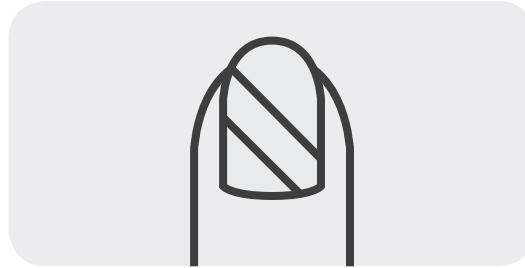
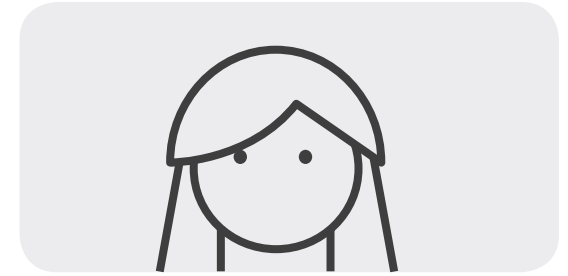
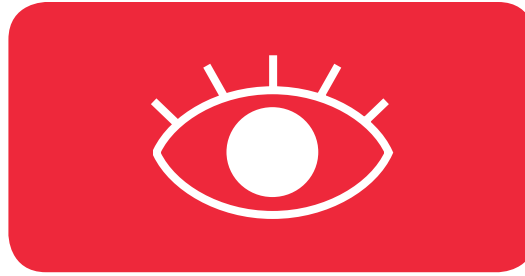




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Beauty on
You  **Tube**

**How YouTube is Radically Transforming
the Beauty Industry and What That
Means for Brands**

The Massive YouTube Beauty Ecosystem

\$111 Billion¹

Combined value of top 50 beauty brands

\$265 Billion²

Expected value of beauty business



\$5.6 Billion³

YouTube video advertising spending in 2013

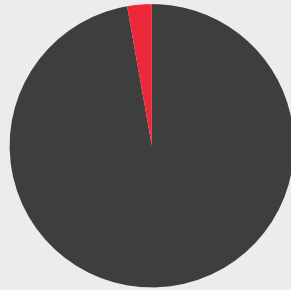


14.9 Billion

YouTube beauty-related video views

3%

Percentage of YouTube beauty video views belonging to major brands



9.8 Billion

YouTube makeup video views



1.2 Billion

YouTube hair care video views

959 Million

YouTube nails video views



700 Million

Monthly YouTube beauty video views



20%

Percentage of views resulting from channel subscribers for top 10 beauty vloggers

2%

Percentage of views resulting from channel subscribers for major beauty brands



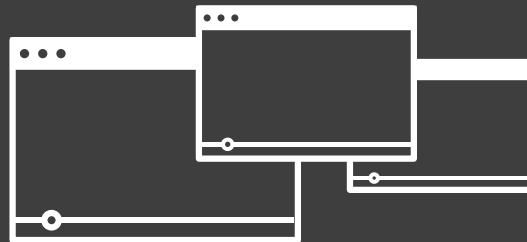
2.1 Million

Average number of channel subscribers for YouTube's top 15 YouTube beauty vloggers



45,000

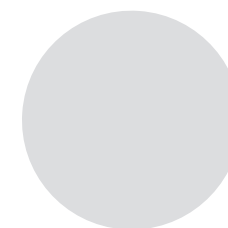
Non-brand-affiliated YouTube channels specializing in beauty topics



1. http://branddirectory.com/league_tables/table/top-50-cosmetics-brands-2012-2012

2. <http://www.cosmeticsdesign.com/Market-Trends/Global-beauty-market-to-reach-265-billion-in-2017-due-to-an-increase-in-GDP>

3. <http://www.forbes.com/sites/timworstall/2013/12/12/googles-youtube-ad-revenues-may-hit-5-6-billion-in-2013/>



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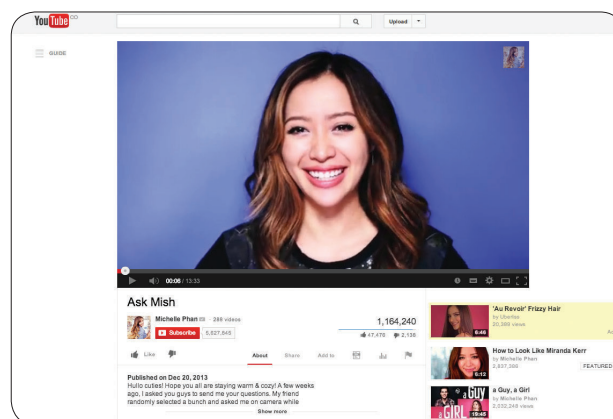
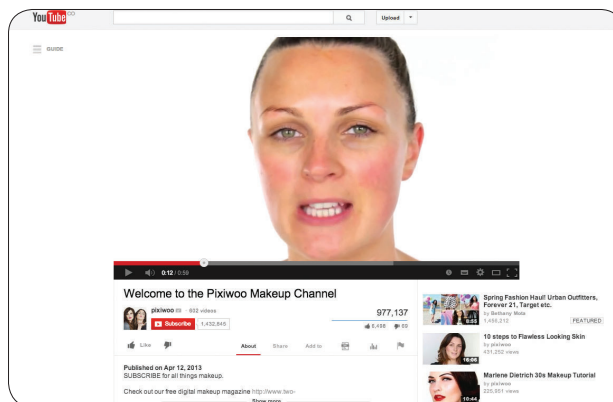
Executive Summary

YouTube is radically transforming how consumers discover, use, and purchase beauty products—and how beauty brands market online.

Beauty on YouTube represents the most comprehensive examination of YouTube's beauty ecosystem to date. Using data extracted from Pixability's proprietary YouTube software, **this study analyzes the YouTube practices of 168 beauty brands, as well as thousands of YouTube beauty personalities and vloggers (video bloggers) who create YouTube beauty content focused on makeup, skincare, hair care, and nails.**

YouTube is radically transforming how consumers discover, use, and purchase beauty products—and how beauty brands market online. YouTube is the world's second-largest search engine, and it is the leading online video consumption platform for beauty content, with 75+ hours of beauty-related videos uploaded to YouTube daily.

YouTube's nearly universal platform accessibility and adoption rates offer content creation and dissemination opportunities to almost all users. As YouTube's beauty category continues to attract viewers, **distinct terminology, behavioral norms, and key influencers are emerging within YouTube's vast beauty space.**



YouTube makeup vlogger channels: Pixiwoo (above) and Michelle Phan (below)

Popular YouTube beauty content delivery styles and personalities include:

- **“How-to,” “DIY (do-it-yourself),” and “tutorial” videos** demonstrating how to create a specific celebrity look or trending style.
- **Reviews** focusing on branded beauty products and their performance.
- **“Haul videos”** featuring and comparing multiple branded products (often 5+) within a single video.
- **“Haul girls”** discussing recent beauty purchases from their bedrooms; typically teenage females with millions of channel subscribers who operate independent to specific beauty brands.
- Beauty **“vloggers”** produce and publish non-brand-affiliated beauty videos to private YouTube channels.

The aim of Pixability's *Beauty on YouTube* study is to provide beauty brand marketers with key findings and best practices extracted from brands' successes and failures within YouTube's extensive beauty space. Pixability's analysis of 168 beauty brands, YouTube personalities, and beauty vloggers on YouTube produced the following findings:



Additional YouTube best practices for brands can be found in Pixability's *Top 100 Global Brands: Key Lessons for Success on YouTube*, available at <http://www.pixability.com/youtubebrandstudy>. The *Top 100 Global Brands* study forms the foundation for a series of industry studies exploring key YouTube verticals. *Beauty on YouTube* is Pixability's latest release.

Interest in the beauty category on YouTube is accelerating rapidly

- In 2010, beauty-related content on YouTube averaged 300 million views per month.
- In 2013, beauty-related content on YouTube grew to more than 700 million views per month.
- 27,000 beauty videos were published to YouTube in January 2013 alone.
- Major beauty brands are allocating an increasing percentage of their marketing budgets to YouTube as online audiences and sales continue to grow.

Beauty brands own a surprisingly small share of voice on YouTube

- Beauty brands control only 3% of YouTube's 14.9 billion beauty-related video views.
- YouTube vloggers, haul girls, and other beauty content creators control 97% of conversations around beauty and brands on YouTube.
- Top beauty brands partner with key YouTube content creators in addition to running YouTube advertising campaigns to increase their YouTube brand footprint through organic views and user-generated content.

Beauty brands need to consistently create a wider variety of YouTube content—and more of it

- YouTube's top beauty vloggers have 10x more videos on their channels than beauty brands.
- Top beauty vloggers publish new YouTube content 7x more frequently than beauty brands.
- Beauty brands are underinvesting in YouTube's popular long-format beauty tutorials and seasonal events, and are overinvesting in publishing less popular commercials.
- YouTube's top quartile of beauty brands vary video lengths 5x more than the bottom quartile of beauty brands.

Beauty brands aren't getting found on YouTube

- Beauty brands show up only 2.5% of the time in YouTube search results for popular beauty keywords.
- YouTube's top beauty-brand quartile uses 7x more playlists and 170% more metadata tags than the bottom quartile of beauty brands to ensure video content is discoverable on YouTube.

Audience engagement is key to beauty brand marketing success on YouTube

- YouTube's top 25 beauty vloggers possess 115x more subscribers and receive 2600% more comments on average than beauty brand channels.
- YouTube's top beauty-brand quartile successfully engages with target audiences to receive 16x more views per video than the bottom quartile.
- Top-performing beauty brands focus on converting YouTube views into sales by including conversion links 260% more often than less-successful YouTube beauty brand performers.

Major Report Findings

Top beauty brands are meeting YouTube's expanding beauty demands by increasing production and publication volume of beauty-related content.

Interest in the beauty category on YouTube is accelerating rapidly

The beauty and cosmetics industry is one of the world's oldest and largest categories of consumer products. It is a highly competitive, continually evolving vertical that is experiencing significant changes following the introduction of the Internet in the 1990's and YouTube's arrival in 2005.

Nowhere is the transformation of the beauty industry more apparent than on YouTube. Beauty-related video views on YouTube are growing steadily. *(Figure 1, following page)*

- YouTube has **14.9 billion** beauty-related video views.
- In 2010, beauty-related content on YouTube averaged **300 million views** per month.
- In 2013, YouTube beauty-related content views grew to more than **700 million views** per month.

BRANDS AND VLOGGERS CONTINUE TO PRODUCE MORE BEAUTY-RELATED CONTENT ON YOUTUBE THAN EVER BEFORE—AND AUDIENCES CONTINUE TO CONSUME IT IN INCREASING QUANTITIES

Top beauty brands are meeting YouTube's expanding beauty demands by increasing production and publication volume of beauty-related content. *(Figure 2, following page)*

- **27,000** beauty videos were published to YouTube in January 2013.
- **75+ hours** of new beauty-related content are uploaded to YouTube daily.
- YouTube's beauty and cosmetics space is immense, and continues to grow by the minute.

BEAUTY CONTENT MAKES UP A SIGNIFICANT PORTION OF FEMALE YOUTUBE VIDEO CONSUMPTION

Beauty content on YouTube accounts for more than 700 million video views each month, and continues to grow rapidly year-over-year. Among female viewers, style and fashion content—including makeup, hair care, skincare, and nails—accounts for a significant percentage of overall YouTube content consumption.

Brands think they know who their target audience is and what they are watching on YouTube, but the data shows that they are frequently incorrect. Within YouTube's female viewer community, style and fashion content comprises: *(Figure 3, following page)*

- **7.6%** of what women **18-24** years old watch
- **47%** of what women **25-34** years old watch
- **14%** of what women **35-44** years old watch
- **12%** of what women **45-54** years old watch

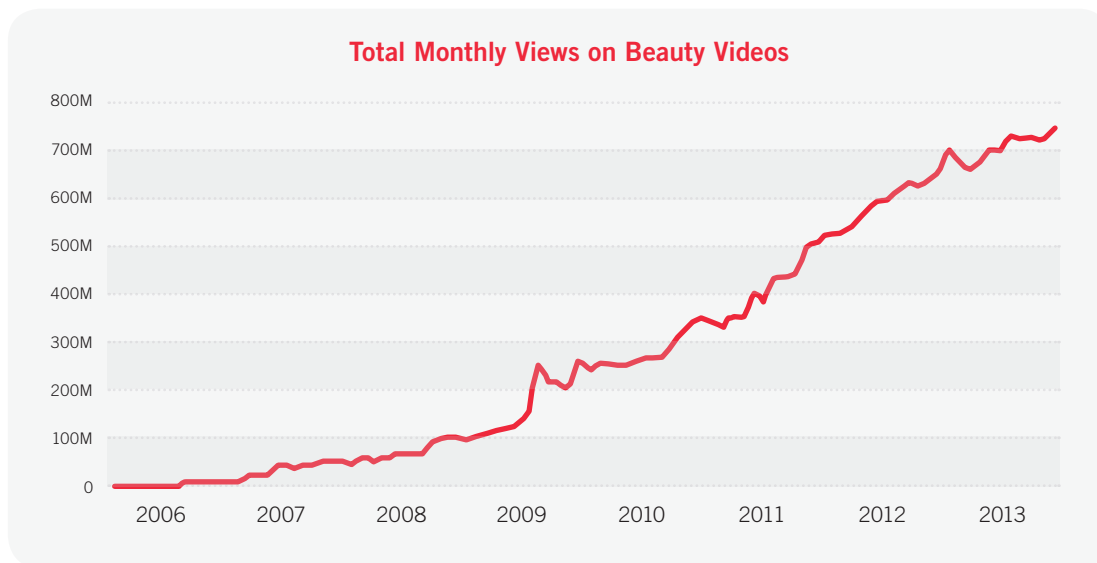


Figure 1.
Total monthly beauty views on YouTube continue to climb as viewers default to YouTube to search for beauty tips and tutorials



