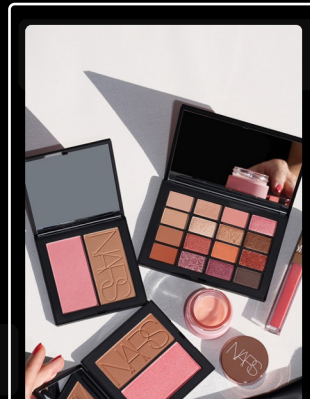




Beauty Trends in Creator Commerce

October 2022



Featured creators: @andeelayne, @courtney_shields, @beautylookbook, @madisonclevestine, @arshia

Webinar host



Ally Anderson

Director Strategy & Insights,
Brand Partnerships, LTK



We power Creator Commerce™

LTK empowers brands to be more engaging, efficient and effective through Curated Creators. Founded by a Creator to give Creators a significant tech advantage to be a brand's power partner. LTK is the most trusted and successful influencer platform, driving billions in annual brand sales.

First and largest curated network—only the best get to work with LTK

Positive sentiment for

5k+ brands

Self to full-service influencer platform

100+
countries

LTK Data

11 years of data and insights accelerate influence scale



5-Star shopping app with millions of shoppers, boosting and SVAs amplify creator reach driving to brand sites

Creator Commerce™



ARMANI
beauty

ULTA
BEAUTY

SEPHORA

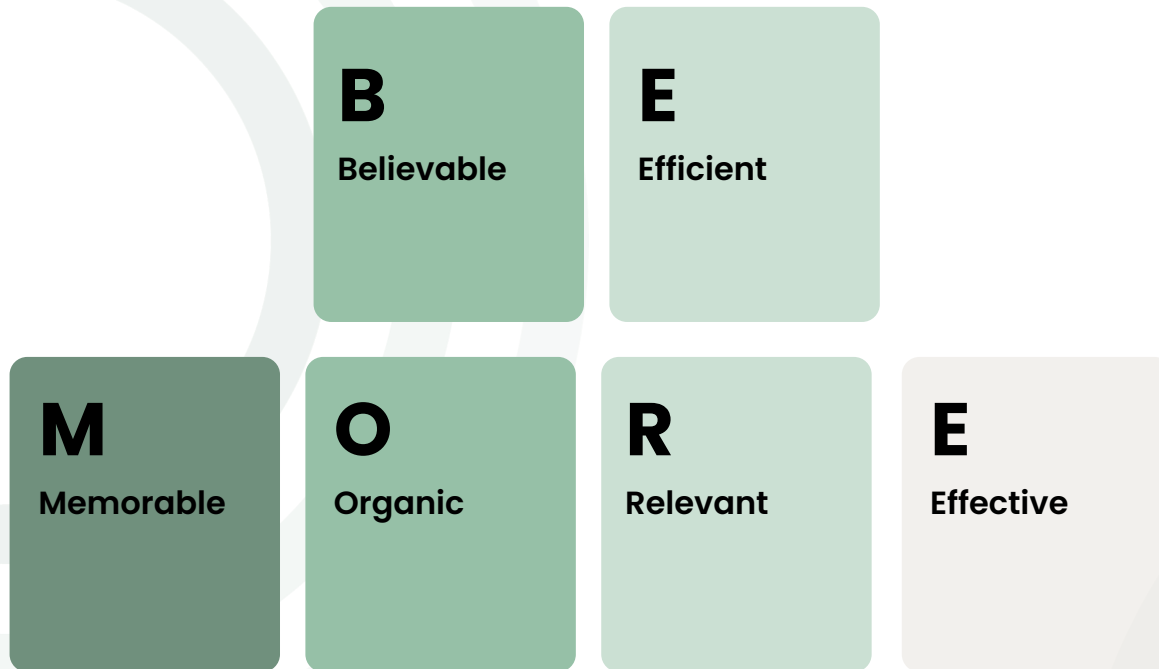
Charlotte Tilbury

Too Faced

clé de peau
BEAUTÉ

it COSMETICS

tarte™



In Inflationary Times with LTK





Content sneak peek

- ✓ Insights from LTK Studies
- ✓ Trends & best practices



Spoiler Alert

Consumers are shopping beauty & personal care through Creators the most

@bychloewen





LTK Summer shopper study

This summarizes key findings related to:

