby Boomers. In the Merrill Lynch Millennial Survey conducted in June 2015, the top five beauty brands amongst Millennials include CoverGirl, Maybelline, Neutrogena, Clinique, and MAC (Zaczkiewicz, 2015). When browsing the complete list of the top 25 beauty and personal care brands, the only “designer brand” in the mix is Chanel. While Millennials purchase higher quality brands like Urban Decay (#7), NARS (#19), and Tarte (#24), they refrain from purchasing designer beauty brands such as Giorgio Armani, Dior, Tom Ford, and Marc Jacobs due to their limited purchasing power as well as the limited accessibility they have to such brands (Muto, 2015). Though they do believe in the price/quality relationship, not every Millennial has the money to purchase prestigious beauty brands, but as their purchasing power increases, so does their desire to buy more of high-end cosmetic brands (Muto, 2015).

Baby Boomers, to a large extent, learn about new beauty products through similar channels as Millennials. A study of women over the age of 45 found that word of mouth plays a critical role in how Baby Boomers learn about new beauty products, whether it is through friends and family (24%), a beauty stylist (11%), or a beauty blog (12%) (“A Study on Female Baby Boomers and their Views on Beauty”, 2012). However, Baby Boomers are 20% less likely to recommend products to others compared to Millennials (Agnew, 2015). It was also found that Baby Boomers research beauty products online and are read consumer reviews to help influence their beauty purchasing decisions, but at much smaller rates than Millennials. Baby Boomers are also less likely to create a shopping list online and look for in-store promotions received through the web while shopping (Agnew, 2015). Unlike many Millennials, Baby Boomers rely more heavily on traditional media like TV news, magazines, and books when learning about new products (Schwabel, 2015), particularly magazines (17%) (“A Study on Female Baby Boomers and their Views on Beauty”, 2012).
Baby Boomers also have a larger purchasing power than Millennials do, and they are able and willing to spend more money for higher quality products and brands. Beauty brands such as Olay, L’Oréal Paris, Clinique, Estée Lauder, Lancôme, and Avon scored highly amongst Baby Boomers because these brands invest time into engaging with this generation and produce high quality products (Reily, 2012). Baby Boomers are also 4% more willing to spend more if the products fill their needs (Agnew, 2015). The “most important” beauty products that female Baby Boomers use are anti-aging treatments; they generally incur a larger expense when purchasing cosmetics and beauty products because of the higher-priced anti-aging creams (Gisquet, 2005). It is also critical to understand that Baby Boomers purchase “cosmeceuticals,” combining a mixture of cosmetics and pharmaceuticals to meet the needs of this aging generation (Wolfe, 2014), whereas Millennials’ main focus is on traditional cosmetics. Therefore, Baby Boomers do not purchase based on price like Millennials generally do, but rather on what fits their needs (Agnew, 2015).

**Conclusion/Recommendation**

Although there are similarities in how female Millennials and female Baby Boomers learn about new products and brands, the biggest differences between each generation are the products and brands they generally purchase, and how much they are willing to spend on specific quality, products, and brands. Though Millennials and Baby Boomers both discover new beauty products through word of mouth, style and beauty blogs, and online shopping, there is a large percentage difference in the use of technology when learning about new beauty products. However, Millennials focus more heavily on social media, like Youtube, and Baby Boomers rely solely on traditional media, whether it is through magazines or other print material. Millennials do not have the same purchasing power that Baby Boomers have, but nonetheless, they still purchase high-end brands like NARS and Urban Decay. However, in general, the brands used by each generation vary, except Clinique, which is a popular cosmetic brand amongst both demographics. Lastly, both generations are willing to spend more money on higher quality brands and products, Millennials generally purchase less expensive brands because their purchasing power is limited, whereas Baby Boomers prefer to pay more to receive higher-quality
products because they can and are willing to spend more. To make their marketing efforts more effective to Millennials and Baby Boomers, marketers should collaborate with popular fashion and beauty blogs and YouTubers, run cosmetic video advertisements prior to YouTube videos starting, and convey their brands’ products with an emphasis on price.