Figure 2.
Total number of videos published by beauty brands to YouTube

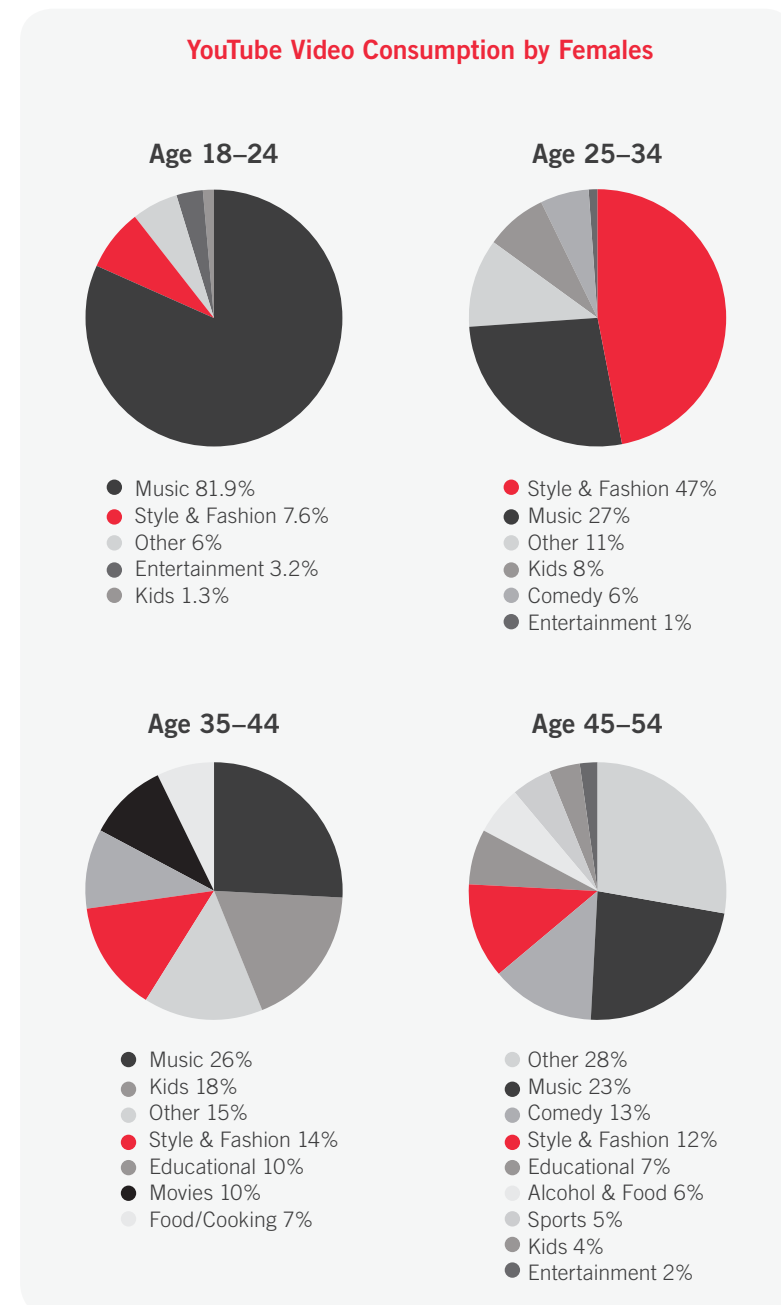


Figure 3.
YouTube video consumption by females ages 18-24, 25-34, 35-44, and 45-54

YouTube Beauty Space Share of Voice

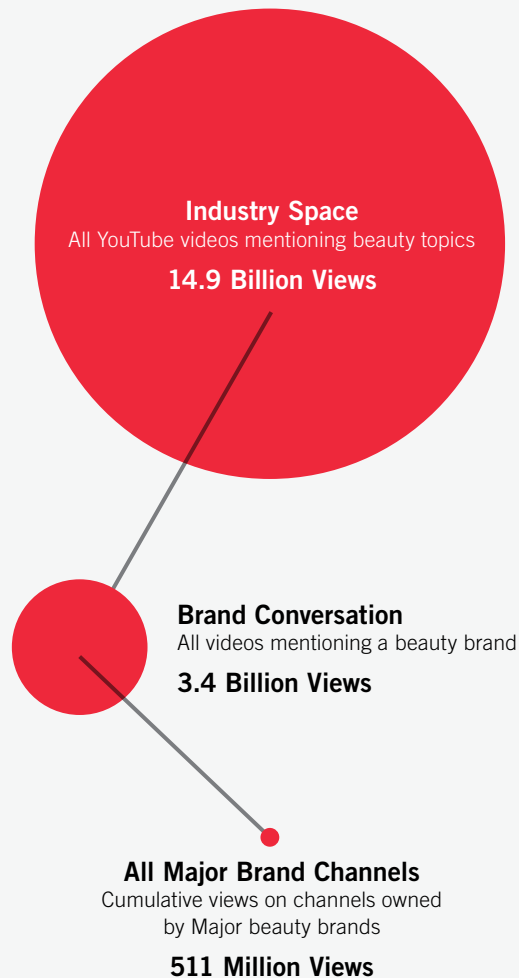


Figure 4.
YouTube beauty space share of voice, according to views

As audiences and online video consumption continue to grow, major beauty brands are beginning to shift a significant portion of their marketing budgets to YouTube. Digital media and online video consumption by US adults across all age demographics is at an all-time high, while television consumption has plateaued over the past three years.

- In **2010**, US adults consumed **3 hours and 11 minutes** of online media per day. (4)
- In **2013**, US adults consumed **5 hours and 16 minutes** of online media per day. (4)
- **Mobile video engagement rates are skyrocketing; click-through rates for smartphones and tablets have tripled over the past year**, with average mobile campaign CTRs (13.64%) remaining at levels almost three times that of desktop CTRs (5.45%). (5)
- **18-24 year-olds**, an important demographic for the beauty industry, view **10+ hours of online video per month** from a variety of mobile devices. (5)
- Since 2010, **traditional television viewing by US adults has remained flat** at 4 hours and 31 minutes per day. (6)

Sabrina Caluori, HBO's vice-president of social media and marketing, told Mashable that HBO will be releasing the first two 2014 episodes of *Girls*: Season 3 on the network's YouTube channel. "For us, this is an increasingly challenging demographic to reach with traditional means," Caluori stated, noting online video is becoming mainstream as an effective way to connect with an active online fan base. (7)

It is important for beauty brands to be present on social networks where potential customers are consuming media and spending time. As brands and audiences invest marketing dollars and hours into YouTube at an accelerating rate, beauty brands must be conscious of creating and executing a comprehensive, efficient, and most importantly, effective YouTube strategy. **When it comes to leveraging YouTube's strengths to capture a significant percentage of YouTube's overall beauty views, the data shows that even top performing beauty brands are currently falling short of their full potential return on investment from YouTube marketing.**

Beauty brands own a surprisingly small share of voice on YouTube

YouTube represents the future of "how-to" beauty tutorials, content consumption, and product reviews. But within YouTube's vast conversation around cosmetics and beauty, major beauty brands account for a relatively small share of voice.

BEAUTY BRANDS CONTROL ONLY 3% OF YOUTUBE'S 14.9 BILLION BEAUTY VIEWS

Individual beauty brands possess a very small share of YouTube's overall beauty space.

- There are currently over **14.9 billion beauty-related views** on YouTube. (Figure 4)
- Only 511 million, or **3%** of those total views, belong to major beauty brands.
- YouTube vloggers, haul girls, and other beauty content creators control **97%** of conversations around beauty topics and brands on YouTube.

Percentage of User-Generated YouTube Content for Dove vs. NYX

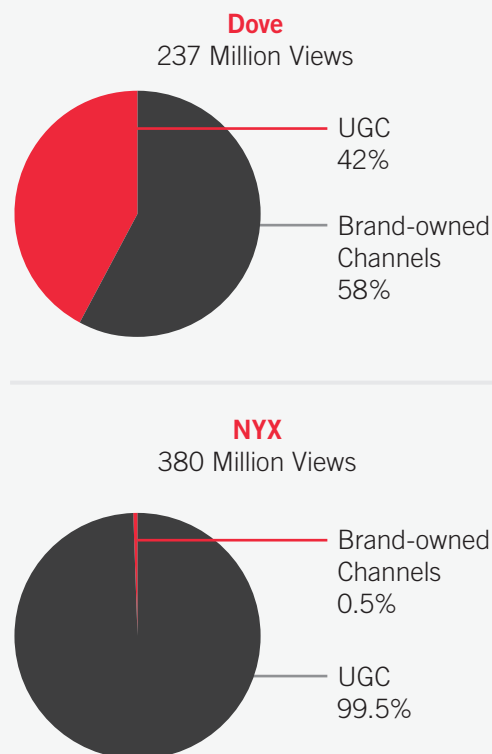


Figure 5.
User-generated YouTube content about Dove versus NYX

4. eMarketer. Report # 160460. July 2013.

5. Phil Townend, "The seven most significant social video trends of 2013," Marketing Magazine, December 24, 2013, <http://www.marketingmagazine.co.uk/article/1225667/seven-significant-social-video-trends-2013>.

6. eMarketer. Report #148935. November 13, 2012.

7. Brian Anthony Hernandez, "HBO Is Putting First Episodes of 'Girls' Season 3 on YouTube," Mashable, January 12, 2013, <http://mashable.com/2014/01/12/watch-hbo-girls-season-3-youtube/>.

BEAUTY BRAND NEWCOMERS ARE SURPASSING ESTABLISHED INDUSTRY PLAYERS ON YOUTUBE

Unlike in traditional media ad buys, spending a greater quantity of marketing dollars within YouTube's beauty space does not always equal a greater share of voice.

Smaller beauty brands with sophisticated YouTube strategies often possess a greater share of voice on the platform than many larger beauty brands with extensive marketing budgets. Well-known industry brands often have millions of views on their official channels, but a very small total share of voice on YouTube. **High view counts on a beauty brand's official channel do not necessarily equal a large overall share of voice on YouTube.**

ACTIVE PROMOTION OUTSIDE OF OFFICIAL BEAUTY BRAND-OWNED YOUTUBE CHANNELS IS ESSENTIAL FOR BUILDING A SIZEABLE BRAND FOOTPRINT

Increasing share of voice on YouTube requires beauty brands to move beyond just YouTube advertising and official brand-controlled channels. Partnering with key YouTube creators increases the amount of user-generated content referencing a brand present on YouTube, while simultaneously boosting organic (unpaid) views.

Top-performing YouTube beauty brands earn extra views by engaging with YouTube's 45,000-strong beauty vlogger community, in addition to receiving views from their own brand channels.

- Often smaller competitors with a younger target audience within the beauty space engage YouTube fans more effectively than many well-known, larger brands.
- Beauty brands like **NYX** are able to grow their brand footprint on YouTube with a limited budget by reaching a large organic audience that talks about their brand on YouTube for them.
- **Up to 99.5%** of NYX's brand mentions stem from **user-generated content** (UGC). (Figure 5)

When it comes to sheer size, Dove and NYX have comparable **YouTube brand footprints**—the views from YouTube videos mentioning a specific brand. (Figure 5)

- The majority of **Dove's 237 million views** are on its official brand-owned channels, and are primarily (70%+) the result of paid ads.
- NYX earns almost all of its **380 million views** organically through user-generated content as a result of an inexpensive, yet well-developed YouTube social outreach strategy.
- YouTube's top-performing beauty brands maintain optimum YouTube brand footprints through a **balance of branded content and views, and user-generated content and views.**

Beauty brands can be more efficient with budgets and more innovative with YouTube content creator engagement strategies to avoid paying for every view on YouTube.



Best Practice Example: NYX

NYX, founded in Los Angeles in 1999, has **three times** the YouTube brand conversation footprint as Covergirl. NYX is mentioned in 318 million videos, versus 171 million videos for Covergirl. (Figure 6)

NYX has averaged an almost 50% annual growth rate for the past four years. (8)

NYX's Fine Artistry of Cosmetic Elites (FACE) Awards garnered **120 million impressions in 2013**. The **FACE Awards** spotlight up-and-coming beauty vloggers and ask the online beauty community to vote for their six favorite online beauty content creators. The winner receives a \$25,000 cash prize and the National Beauty Vlogger of the Year title.

NYX is "on the way to becoming a \$1 billion brand in six years," according to NYX CEO Scott Friedman. (8)

8. Beauty Inc. 2013 Awards issue, Women's Wear Daily, December 13, 2013.

YouTube Brand Conversation Footprint (total views of videos mentioning a brand)

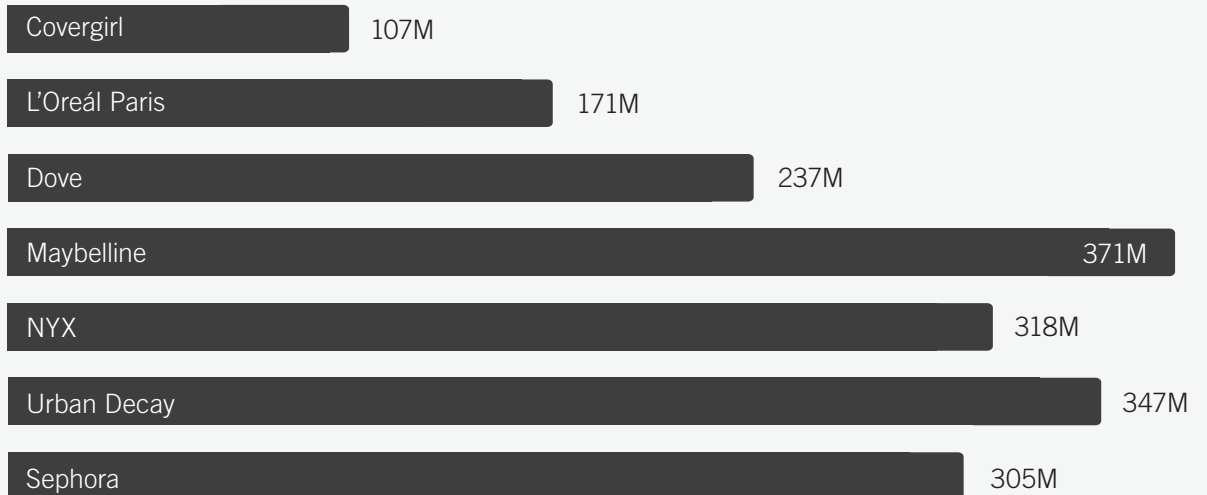


Figure 6.
YouTube brand conversation footprint of selected brands

45,000 YOUTUBE BEAUTY VLOGGERS ARE CONTROLLING THE FUTURE OF YOUR BRAND FROM THEIR BEDROOMS

Although smaller beauty brands are performing better on YouTube than many of their larger counterparts, content featuring makeup, skincare, hair care, and nails on YouTube is no longer being created exclusively by brands. **The vast majority of beauty-related video content on YouTube is user-generated content (UGC), as opposed to brand-sanctioned and produced.**

Figure 7 (following page) shows the most popular vlogger and branded channels, determined by overall view counts, within YouTube's beauty space.