Two important national studies conducted by LTK in May 2022 – LTK Summer Shopper Study and LTK Inflationary Shopper Study

Methodology—Consumer survey conducted on May 18, 2022, from 1,026 participants and Inflation survey on May 20, 2022, with 1,052 participants.

Both studies conducted using online panels reflective of US population with 97% confidence.

In addition to general population summaries, both were filtered to identify Gen Z, Millennial and by HH income responses for comparative analysis.



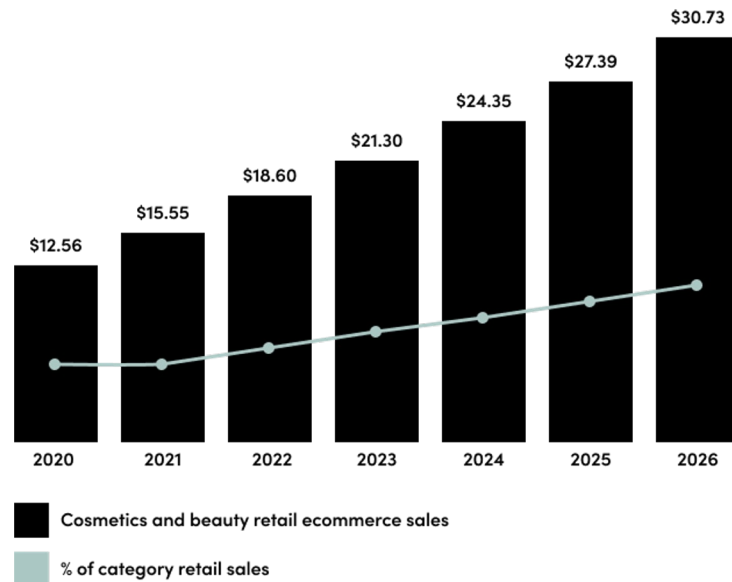
Where the industry
is today:

**Consumers are shopping beauty
online more than ever before**



US Cosmetics and Beauty Retail Ecommerce Sales, 2020-2026

Billions, % change, and % of category retail sales



Source: eMarketer, Feb 2022



Beauty is #1 top shopped category by Creator

Top-shopped categories from
Creators by generation.

**LTK Summer Shopper Study*

	TOP 10 CATEGORIES General Population	TOP 10 CATEGORIES Millennials	TOP 10 CATEGORIES Gen Z
01	Beauty / Personal Care	Beauty / Personal Care	Beauty / Personal Care
02	Clothes, Shoes, Accs.	Clothes, Shoes, Accs.	Clothes, Shoes, Accs.
03	Electronics	Electronics	Electronics
04	Cleaning Supplies	Video Games	Entertainment
05	All Natural & Organic	Cleaning Supplies	Cleaning Supplies
06	Grocery	All Natural & Organic	Video Games
07	Beer, Wine & Spirits	Baby	Gifts
08	Movies, Music & Books	Grocery	All Natural & Organic
09	Video Games	Beer, Wine & Spirits	Beer, Wine & Spirits
10	Health & Wellness	Movies, Music & Books	Movies, Music & Books

Beauty is the #1 shopper splurge category



Creators are paying attention to consumer splurge categories, and posting products based on conversion and earnings. Top categories include:



Beauty



Electronics



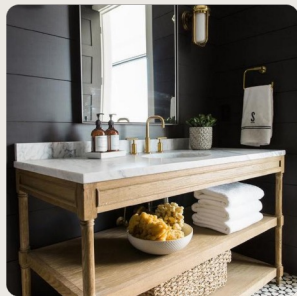
Fashion



Food



Home



Personal care



Shoes

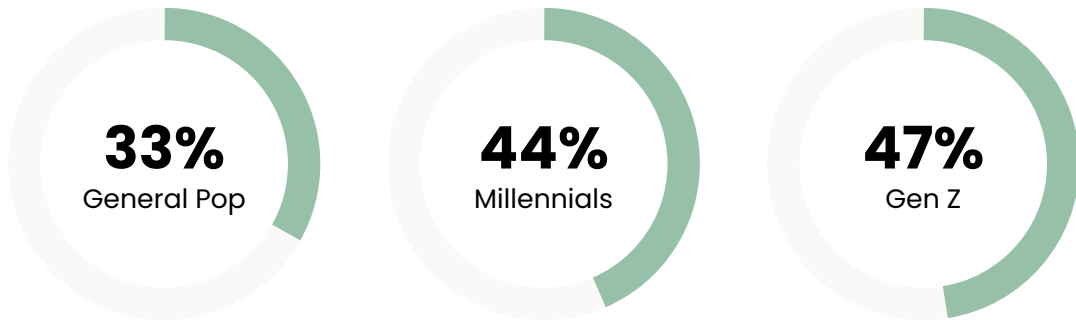


Travel



Impact of Creators Beauty purchases beyond just a click

Percentage of people who shop Beauty in-store from influencer recommendations



*LTK Summer Shopper Study



Beauty content in action



@brenna_anastasia, @nicholeciotti,
@terilynadams, @kaitcurnow



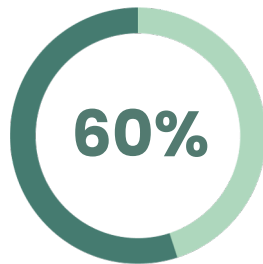
Creators are 4X more influential to consumers than celebrity posts and also ranked above social ads.

LTK Creators are leaning into Shopper behavior



Average value of a shopper's order of beauty items through the LTK platform has gone up by **\$24 this year compared to last year.**

LTK Creator posting beauty growth
(Q1 2020 to Q1 2022)



Beauty/ Personal Care



How Creators can help your brand stay ahead of the trends

- 1) Data to predict consumer beauty trends
- 2) Stay ahead of favorite channels
- 3) Stay educational and inspirational
- 4) Remain authentic



@emilyannemma



1) Creators can help predict what consumers are shopping for

Sample of
high growth
product sales
from Aug. to
Sept. 2022



tarte Tubing Mascara
59,000% Growth



**Olaplex Bond
Maintenance™ Set**
3,900% Growth



**Elemis Dynamic
Resurfacing Facial Pads**
2,400% Growth



**SkinCeuticals C E
Ferulic**
880% Growth

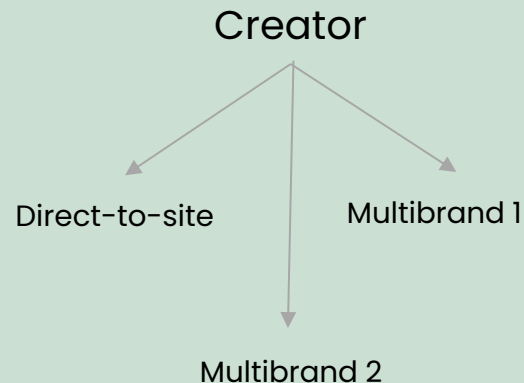


1) Creators can help predict what consumers are shopping for

Sample of Products with Click Growth in 2022

- Elemis Dynamic Resurfacing Facial Pads
- Olaplex Super-Size No.3 Hair Perfector
- Tarte maracuja juicy lip balm
- Asge Blower Brush Hairdryer
- Tan-Luxe The Butter Tanning Butter