- YouTube currently has a total of **45,000 non-brand-affiliated channels** that specialize in beauty topics.
- Strong channel performance dominance is shown by beauty vloggers such as Michelle Phan and MissChievous, shown in the leftmost column by large, bright green squares representing a large amount of views and positive viewer sentiment relative to the other channels in the top 50 subset.
- Of all beauty brands present on YouTube, **only Dior's brand channel appears in the top 50** beauty channels, as defined by total number of channel views.

Top 50 YouTube Beauty Brand Channels by Total Views

Colors Represent Audience Sentiment

- Positive sentiment
- Negative sentiment

Text identifies specific brand or vlogger channel

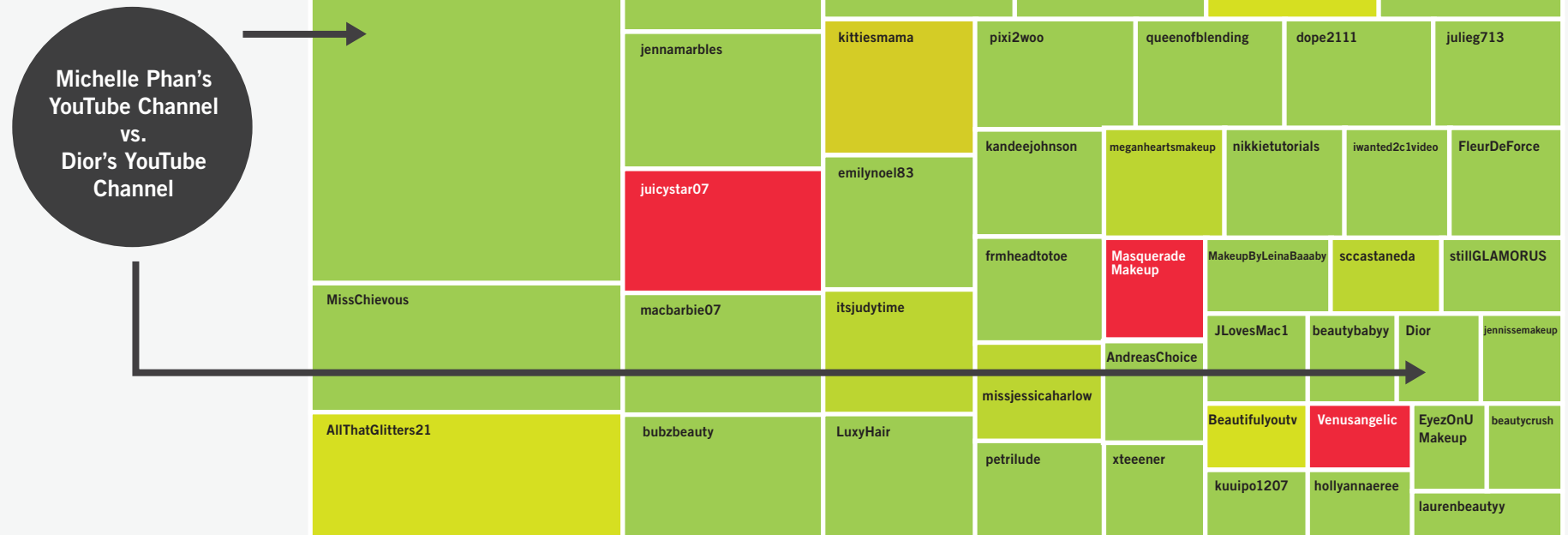


Figure 7.
YouTube's top 50 beauty channels by total number of views. Note: Graph was generated with Pixability's big data YouTube software. Box sizes correlate to total views per channel relative to other channels within top 50.

Top YouTube Beauty Brand Channels by Total Views

Rank	Brand	Views
1	Dior*	99,805,051
2	Dove	85,683,957
3	CHANEL*	74,215,519
4	Victoria's Secret*	72,967,119
5	Burberry*	27,806,547
6	Dolce & Gabbana*	25,610,719
7	Sephora	23,902,283
8	Dermablend	22,550,599
9	Maybelline New York	22,269,221
10	Diesel*	15,646,892
11	Giorgio Armani Beauty	14,587,423
12	Lancôme	14,041,873
13	HUGO BOSS*	13,914,881
14	e.l.f. Cosmetics	13,329,556
15	Head & Shoulders	12,912,192
16	LUSH	10,049,328
17	Olay	9,507,155
18	CoverGirl	9,433,920
19	Speed Stick	9,120,692
20	L'Oréal Paris	8,173,779

Figure 8.
Top YouTube brand channels by total views. Brands with mixed product lines including fashion products, etc. that do not have separate beauty channels are marked with an *.

Figure 9.
Daily YouTube tutorial consumption versus searches for brand videos by time of day

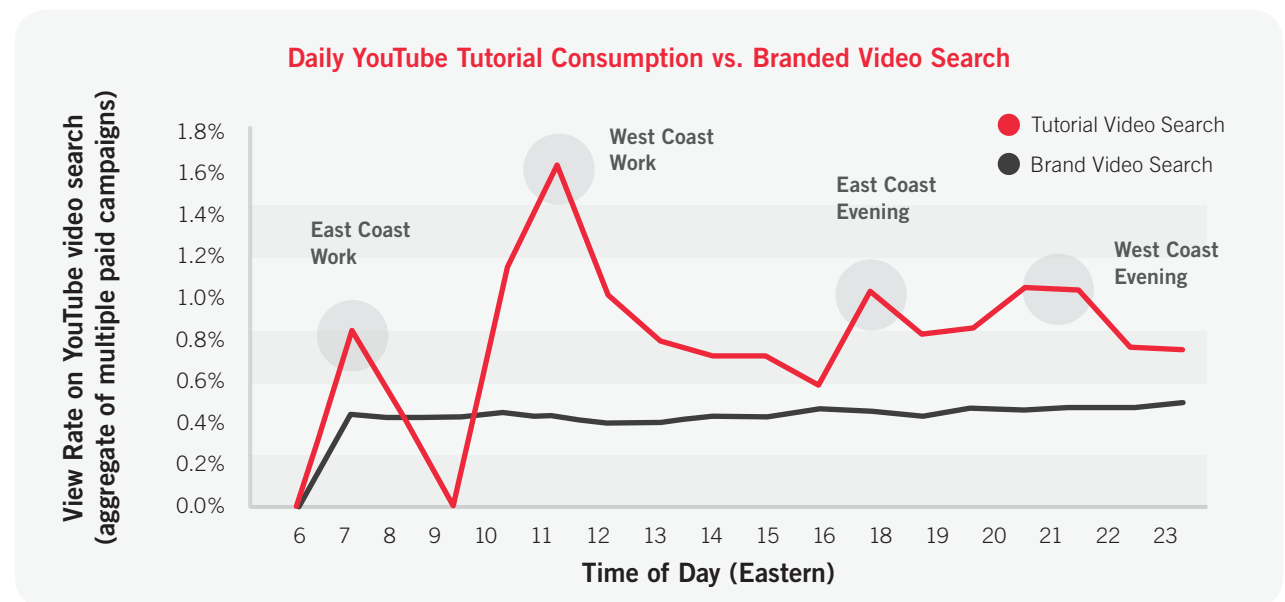
YouTube isn't about unequivocally controlling brand image; it's about shaping the direction of the conversation around a brand through engagement with key audiences. Many large beauty brands experience high volumes of conversation about their brand within YouTube's beauty community, but fail to consistently produce fresh content or participate in those ongoing conversations.

- Most beauty vloggers are very receptive to community outreach by brands and love facilitating dialogues between brands and audiences.
- **Top-performing brands partner with YouTube's beauty vloggers** to inexpensively expand their organic footprints on YouTube.

Increasingly, viewers are turning to the 45,000 beauty personalities who run non-brand-affiliated YouTube channels for a wide range of beauty needs. Among YouTube's young female demographic in particular, **vlogger tutorial consumption now frequently replaces traditional department store beauty counter visits** when it comes to receiving trusted cosmetics advice and comparing beauty products.

YouTube beauty content provides real-time benefits to viewers

Beauty on YouTube is not about viral videos—or repurposed television commercials. YouTube's beauty community focuses on providing “on-demand” benefits to the user in the form of helpful “how-to” videos and educational videos featuring new looks, products, and trends. Viewers searching YouTube for “smoky eye tutorial” are not looking for 30-second eyeliner commercials; they desire longer-format content to show them **how to create a specific look in real time** during key periods of their day.



YouTube users turn to authentic, relatable beauty vloggers like Pixiwoo or Gregory Gorgeous for follow-along “how-to” videos that address real-time beauty needs.

BRANDS ARE UNDERINVESTING IN BEAUTY TUTORIALS

The allure of beauty on YouTube is unrelated to big-budget commercials or high-production-value runway events. Brands should not publish television commercials to YouTube and expect significant return on investment.

As Figure 9 (previous page) depicts, **beauty brand video searches and views on YouTube remain flat regardless of time of day—unlike viewership of YouTube non-beauty brand-created “follow-along” tutorials.** Users aren’t utilizing beauty brand commercials and other beauty brand videos in the same way that they are using non-branded, user-created content: to follow-along in real time as they prepare for work or a night out.

WHY TUTORIALS?

Tutorials are YouTube’s most popular beauty content category, attracting 39% of all beauty video views. (Figure 10)

- YouTube beauty keywords are dominated by product category searches and tutorials.
- **Only 32% of beauty brand-produced videos are in tutorial format.**
- Although many beauty brands have recognized the rising popularity of follow-along content on YouTube, the majority of brands still underinvest in producing tutorials.
- Marketing opportunities for today’s beauty customers encompass a range of consumer touch points outside of traditional drug store aisles, door-to-door sales visits, and department store beauty counters—such as on-demand branded tutorial viewing on YouTube, or in-stream video advertising.

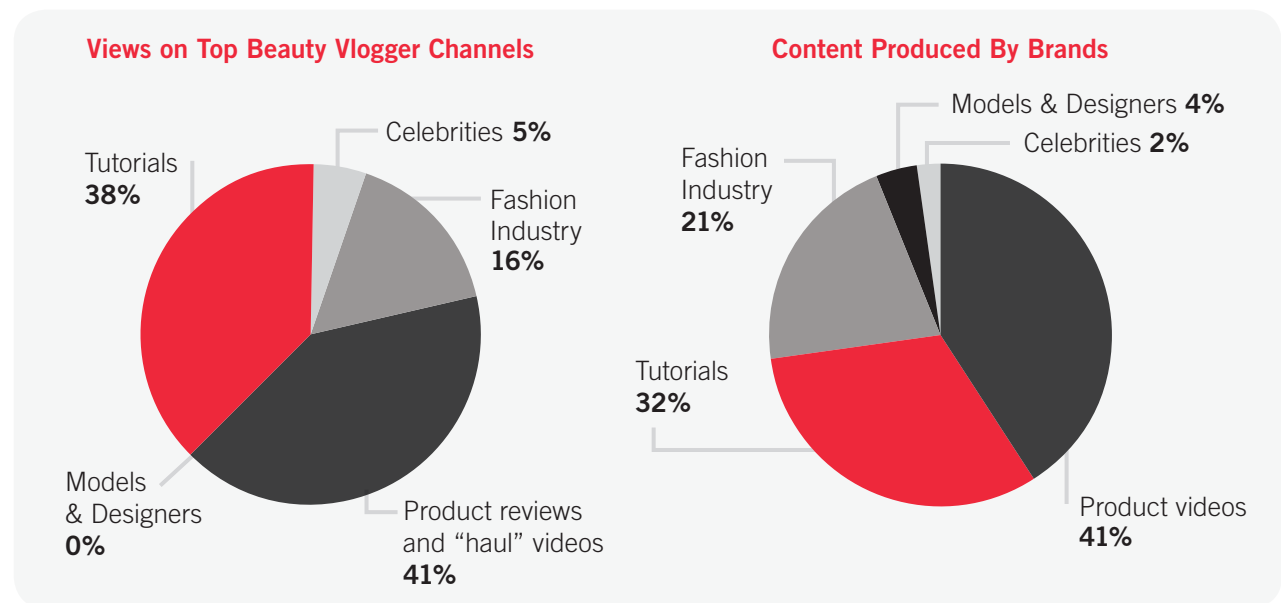


Figure 10.
Content consumed on top YouTube beauty vlogger channels.
Brand-produced YouTube beauty content categories.

Figure 11.
YouTube annual searches for “makeup tutorial,” with spikes each
October coinciding with Halloween



The secret to YouTube beauty tutorial popularity lies in utility. A closer look at beauty tutorial consumption by time of day reveals a clear correlation between morning pre-work viewing and evening post-work viewing.