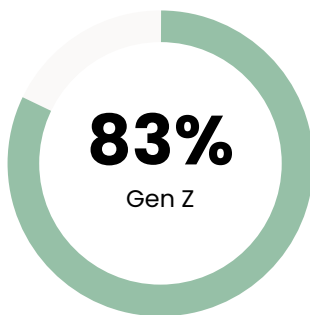
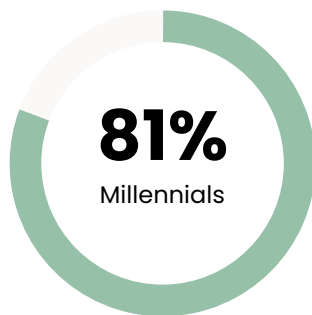
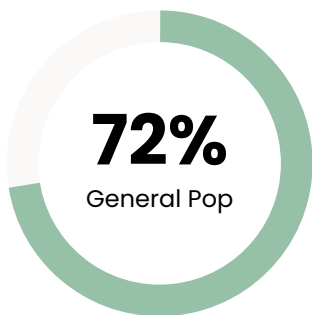
And creators have choices where to link





2) Stay ahead of favorite channels

Some shopping originated from social media



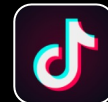
Gen Z reports regularly buying products from Creator recommendations

40% more than the General Consumer

71% of Gen Z shop from Influencers.
Top 3 channels:



01



02



03

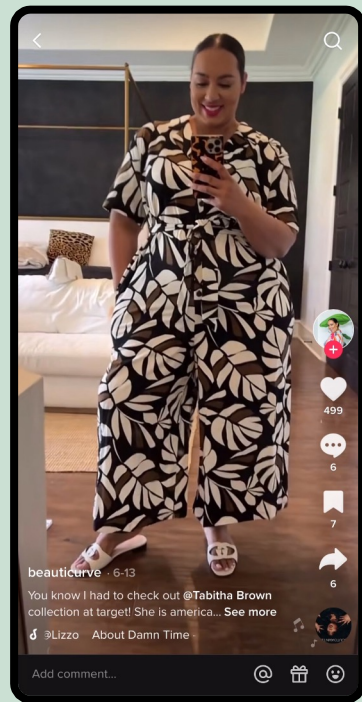
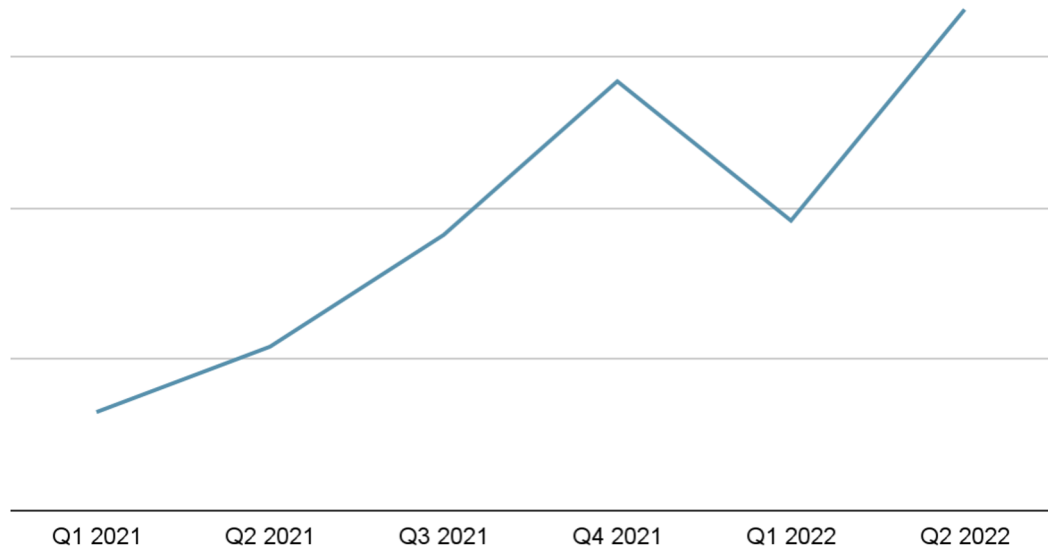
So comparing to top followed channels, this stays consistent for the top 3 with TikTok outranking YouTube for shopping



The rise of short form video

With the shift of focus to Gen Z, we have seen a shift in brands focusing on short form video content in Campaigns. Overall, a significant increase in video content posted by Creators on LTK

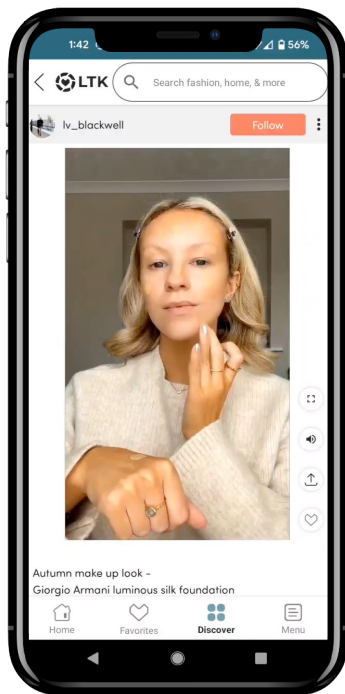
LTK Campaign video content over time



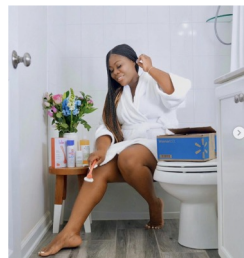
On LTK, Campaign video content drives a

**50% higher
engagement rate**
than static content

Video content in action



@lv_blackwell



IG Stories
84% Engagement Rate



IG Stories
69% Engagement Rate



IG Reels
60% Engagement Rate



IG Reels
51% Engagement Rate



3) Creators provide education & inspiration

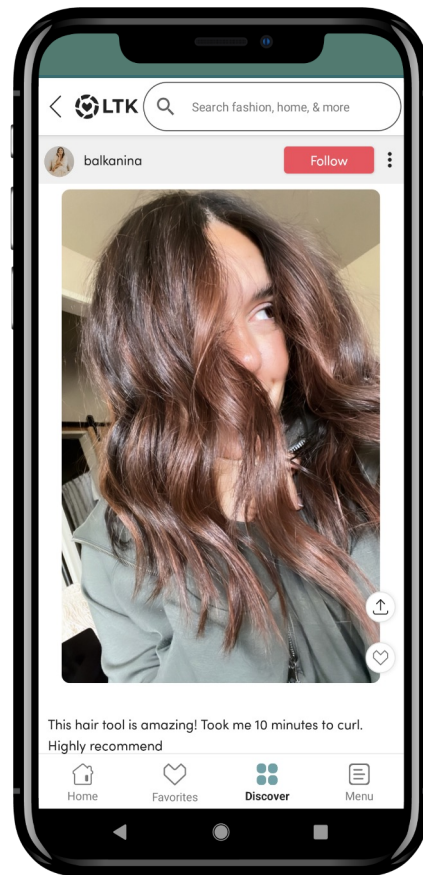
Online, consumers want to learn, be entertained, and to shop. Influencers can provide educational and inspirational value through their content, about your products, and how to use them.

When influencers inform their audience, they build your brand value and inspire people to purchase.