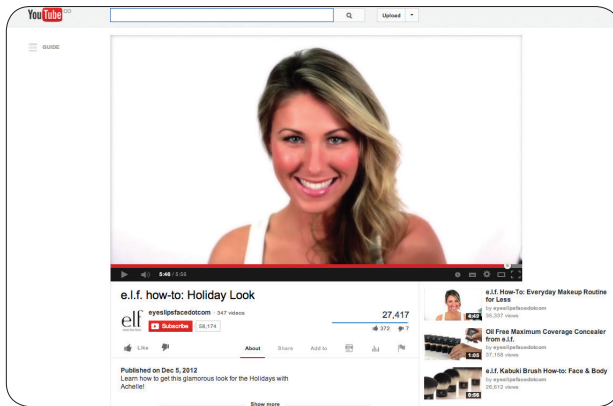
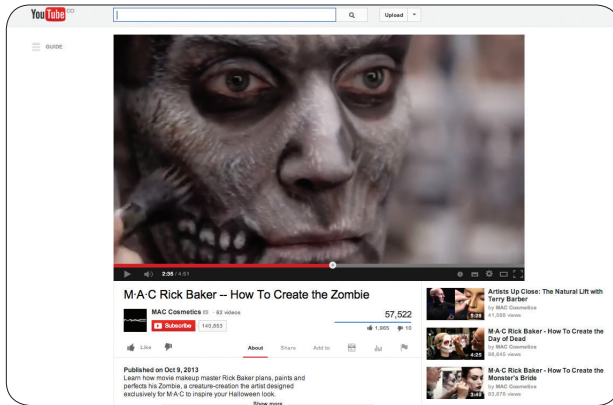
- The hours viewers spend engaged with YouTube beauty tutorial content correlate with the times viewers are applying workweek makeup, and evening makeup for a night out.
- YouTube users turn to authentic, relatable beauty vloggers like **Pixiwoo** or **Gregory Gorgeous** for **follow-along “how-to” videos that address real-time beauty needs.**
- Viewers interested in beauty are welcoming non-branded beauty content into their homes at key decision-making moments during their day.

Some early adopters have begun offering real-time content to take advantage of this time shift in the discovery and consumption of beauty information. Sephora has begun offering one-on-one beauty tutorials via Google Hangouts, a live video chat application integrated with YouTube, to take advantage of customers’ desire for real-time beauty information. **The popularity of tutorials that address real-time viewer needs on YouTube represents a valuable opportunity currently underleveraged by the majority of beauty brands.**

The popularity of tutorials that address real-time viewer needs on YouTube represents a valuable opportunity currently underleveraged by the majority of beauty brands.

UNDERUTILIZED OPPORTUNITIES EXIST FOR BEAUTY BRANDS IN SEASONAL CONTENT

“Makeup tutorial” searches on YouTube skyrocket annually starting in early October as users search for costume-related ideas and how-to videos. (Figure 11) Yet **only 6% of beauty brands have produced Halloween-related YouTube video content to date.** Overall holiday search volume has increased year-over-year, but **the vast majority of beauty brands do not currently have Halloween-specific content** as part of their content calendar and are missing out on a rapidly-growing topic of interest for their audience.



MAC and e.l.f. Cosmetics YouTube makeup tutorials



e.l.f.
eyes lips face

Among the 6% of beauty brands that regularly produce Halloween and other seasonal YouTube content, MAC Cosmetics and e.l.f. Cosmetics stand out.

- **MAC Cosmetics** is one of YouTube's top Halloween content-producing brands, with a variety of Halloween-related makeup videos on its channel that garner upwards of **80,000 views** each.
- MAC consistently produces a series of cinematic, artistic Halloween makeup videos that feature step-by-step guidelines to creating the perfect costume makeup look.
- MAC's **storylines fit the follow-along viewing behavior of YouTube's beauty audience**. MAC's successful seasonal and other special event content assists viewers who are researching looks before the holiday and provides step-by-step videos on Halloween night.
- **e.l.f. Cosmetics** consistently creates "how-to" videos for specific seasonal looks.
- e.l.f.'s latest "how-to: Holiday Look" video guides YouTube viewers through 17 steps to achieve the perfect Christmas or Hanukkah look, and has earned tens of thousands of views and social shares.

Beauty brands need to consistently create a wider variety of YouTube content—and more of it

Beauty brands are not creating enough seasonal beauty-related content on YouTube. **They also aren't publishing enough content overall to the platform, compared with top YouTube beauty vloggers.**

YOUTUBE'S TOP BEAUTY VLOGGERS PRODUCE 270% MORE YOUTUBE VIDEOS THAN BEAUTY BRANDS

As Figure 12 (following page) depicts, **non-brand beauty channels run by vloggers produce more YouTube content than the marketing departments of many leading beauty brands**. Out of nearly 30,000 beauty videos published to YouTube each month, vlogger-created content makes up the vast majority.

- Top beauty vloggers publish new YouTube content **7x more frequently** and have **10x more videos** on channels than beauty brands.
- YouTube's top 25 "non-brand" beauty channels account for **44%** of YouTube's overall makeup views. Each channel hosts an average of **255** makeup-related videos.
- Beauty brands typically publish new video content to YouTube **once every six weeks**.
- Successful YouTube vloggers publish new video content to YouTube an average of **twice per week**.

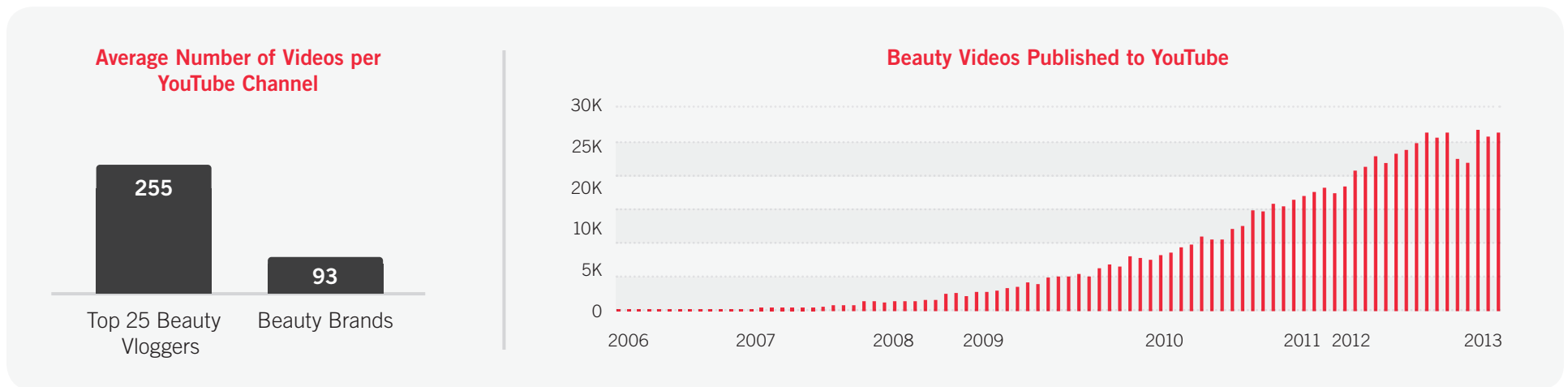


Figure 12.
Average number of videos per vlogger YouTube channel, versus beauty brand channel.
Number of beauty videos published to YouTube each month.

YOUTUBE SUCCESS DEPENDS ON PRODUCING A VARIETY OF FRESH CONTENT *CONSISTENTLY*

Many beauty brands upload new videos in bulk batches and lose out on the opportunity for additional consumer touch points. But YouTube's top quartile of beauty brands stagger YouTube content releases strategically over time to achieve more buzz, stay featured in more subscriber newsfeeds, and keep their YouTube channels fresh longer.

- Compared with typical beauty vloggers who published every other day in December 2013, many brands did not publish at all in November or December. (Figure 13, following page)
- **Publishing new YouTube content consistently—and frequently—is essential for beauty brand channel success, and is more important than producing top-quality content less frequently.**

Beauty brands aren't producing the right YouTube content

Beauty brands don't produce enough YouTube content overall, but they also aren't producing the right content.

- Most beauty brand channel videos fail to reach a large audience; **70% of videos earn fewer than 10,000 views.**
- Longer-format content such as tutorials, product recommendations, reviews, and how-to videos are far more popular on YouTube than short-format content.
- 30-second and 60-second television commercials uploaded to YouTube by beauty brands are not resonating with female audiences.

Many beauty brands produce content viewers aren't interested in, and miss out on providing audiences with relevant and desired content—and the accompanying views. **Brands are underinvesting in YouTube's popular long-format beauty tutorials and seasonal events, and are overinvesting in less popular styles of content such as commercials.**

YouTube's top quartile of beauty brands stagger YouTube content releases strategically over time to achieve more buzz, stay featured in more subscriber newsfeeds, and keep their YouTube channel fresh longer.

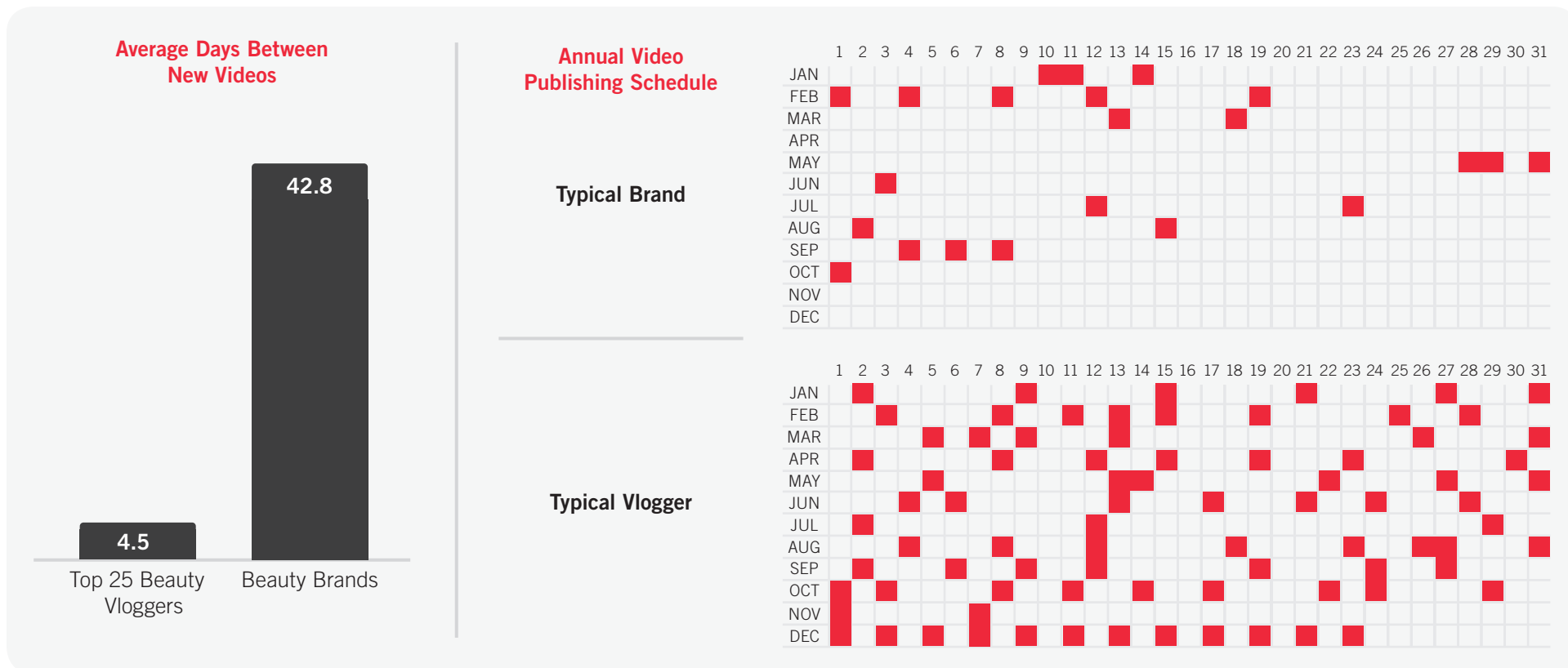


Figure 13.
Typical beauty brand YouTube content publishing schedule versus typical beauty vlogger's schedule, as of December 2013.
Red = video published.

SHORTER YOUTUBE CONTENT ISN'T ALWAYS BETTER

Beauty brands are producing the wrong lengths of YouTube content for audience needs. Beauty brands tend to publish YouTube videos less than 3 minutes in length, but as women turn to YouTube for follow-along tutorial content and how-to videos, they expect video lengths to be long enough to create a makeup look or hairstyle in real-time.

- **80% of videos** on YouTube beauty brand channels are **less than 3 minutes in length**; **30% are less than 1 minute.** (Figure 14, following page)
- Non-brand beauty channels typically publish videos **5+ minutes in length.**
- **Beauty brands' YouTube content portfolio should reflect the customer's journey**, starting with shorter pieces like commercials and online mini-series that create brand awareness, and then moving on to longer-format tutorials and product pieces to build credibility and remove objections.
- More detailed content typically works better for tutorials; a slower, more leisurely pace allows viewers to follow along in real-time as the vlogger walks them through looks step by step.
- YouTube's most successful beauty brands vary video lengths **5x as often** as less successful YouTube beauty brands, and publish a variety of video content types targeting multiple audiences.

Average Video Lengths

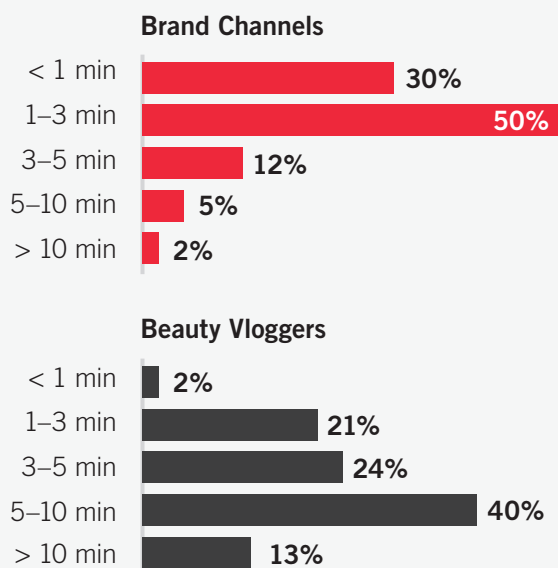


Figure 14.
Average video lengths published to YouTube by beauty brands, compared with beauty vloggers

Average Number of Views per Tutorial Video

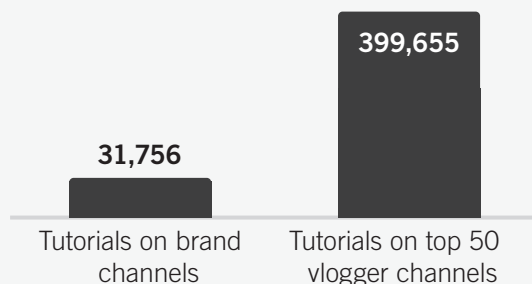


Figure 15.
Average number of views per brand tutorial, compared with vlogger tutorial

BRAND-GENERATED BEAUTY TUTORIALS FAIL TO ATTRACT SIGNIFICANT AUDIENCES COMPARED TO TUTORIALS PRODUCED BY TOP VLOGGERS

- **Beauty tutorials are the most popular beauty content category on YouTube**, capturing **39%** of overall beauty views, yet the average number of views per tutorial on average for brands is surprisingly low at **31,756 per video**. (Figure 15)
- Tutorial videos on YouTube’s top 50 beauty vlogger channels receive **1200% more views** than brand-created tutorials.
- Viewers connect with relatable, down-to-earth vlogger personalities and their intimate one-to-one style better than overly produced branded videos.
- When brands do produce beauty tutorials on YouTube, they fail to attract audiences comparable to those of top vloggers.
- YouTube’s top quartile of beauty brands utilize YouTube advertising to attract targeted audiences to their well-produced and useful content.
- Brands should encourage viewers to subscribe to brand channels so that they are automatically informed of all future content releases.

UNTAPPED OPPORTUNITIES FOR BRANDS REMAIN IN UNDERSERVED YOUTUBE BEAUTY NICHES

The majority of YouTube’s 14.9 billion beauty views are makeup-related.

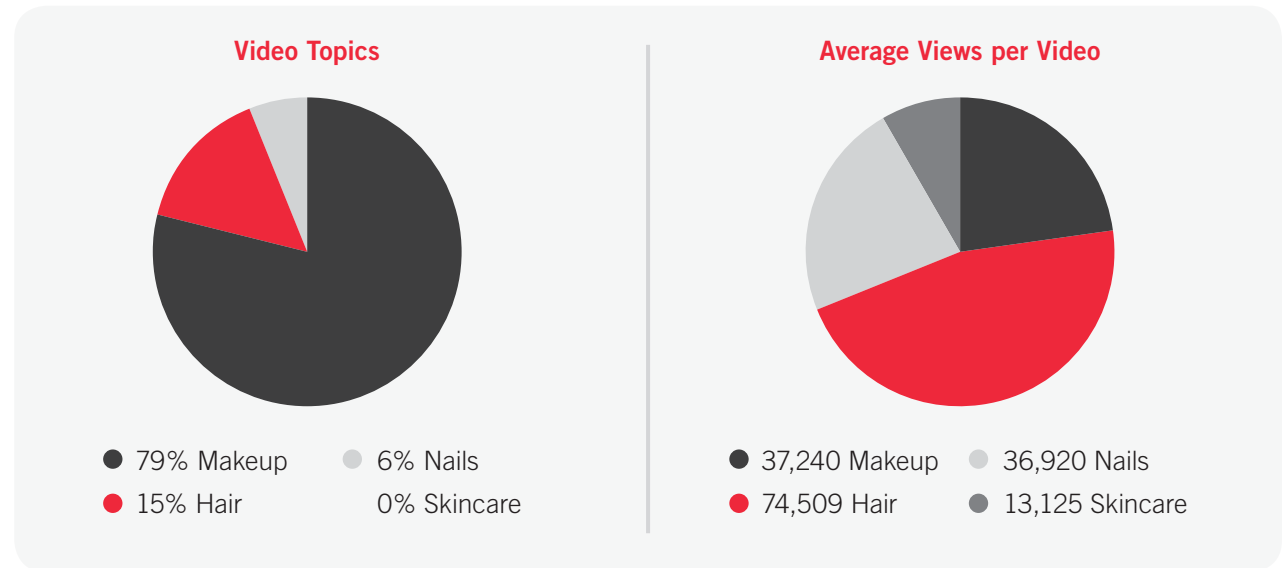
- Of the four YouTube beauty categories included within the scope of this study, **hair care videos receive the most views** per video, followed respectively by makeup, nails, and finally skincare. (Figure 16, following page)
- **Makeup videos account for 79% of all beauty-related YouTube videos**.
- Untapped audience engagement opportunities exist for brands in the remaining three YouTube beauty categories addressed within the scope of this study: hair care, skincare, and nails.
- Hair care videos currently make up only **15%** of YouTube’s beauty content and represent an underutilized opportunity for brands to connect with a passionate audience within YouTube’s vibrant hair care beauty space.

Beauty brands still have work to do when it comes to getting found on YouTube

Beauty brands are having a hard time getting found organically on YouTube; in YouTube’s vast landscape, discoverability is key.

- YouTube may be the world’s second-largest search engine, but beauty brands show up only **2.5% of the time** in YouTube organic search results for popular beauty keywords.
- Of the 160 top YouTube search results for “makeup tutorial,” “how-to makeup,” “make up,” “eye makeup,” “hair tutorial,” and “eye makeup tutorial,” **only four results are brand-owned videos**; all others are user-generated videos.

Figure 16.
YouTube video topics, and average views per video within each beauty topic



- YouTube's top quartile of beauty brands use **7x more playlists and 170% more metadata tags** than the bottom quartile of beauty brands to ensure video content is discoverable on YouTube.
- **Investing in YouTube channel management and video SEO and optimization** is instrumental when it comes to guaranteeing YouTube discoverability for major beauty brands.

YOUTUBE VIDEO EMBEDS

Embedding YouTube videos into beauty brand websites is increasingly important for search rankings.

- From a search-ranking perspective, pages with embedded YouTube videos will appear higher in search results.
- Many brands make only limited use of video on their website, and in many cases don't expose their full content suite to Google and YouTube search to the detriment of their channels' discoverability.
- Discoverability, share of voice compared to competitors' content, **audience engagement** (video likes, comments, and social shares), conversions, and ultimately sales all factor into the definition of YouTube success for a beauty brand.
- **Embedding videos into brand websites will deliver additional views** even outside of official YouTube brand channels.

There are various metrics involved with tracking brand success on YouTube, but ensuring that target audiences are able to locate brands should be every beauty brand marketer's number-one goal.

There are various metrics involved with tracking brand success on YouTube, but ensuring that target audiences are able to locate brands should be every beauty brand marketer's number-one goal.

Videos found by Google on Beauty Brand Websites

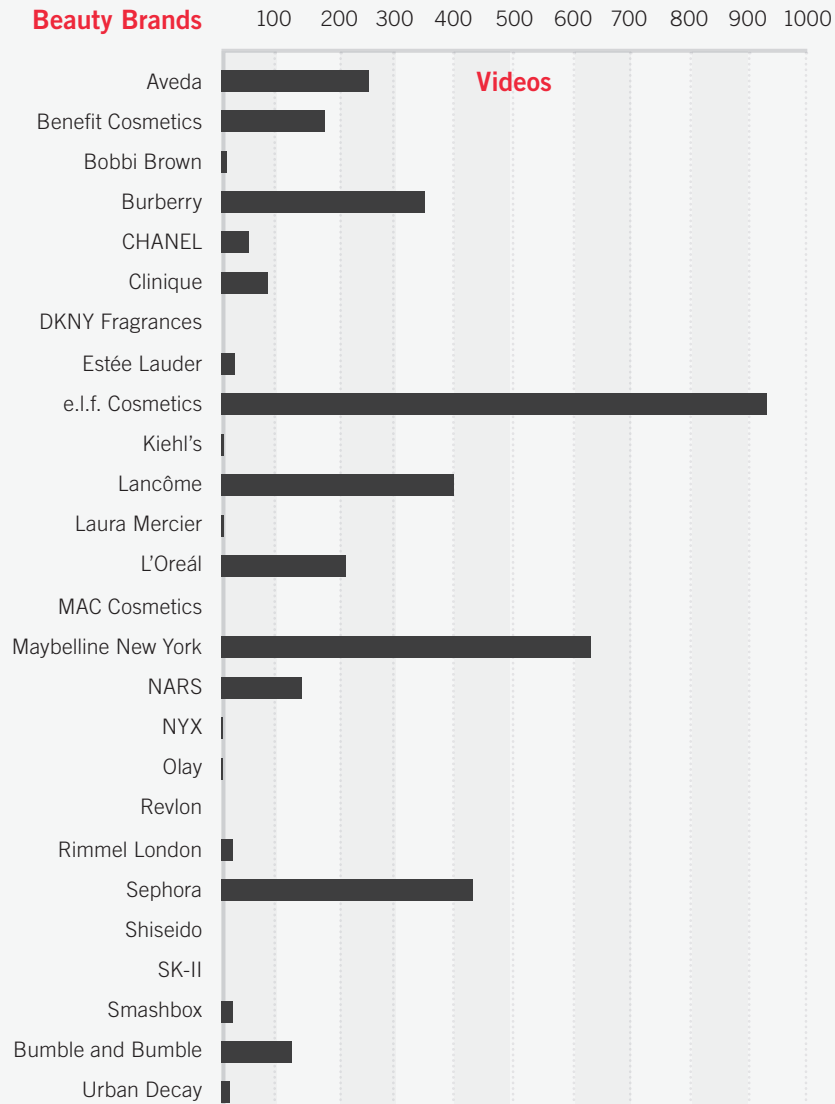


Figure 17.
Total number of videos found by Google on beauty brand websites

YouTube Subscriber Gains for Brands vs. Vloggers

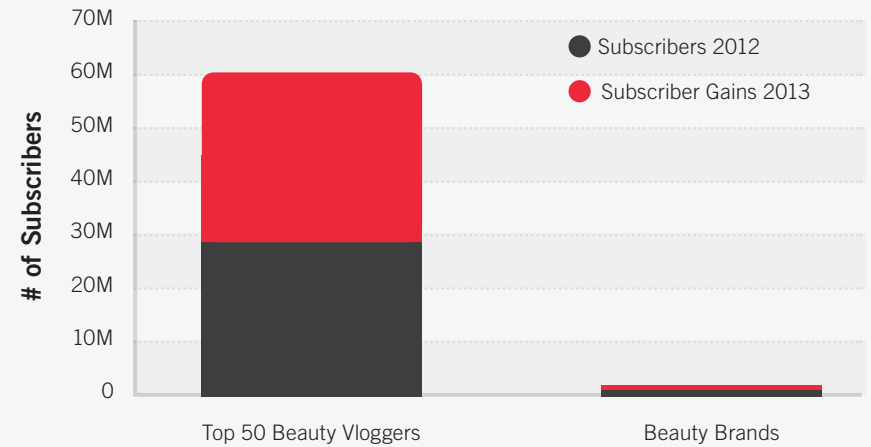


Figure 18.
Year-over-year YouTube subscriber gains of top vloggers compared to beauty brands

Number of YouTube Subscribers of Top Vloggers vs. Beauty Brands

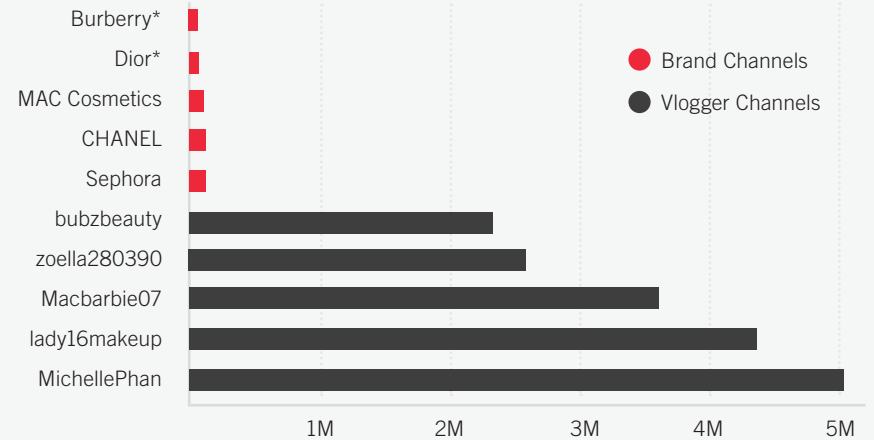


Figure 19.
Total number of YouTube subscribers of top vloggers, versus beauty brands

Best Practice Example: Michelle Phan

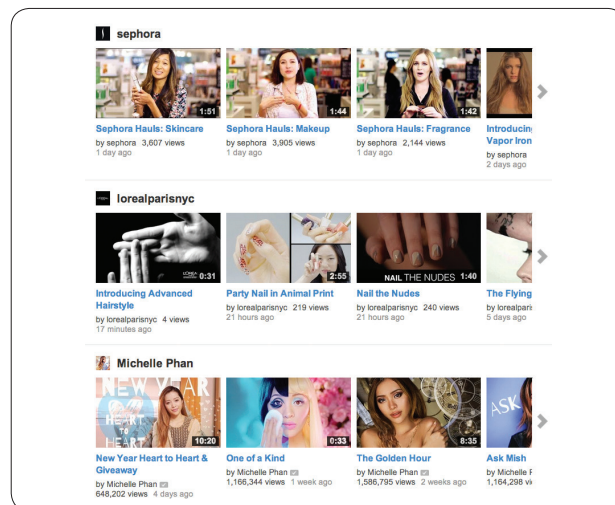
YouTube beauty celebrity **Michelle Phan** has amassed an extensive YouTube subscriber base over the past three years.

- Michelle Phan's first run of makeup tutorial videos, published in 2007, attracted **40,000 views per week**.
- **By the end of 2013, Michelle Phan had more than 5.5 million YouTube subscribers and more than 817 million video views.** Michelle's success led to the development of her own makeup line, em michelle phan.
- Although Michelle Phan leads YouTube's non-brand top beauty channels in terms of overall subscribers, YouTube's next most popular beauty vloggers—**Macbarbie07, bubzbeauty, Missglamorazzi, and JLOvesMac1**—also surpass top beauty brands in total subscriber numbers.

Not only are brands starting with fewer subscribers than beauty vloggers, but they continue to build their existing base more slowly.

Non-brand content creators are successfully engaging YouTube's beauty community in ways brands are not

Although top beauty brands have millions of channel subscribers, their subscriberships pale in comparison to YouTube's most successful beauty vloggers.