Creators are most influential on social media

- 1st** Social influencers
- 2nd** Sponsored ads on social media
- 3rd** Celebrity posts

**LTK Summer Shopper Study*





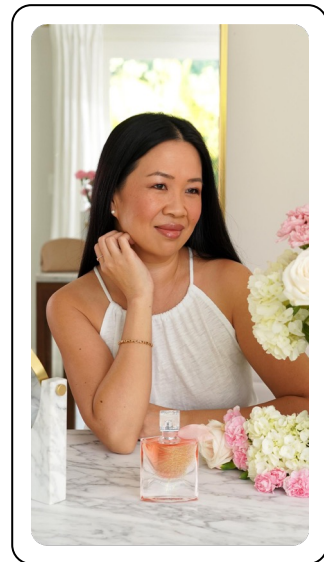
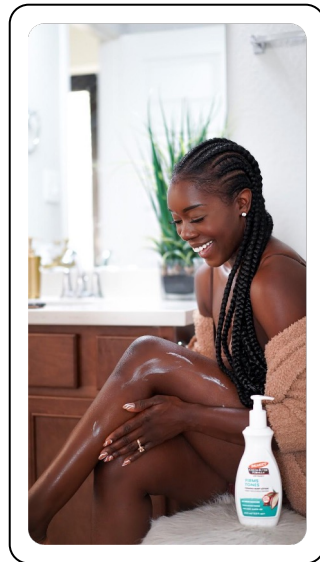
4) Unmatched Authenticity: The rise of the Lifestyle Creator

Beauty influencers are shifting away from the traditional linear approach to their personal brands. They talk about lifestyle, their day-to-day life, and the products that make it better.

They bring consumers directly into their homes. They share what they eat, their nighttime routines, and the books they are reading.

Sample of top LTK shopper search
terms relevant to beauty

Sample of beauty searches
<p>jaclyn hill qvc+olaplex tarte makeup bathroom vanity</p>



Featured creators: @rie_defined, @beautylookbook



Best practices for beauty brands working with Creators

1. Don't focus on follower count.
2. Work with influencers who speak to Gen Z.
3. Leverage current brand data and industry trends.
4. Work with influencers with diverse backgrounds.
5. Work with influencers who prioritize video.
6. Add content licensing on your paid Creator content.
7. Branch out to other channels and formats.



Summary

- 1 Beauty is the #1 shopped category by Creator
- 2 Beauty is the #1 shopper splurge category
- 3 Creators drives beauty purchases in-store purchases
- 4 Creators help brands and retailers predict beauty trends
- 5 Creators can also help brands and retailers stay ahead of rising social channels
- 6 Short form video is on the rise. LTK sees double digit engagement rates on video content
- 7 Creators provide unmatched authenticity, provide education and inspire shoppers



LTK Connect with Creators to grow your business

LTK Connect is a self-serve product for DTC and brands of all sizes to engage creators through paid content with end-to-end campaigns and reporting.



LTK BRAND PLATFORM

#1 Influencer Platform

LTK Optimize

Turnkey Creator campaigns managed by LTK Experts.

LTK Connect

Self Serve for brands who want to engage Creators for paid content with end-to-end campaigns.

LTK Launch commissionable links

Driving referral traffic.

LTK Benchmark

Competitive influencer benchmark analysis from 11 years of data.

LTK App

Augment reach and impressions through 8M monthly shoppers.

LTK Boost

Scale creator reach with targeted media boosting from inside Creator's posts for more authentic reach

Contact us at: hello@rewardstyle.com, ally.anderson@rewardstyle.com



@fashion_jackson



What LTK Brand Partners have to say...

In a recent NPS survey, our brand partners shared what they love the most:

"The partnership with the LTK reps!"

"End to end management + open communication to continue to improve our process."

"I value the campaign turnaround time, ease of casting, and the network of creators within LTK."

"The responsiveness of our account team and willingness to try new marketing approaches."

"The ability to be hands off with influencer relationships!"

"Turnkey activations, a diverse influencer network and actionable learnings/insights."

"Great team and client services, data-driven solutions, robust measurement."

"Performance + data backed results"

What our brand partners value:

Ease of campaign process

Market innovation

Data-backed approach from program kick-off to results

The LTK team

NPS Score of

50