Screenshot of "suggested beauty videos" resulting from three YouTube beauty channel subscriptions

YouTube's top 25 beauty vloggers possess 115x more subscribers than the average beauty brand channel.

As Figure 18 (previous page) shows, not only are brands starting with fewer subscribers than beauty vloggers, but they also continue to build their existing base more slowly.

- Beauty brands simply aren't winning a large, loyal YouTube subscriber audience the way successful beauty vloggers are.
- **Vloggers are starting with more subscribers and are growing their subscriber bases faster than major beauty brands.**

WHY YOUTUBE SUBSCRIBERS MATTER

Subscribers hold immense value for brands.

Beauty brands often struggle to quantify the value of audience sentiment and YouTube subscriber bases

when it comes to measurable return on investment (ROI). **For marketers, large numbers of subscribers are an essential component of YouTube success because subscribership gives brands a direct way to reach a loyal audience and receive significant ROI on YouTube marketing and advertising spend.**

- YouTube's interface lets any audience member opt in to stay connected to the creators and content they are interested in by becoming a **"channel subscriber."**
- **Channel subscribers willingly receive updates on news, events, tips, suggested videos, and products from their favorite brands** delivered to them in their YouTube newsfeed and via email—without beauty brands having to pay for the contacts or views—and have also been proven to be more likely to share content with friends.

DISPARATE LEVELS OF SUBSCRIBER REACH

Beauty brands are not doing well on YouTube compared to the subscriber reach of beauty vloggers. (Figure 19)

- Subscriber reach is very uneven among beauty brands, with the top-performing brands reaching **13x more YouTube subscribers** than the average beauty brand.
- MAC, CHANEL, and Sephora lead brand subscriber numbers with around **110k subscribers each**, but remain far behind YouTube's top five beauty vlogger channels.

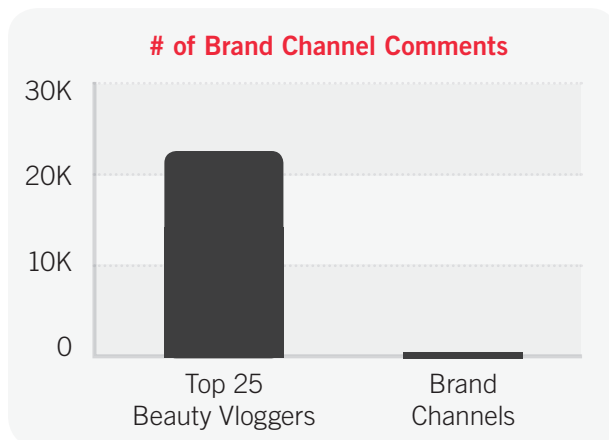


Figure 20.
Number of YouTube comments on top 25 vlogger channels vs. brand channels

YouTube's top quartile of beauty brands stagger YouTube content releases strategically over time to achieve more buzz, stay featured in more subscriber newsfeeds, and keep their YouTube channel fresh longer.

TOP BEAUTY VLOGGERS GET 26X MORE COMMENTS THAN BRAND CHANNELS

Beauty on YouTube is not about brand as far as viewers are concerned—it's about benefit. YouTube audience members are more likely to ask questions and comment on videos that deliver a benefit such as educating the viewer on how to use a product, demonstrating how to create Lady Gaga's video look, or executing the industry's latest trend, rather than just delivering a brand message.

- Beauty vlogger videos typically focus on discovering new products, applying cosmetics properly, finding better alternatives, and locating deals, rather than demonstrating allegiance to any single brand.
- **YouTube's top non-brand beauty content-creators receive 26x more comments than brand channels and have earned an average of 2.1 million subscribers each.** (Figure 20)

YouTube is a social media platform where success is defined by not only how beauty brands talk about themselves, but by how vloggers and audience members talk about brands.

- Top-performing beauty brands allow the YouTube beauty community to own the dialogue involving respective brands, rather than trying to control it themselves.
- Brands like Dermablend, Dove, and Dior with focused community strategies on YouTube perform better than their counterparts in terms of **audience engagement per video (likes and comments and social shares)**. (Figure 21)

Connecting with YouTube communities and incorporating user-generated content and conversations is key to leveraging YouTube's unique position as both a marketing channel and social media platform.

Top Brand Channels by Engagement per Video

Rank	Brand	Engagement per Video	Rank	Brand	Engagement per Video
1	Dermablend	139,066	11	Giorgio Armani Beauty	1,839
2	Dove	29,458	12	Destination Beauty	1,624
3	Dior*	12,994	13	Tom Ford	1,125
4	CHANEL*	6,080	14	Dolce & Gabbana*	1,045
5	Burberry*	4,897	15	Avon	849
6	Gucci	4,113	16	Speed Stick	800
7	MAC Cosmetics	3,602	17	Make Up For Ever	670
8	OPI	2,976	18	Ralph Lauren*	646
9	Victoria's Secret*	2,304	19	Diesel*	625
10	Mary Kay	2,202	20	DKNY Fragrances	598

Figure 21.
Top brand channels by engagement per video

Best Practices for Beauty Brands on YouTube

Beauty brands can make better use of YouTube's marketing potential by leveraging the following recommended YouTube best practices.



Create More Content



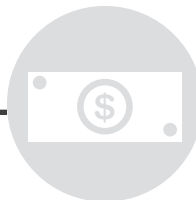
Shoot for Video Variety



**Invest in Channel Management
and Video Optimization**



**Engage With Your YouTube
Audience**



**Convert YouTube Views and Audience
Engagement Into Sales**

THE DIFFERENCE BETWEEN BRANDS DOING YOUTUBE RIGHT AND BRANDS DOING YOUTUBE WRONG IS SIGNIFICANT

Beauty brands can make better use of YouTube's marketing potential by leveraging the following recommended YouTube best practices specific to the beauty industry, as well as general YouTube best practices for brands as outlined in Pixability's 2013 *Top 100 Global Brands on YouTube* study, available at www.pixability.com/youtubebrandstudy.

1. Create More Content

YOUTUBE'S TOP QUARTILE OF BEAUTY BRANDS PUBLISHES CONTENT 7X MORE FREQUENTLY AND HAS 10X MORE VIDEOS ON OFFICIAL CHANNELS THAN YOUTUBE'S BOTTOM QUARTILE OF BEAUTY BRANDS

Fresh content on YouTube—and lots of it—is key. Beauty brands need to produce more videos, more often.

- YouTube's top quartile of beauty brands publishes videos **every 11 days** on average, versus a publishing schedule of **every 74 days** on average from YouTube's bottom quartile of beauty brands. (Figure 22)
- YouTube's top beauty vlogger, Michelle Phan, publishes **every 8 days** on average.
- The top 25% of beauty brands average **220 videos** per YouTube brand channel, compared with an average of **21 videos** per channel for the bottom 25% of brands.

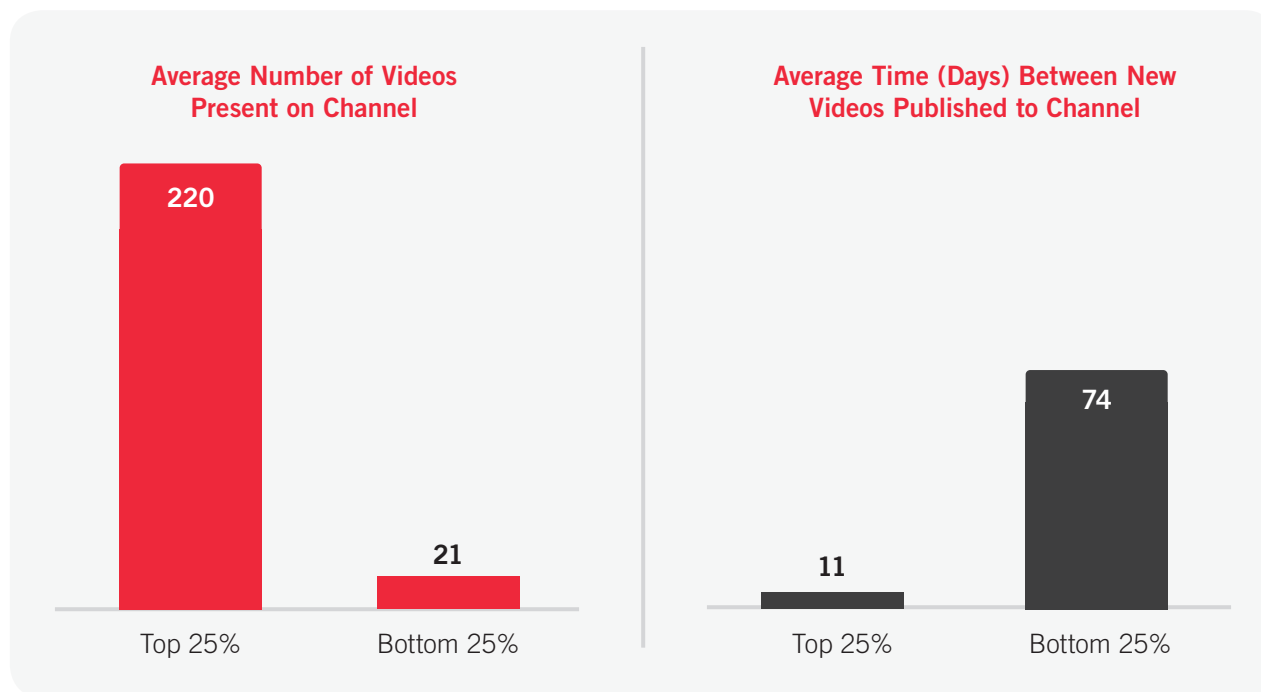


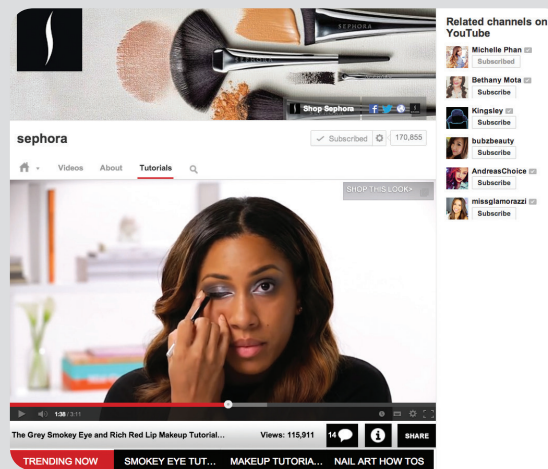
Figure 22.
Top 25% of beauty brands' YouTube content portfolio, compared with bottom 25% of brands

SEPHORA

Best Practice Example: Sephora

Sephora is very strong at **1)** creating a wide variety of how-to YouTube content, and **2)** attracting viewers to that content. Sephora has **nearly 800** YouTube videos available on its brand channel and **publishes content every 1.5 days for a total of 4.6 new videos per week.**

(Figure 23)



In contrast to Sephora, **Crème de la Mer**, a leading luxury beauty brand, is an example of a brand that has an underdeveloped YouTube channel and a large organic YouTube following that remains underexploited for brand gain.

CRÈME DE LAMER

- Crème de la Mer has a significant overall YouTube footprint of **508 user-generated videos** on **307 YouTube channels**, totaling **108 million** total views.
- Its official brand channel contains only **five videos, 38,940 views, and 30 subscribers.**
- Crème de la Mer is ranked **156th** out of the 168 brands within this study, according to total videos published to YouTube.
- To increase its brand footprint, Crème de la Mer should develop a YouTube video production and publishing calendar with regular content releases to connect with and leverage the already-engaged community of viewers who are passionately discussing Crème de la Mer on YouTube.

The following list ranks beauty brands by total video counts on official branded YouTube channels.

Rank	Top Brands	Videos
1	Sephora	770
2	LUSH	699
3	Dolce & Gabbana*	620
4	Victoria's Secret*	403
5	Burberry*	362
6	e.l.f. Cosmetics	347
7	Schwarzkopf	342
8	Rimmel London	339
9	CHANEL*	323
10	BirchBox	316
11	Mary Kay	313
12	HUGO BOSS*	280
13	L'Oreal Paris	266
14	Diesel*	245
15	BootsNo7	238
16	DermStore	233
17	Ralph Lauren*	195
18	Maybelline New York	179
19	Dior*	177
20	Garnier	176

Rank	Bottom Brands	Videos
156	Crème de La Mer	5
157	Majic Beauty	5
158	Destination Beauty	4
159	NYC	4
160	Kose	4
161	Optimum Salon Haircare	3
162	Milani	3
163	Bioré	3
164	La Roche-Posay	2
165	Softsoap	2
166	Trish McEvoy	1
167	Recreate the Runway	0
168	Alba Botanica	0

Figure 23.

Top beauty brand channels by # of videos per channel. Brands with mixed product lines (fashion, etc. that do not have separate channels for beauty videos) are marked with an *.

2. Shoot for Video Variety

PRODUCE DIFFERENT YOUTUBE VIDEO LENGTHS FOR DIFFERENT MARKETING PURPOSES

Successful YouTube video production strategies offer audiences a variety of videos.

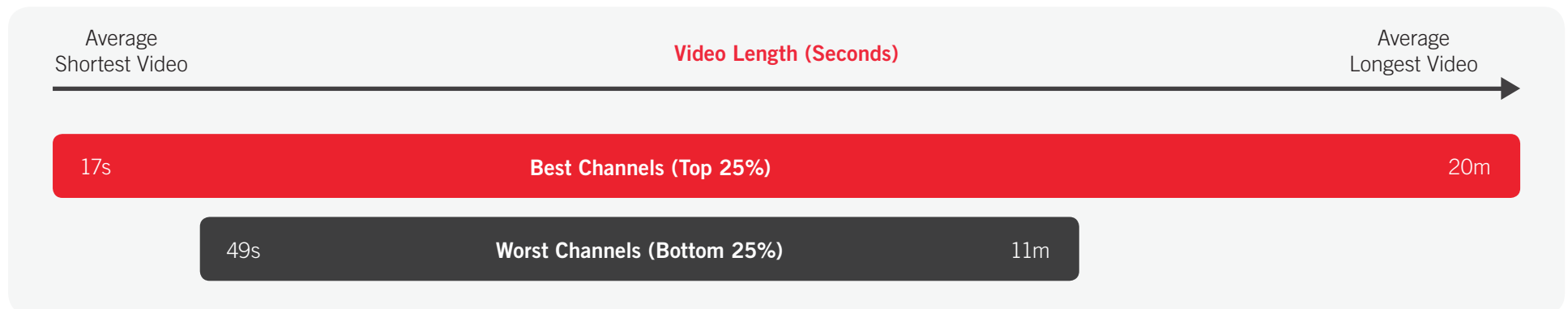
- When it comes to videos, YouTube's most successful beauty brands produce a wide variety in terms of content and length.
- Top-performing beauty brands vary video lengths 5x more frequently than less successful YouTube performers.

As Pixability's 2013 *Top 100 Global Brands* study reported, the leading global brands tend to produce a broader range of videos than the bottom quartile of global brands. These brands understand that shorter-form content targets consumers just starting out on their product information-gathering journey, while longer-form content maintains engagement with those closer to the purchasing phase. **Both long-form content and short videos perform as viewers become more familiar with and loyal to brands.**

No matter the grade of video production and length, ultimately the story needs to be relevant to the target YouTube audience.

- YouTube's top quartile of beauty brands produce content ranging in average length from **17 seconds to 20 minutes**.
- YouTube's bottom quartile of beauty brands produce content within a narrower average range of **49 seconds to 11 minutes**—a shorter range that is not always in-depth enough to guide viewers to later stages of the customer journey. (*Figure 24*)
- Many beauty brands are re-purposing broadcast commercials and publishing them to YouTube. This practice is largely ineffective in winning a loyal YouTube audience. **YouTube audiences crave relevant content**, whether it is entertaining or problem-solving—and brands should produce a variety of content that delivers some type of benefit to their audience at all stages of the customer journey.
- Beauty brands should develop a **YouTube content portfolio** that **creates awareness with short-form YouTube mini series or celebrity beauty content**, and then moves customers further along the path to purchase through **long-format how-to tutorials and testimonials that build credibility and remove objections**.

Figure 24.
Average video length produced by YouTube's top and bottom beauty brand quartiles





Benefit Cosmetics' channel screenshot of "The 4 Types of Men to Avoid with Sarah Colonna"

STAND OUT WITHIN YOUTUBE'S CROWDED BEAUTY LANDSCAPE

The YouTube beauty community's appetite for "how-to" tutorials is growing rapidly—but so is competition within the space. Top-performing beauty brands are differentiating by producing content that goes beyond what audiences have come to expect. **Create interesting and entertaining content that focuses on beauty topics outside of product how-to's and benefits.** For example, **Benefit Cosmetics** moved beyond tutorials on its YouTube brand channel when it created a series of humorous YouTube videos giving female viewers tips on types of men to avoid. Humor may often be effective, but it isn't the only way for beauty brands to stand out on YouTube.

CONVERT CELEBRITY STAR-POWER INTO BRAND CHANNEL VIEWS

Beauty content featuring celebrities accounts for a very small portion of videos within YouTube's overall beauty category, yet it averages more views per video than any other type of content produced.

- While product videos, tutorials and fashion-related videos generate the largest absolute view numbers due to a high level of available content, **videos featuring celebrities, designers, and models achieve significantly higher viewer numbers per video.** (Figure 25)
- Beauty brands currently produce relatively few videos featuring celebrities, most likely due to the perceived or actual high costs involved.
- Beauty brands utilizing celebrities on YouTube, such as CHANEL's use of Brad Pitt, are attracting a disproportionate amount of views per video, but celebrities are only part of an overall YouTube marketing strategy.

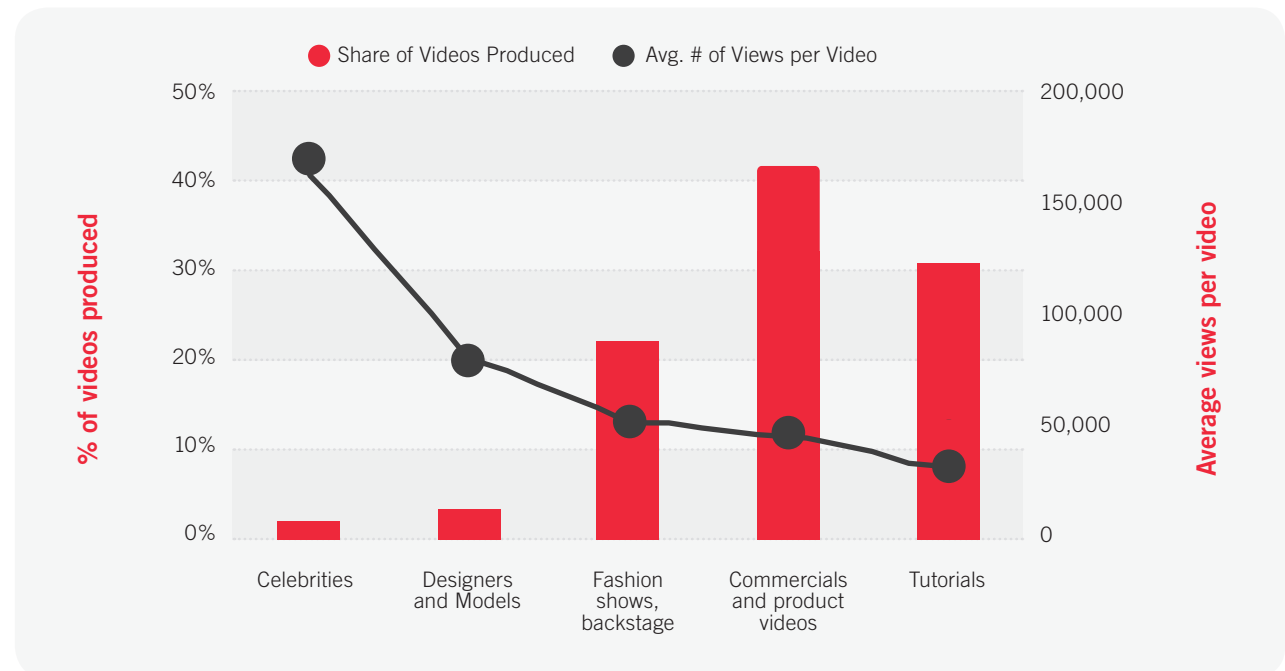


Figure 25.
Percentage of videos produced versus average views per video



Best Practices Example: Dove

Dove's "Real Beauty Sketches" YouTube video campaign was bold, powerful—and completely brand-authentic. Dove's video series exploring definitions of beauty and women's self-images was viewed **more than 170 million times in 110 different countries and has accrued more than 4 million social shares to date.**

Gina Boswell, executive vice president of personal care for Unilever North America, said, "We have actionable insight. Only 4 percent of adult women think they are beautiful, which is deplorable. A universal truth is the best basis for any kind of brand campaign, and Dove was able to unlock that." (9)

Important note: 60% of Dove's views for "Real Beauty Sketches" were obtained via advertising. Once the campaign gained momentum through ad views, organic views skyrocketed. Branded content often does not take off on YouTube without initial paid promotion to a targeted audience.

SUPPORT CELEBRITIES WITH MARKETING CAMPAIGNS

Spending on YouTube celebrity beauty endorsements is not enough; brands need to promote celebrity content on a variety of social media networks.

- **Inexpensively leverage celebrity star power** by engaging lesser known "B-list" celebrities such as second-tier movie actors, emerging models, junior designers, musicians, and athletes, rather than "A-list" international movie stars such as Angelina Jolie, Brad Pitt, or Emma Stone.
- **Use personality or celebrity-driven videos to capture attention and deliver tutorial content** to meet audience expectations for YouTube beauty content.
- **Leverage the diverse and expansive audiences associated with celebrities** to rapidly extend a brand's reach on YouTube.
- Drive views to celebrity content pieces with a comprehensive YouTube strategy that encompasses advertising, marketing, and website video embeds.

OFFER CONTENT VARIETY, BUT DON'T SACRIFICE BRAND AUTHENTICITY

Producing a variety of YouTube content is important, but ensure all YouTube messaging aligns with overall brand messaging.

- Produce videos that show people what a brand stands for, while giving them **useful, emotional, and visual content** to connect with.
- Apply **branding consistently, intelligently, and methodically.** Utilizing too much overt branding discourages viewers from sharing content with friends via email and social media sites, but branding within videos is important because many YouTube videos are shared, embedded, and viewed outside of official branded YouTube channels.
- Entertaining, humorous YouTube content proved effective for Benefit Cosmetics, but lighthearted video content might seem out of character for high-end luxury brands such as CHANEL or Dior.

3. Invest in Channel Management and Video Optimization

Beauty brands successfully getting found on YouTube are investing heavily in channel management, video SEO, and optimization. YouTube's top quartile of beauty brands invest in their channels and include curated playlists in addition to original content.

- Top YouTube beauty brand performers are using **7x more playlists** and **170% more metadata tags** than bottom YouTube performers.
- The top 25% of beauty brands on YouTube have an average of **13.6 playlists per channel.** (Figure 26, following page)
- The bottom 25% of beauty brands on YouTube have an average of **1.8 playlists per channel.**

9. Beauty Inc. 2013 Awards issue, Women's Wear Daily, December 13, 2013.

SEPHORA

Best Practices Example: Sephora

After noticing ombre hair styles beginning to catch on in early fall, Sephora proactively developed a YouTube playlist titled “Trending now at Sephora” and included ombre on the trends list—along with links to relevant ombre Sephora products. “Ombre” is now featured in **1,155 videos** on YouTube, garnering **69 million total views**. Sephora’s investment paid off; the beauty retailer has become known as a source of trends.

“If you want to see what is trending in cosmetics, [look to] Sephora,” says Terry Darland, president of LVMH Beauty. (10)

Average YouTube video social shares (Facebook, Twitter)

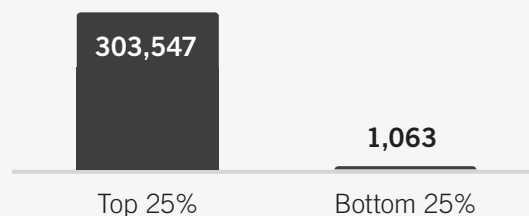


Figure 27.
Average YouTube video social shares and average views per video for YouTube’s top beauty brands, compared with bottom quartile

10. Beauty Inc. 2013 Awards issue, Women’s Wear Daily, December 13, 2013, 12.

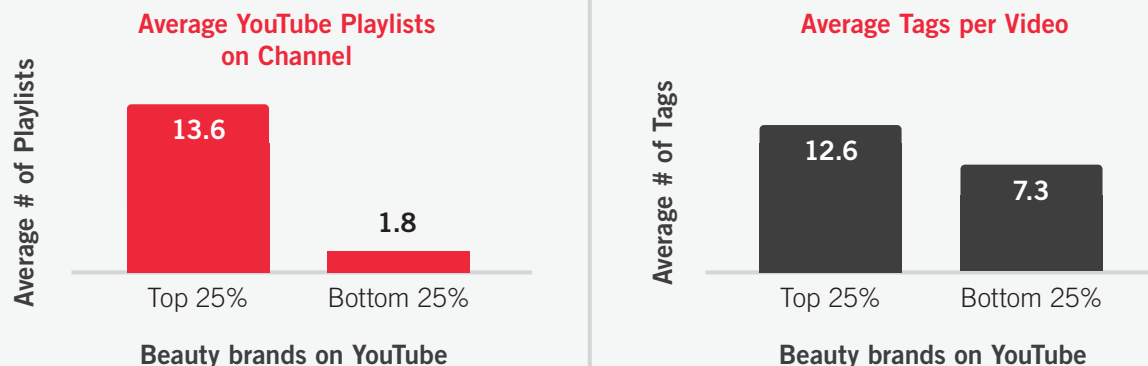


Figure 26
Top quartile of beauty brands compared with bottom quartile of beauty brands

4. Engage With Your YouTube Audience

AUDIENCE ENGAGEMENT IS KEY TO BEAUTY BRAND MARKETING SUCCESS ON YOUTUBE

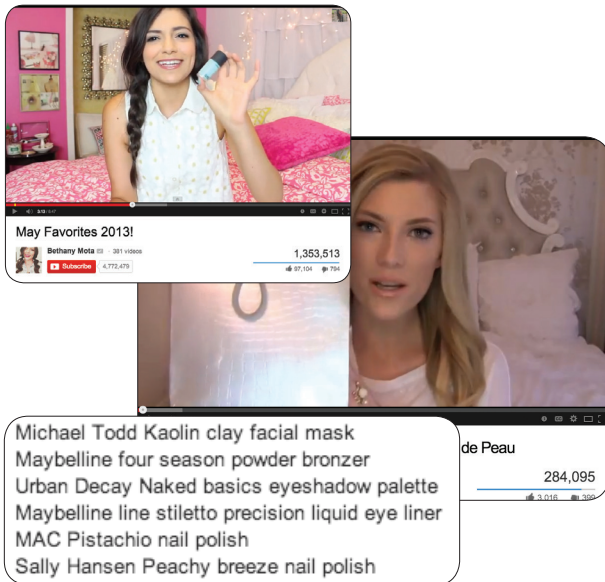
Some beauty brands are far more experienced than others at reaching their YouTube audience. When beauty brands produce engaging content that appeals to their target audience on YouTube, social sharing numbers increase dramatically.

- The top quartile of beauty brands receive **285x more social shares** overall than the bottom quartile of beauty brands. (Figure 27)

YOUTUBE IS A TWO-WAY PLATFORM

At its core, YouTube is a two-way conversation between beauty audiences and beauty authorities.

- Most beauty vloggers cater strongly to their audiences by **responding to fan and subscriber requests** by **creating content that meets audience demands**.
- **Interacting with fans and starting a dialogue** with other YouTube creators, commenters, and viewers about what viewers like and dislike on a brand channel can translate into far-reaching benefits for beauty brands.
- Increase YouTube brand footprints by making a point of **thanking key influencers** for brand mentions and **responding to brand detractors**.
- Interact **with key beauty vloggers** within YouTube’s platform by “liking” and “favoriting” relevant videos and including vlogger videos on brand channels via curated playlists.



Vlogger mentions of multiple brands within a single video

CONTENT CREATORS ARE OFTEN KEY CONVERSATION INFLUENCERS

YouTube's top beauty industry performers partner with popular YouTube vloggers and "haul girls" to increase the dialogue around their brands.

- YouTube users will continue to develop content around brands with or without brand marketers' approval or involvement.
- Actively engaging with YouTube's **communities of passion** allows beauty brands to become a part of the conversation and secure additional mentions.
- In some cases, user-generated content has become so popular that UGC views far outnumber views attained by official brand-created content.
- Beauty brands can intelligently **pair highly targeted ad spend with community engagement** to get their content in front of the right audience members.

LANCÔME

PARIS

Best Practice Example: Lancôme

Lancôme successfully partnered with YouTube celebrity Michelle Phan to increase its brand channel views. The brand went beyond product placement and collaborated with the popular beauty vlogger on tutorial content production, content curation, and product feedback. The partnership generated millions of new views for Lancôme's US channel. Michelle Phan subsequently developed her own beauty line, **em michelle phan**, that is produced by L'Oréal, Lancôme's parent company.

Derek Scobie, YouTube's head of brand propositions, says that brands have "woken up to the value of these creators as influencers and how they have been able to build up huge audiences. Brands realize that if they can find credible ways to collaborate with [YouTube content creators], there are great possibilities. They are also starting to think not just as advertisers but as publishers who create sustainable audiences." (11) Partnering with YouTube beauty vloggers and **pursuing inexpensive ways of gaining vlogger loyalty**—such as free product samples for vloggers or shoutouts on official brand channels—can also be extremely effective for brands.

COLLABORATING WITH OTHER YOUTUBE CONTENT CREATORS MAY INCLUDE NON-EXCLUSIVITY FOR BRANDS

Most beauty vlogger videos discuss multiple products from multiple brands in the same way editorial pages of magazines do.

- Successfully partnering with YouTube beauty celebrities and other content creators who generate their own YouTube videos and incorporate major beauty brands into non-brand exclusive storylines requires a level of comfort with relinquishing some control over brand exclusivity. Brands must become comfortable with allowing mentions alongside competitors.
- **Vlogger-produced content often includes five to twenty products from a variety of brands and purchase locations within a single video.** As the images below depict, popular YouTube beauty vloggers Macbarbie07 and allthatglitters21 mention at least five different products within one video.

(11) David Benady, "YouTube for marketing: how do you make it work?" *The Guardian*, January 8, 2014, <http://www.theguardian.com/technology/2014/jan/08/youtube-for-marketing-how-do-you-make-it-work>.



Best Practices Example: NYX's FACE Awards

NYX's FACE Awards, held annually in NYC, challenge YouTube audience members to come up with highly creative makeup tutorials.

- NYX encourages its YouTube audience members to enter original makeup creations into a contest resulting in a subset of vloggers competing live at the New York event.
- The FACE Awards are extremely popular, selling out each year and attracting thousands of views on NYX's YouTube channel.
- Through the FACE Awards, NYX is able to reach a broad community of beauty vloggers while establishing long-lasting ties to its brand.

YOUTUBE'S BEAUTY AUDIENCE CONTAINS MORE DIVERSITY THAN JUST YOUNG FEMALE VIEWERS

Large marketing opportunities exist for beauty brands within niche YouTube audiences.

- Many major beauty brands focus exclusively on YouTube content that caters to a youthful female audience, and subsequently miss out on entire generations of potential female—and male—customers.
- Just like beauty vlogger channels that produce content targeting a wide array of age groups and market segments, **successful brands cater to different beauty audiences and demographics on YouTube** with varied content that addresses specific needs matching their product offerings, such as curly hair management, black hair care, mature skincare, or skin whitening products.
- Females between the ages of 13 and 34 currently make up the majority of YouTube's beauty community, but they aren't the only beauty audience on YouTube; 14% of content watched by females 35-44 on YouTube is related to style and fashion.
- **Men's grooming is rapidly becoming one of YouTube's fastest growing categories** within beauty and personal care.
- YouTube views from a Hispanic audience and 45+ year-old demographic are increasing rapidly.
- Different audience demographics have distinct YouTube viewing patterns.

Nick Pahade from Adotas paints a compelling case for catering content to niche audiences in his January 2014 article published to www.adotas.com entitled "Using Video to Compete and Win In the Niche Market Space." Nick writes, "Because audiences are now so fragmented—and since expectations of personalization are heightened in the digital age—the same message won't necessarily work for everyone. To reach niche audiences, brands need to develop messages that appeal to specific groups, which means crafting different versions of the same story. In the past, this level of micro-targeting would have been cost-prohibitive, but now it's possible to develop and test several video messages for multiple audiences for less than it used to cost to produce a single video. The power of crowdsourcing and advanced, real-time analytics now allow brands to affordably create marketing content and generate accurate, relevant data to inform campaign decisions in real time." (12)

Niche audiences are but one potential YouTube diversification model for brands. As YouTube's current youthful beauty audience ages, individual viewers will continue watching YouTube. Many YouTube viewers today grew up with YouTube, and don't know a world without the online video platform. Beauty brands that evolve with their viewers as they age and their tastes change, and continue to provide relevant YouTube content to viewers at every key life stage, will be rewarded with a lifelong audience and prospective customer base.

12. Nick Pahade, "Using Video to Compete and Win in the Niche Market Space," *Adotas*. January 9, 2014, <http://www.adotas.com/2014/01/using-video-to-compete-and-win-in-the-niche-market-space/>.

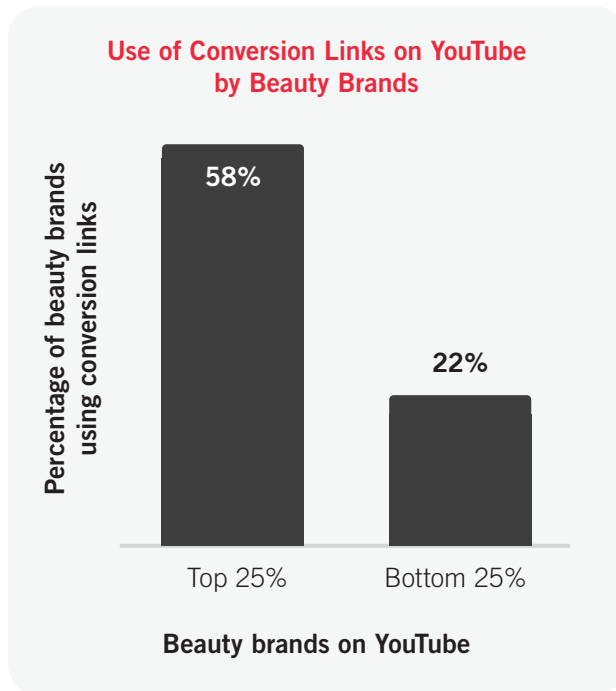


Figure 28.
Use of conversion links by YouTube's top quartile of beauty brands, versus bottom quartile

5. Convert YouTube Views and Audience Engagement Into Sales

Many beauty brands are under the impression that YouTube success revolves around total number of views, without the inclusion of any other measurement metrics. While view counts still remain important, YouTube has recently shifted its algorithms to elevate the importance of subscriber numbers as well as individual and cross-channel video watch times. Brands that use conversion links within videos and encourage **follow-on views** (views of other video content within the same YouTube channel) are earning YouTube relevancy credit, which helps search rankings and also influences how frequently branded videos appear in YouTube's "Suggested Videos" sidebar.

Successful beauty brands generate sales from YouTube views via conversion links.

- YouTube's top quartile of beauty brands use conversion links 2.6x more than the bottom quartile of brands. (Figure 28)
- Conversion links direct viewers to more specific videos on a topic, additional styling or product information, product purchase pages, or other related content depending on the purpose of the specific video in relation to a brand marketer's goals.

Top beauty brands include calls to action (CTAs) within their YouTube videos, to prompt viewers to engage with branded content in a different way after completing a video rather than simply exiting the page.

- Encouraging viewers to click on a link to be taken to a purchase page drives **product purchasing**.
- Directing viewers to the brand channel homepage to subscribe to the YouTube channel **builds a subscriber base**.
- Including a link to a related video keeps viewers on a brand's page and encourages **follow-on video views**.

Conclusion

Beauty brands should invest more in YouTube advertising, content creation, and channel management—as well as expanding their organic YouTube brand footprint by engaging with key YouTube beauty influencers and audiences.

The world's leading online video-hosting platform has come a long way since being founded in 2005. **Every day, more than 75 hours** of beauty-related videos are uploaded to YouTube and remain accessible to nearly everyone on the planet, including international users of all ages, races, genders, and socioeconomic backgrounds. YouTube currently has **14.9 billion beauty-related video views**, and continues to generate more views within the beauty category on a daily basis.

Pixability's *Beauty on YouTube* study is a comprehensive examination of YouTube's beauty ecosystem and the online YouTube video practices of 168 beauty brands, as well as thousands of YouTube beauty personalities and vloggers in the makeup, skincare, hair care, and nail categories. **Based on the findings generated by Pixability's proprietary big data software, beauty brands should be investing more in YouTube advertising, content creation, and channel management—as well as increasing their YouTube brand footprint organically through interactions with YouTube's beauty influencers and community.**

YouTube is radically changing the way the beauty industry is communicating to, connecting with, and selling to its audience

- YouTube connects brands, consumers, and shopping into one seamless experience, letting viewers purchase items they see within branded content with direct links to purchase pages.
- **YouTube is not just a video-viewing platform; it's a growing social platform and marketing channel** for the beauty industry that enables audience engagement multiple times a day in real time during key beauty decision making moments (i.e. workweek makeup application, or getting ready to go out at night).
- Beauty brands that produce a wider variety of content topics in varying lengths and on a consistent publishing schedule can capture viewers within all stages of the customer journey and increase customer engagement with specific content.

YouTube is visual, social, and shoppable; in short, YouTube is an ideal social media network and digital point of sale for beauty brands

- YouTube possesses significant potential for beauty brand marketers, but **non-brand influencers such as haul girls and YouTube beauty personalities surpass brands when it comes to winning views, share of voice on YouTube, and subscribers.**
- Beauty brands should combine focused advertising strategies on YouTube with strong social outreach to reach potential customers.
- YouTube's social and visual qualities allow beauty brands to play to their strengths, as long as they **invest in well-produced content that is on-brand, entertaining, and most importantly, provides a benefit to their audience.**
- For brands with limited production budgets, curating content and publishing playlists to a trends channel is an alternate way to engage with YouTube's extensive communities of passion.

Some of YouTube's creators are now widely followed beauty brands in their own right

- YouTube beauty sensation **Michelle Phan** went from starting her own channel, gaining a strong following, and working for Lancôme as a YouTube spokesperson to launching her own beauty brand: **em michelle phan**—a line of products that directly competes with other major industry brands.
- By the end of 2013, Michelle Phan's personal channel had over 5.5 million subscribers. Eight months after launch, Michelle's **em michelle phan** YouTube channel contained 33 videos and a total of 2.8 million views.
- We predict that more major brands will partner with top YouTube creators to develop product lines or sub brands in the coming months.

YouTube represents billions of dollars in potential revenue, yet still remains underutilized by many leading beauty brands

- YouTube's beauty ecosystem today revolves around **quality content, product reviews, tutorials, “hauls,” and key YouTube beauty personalities** sharing tips and expertise with a diverse audience of viewers often **watching videos in real time** while applying beauty looks.
- **Newer industry arrivals such as e.l.f. Cosmetics and NYX are successfully leveraging YouTube's vast marketing potential to connect with their audiences, demonstrate new products and styles, and ultimately sell** to an increasingly digitally-savvy global customer base.
- Beauty brand marketers should **leverage data tools such as YouTube Analytics or Pixability's YouTube software** to analyze audience drop-off points, click-through rates, conversions to sales, and average order values to optimize future content, locate key audiences previously unknown, and calculate return on YouTube investment.

Although not all beauty brands are “doing YouTube right” yet, YouTube's marketing potential for beauty brands to promote their products, build and connect with highly engaged audiences, and sell directly to consumers is significant. Established industry players such as CHANEL, L'Oreál, Avon, and e.l.f. Cosmetics, as well as lesser-known beauty brands, are using YouTube successfully to achieve key marketing goals.

YouTube is the beauty industry's next frontier, and early adopters are reaping the benefits of leveraging a powerful visual platform available anywhere, anytime, to anyone.

Report Methodology

Using Pixability's YouTube marketing and analysis software, our YouTube-certified data scientists analyzed the online video practices of a selection of 168 beauty brands and 45,000 YouTube beauty personalities and vloggers from a pool of 877,000+ YouTube hair care, skin care, makeup, and nail videos.

Data Collection

Pixability used its patent-pending YouTube software to extract metrics on each brand's YouTube channel, videos, audiences, and social networks. Our software automatically collected a list of hundreds of candidate channels using loose filtering criteria. The list was reduced to 168 beauty brands in the makeup, skincare, hair care, and nail categories.

Data on social behavior and view metrics for these YouTube channels and videos was harvested using Pixability's software.

Metrics analyzed include:

- Number of channel videos
- Number of views
- Number of channel subscribers
- Number of views, comments, "Likes," and "Dislikes" per video
- Metadata metrics for each video, such as number of tags and description lengths, publishing date, and video length
- Number of times each YouTube video was shared on Facebook and Twitter. The public APIs of the two services were queried with the exact YouTube video URLs to gain this information.

The data represented in *Beauty on YouTube* includes full and exact counts of the metrics described above. No sampling, estimates, regressions, or projections were used.

Inclusion Criteria

- Only beauty brands with a predominantly English-language YouTube presence were included in Pixability's data scan.
- To ensure authenticity of the YouTube channels included, only those YouTube channels were selected that linked to or from the brand's website. If a brand had no such presence on YouTube, it was counted as not having an official YouTube channel.
- Brands that had an online presence exclusively or primarily in a language other than English were excluded from this study.
- This study does not address niche audiences with regard to age, gender, ethnicity, etc.

Beauty Brands included in this study, ranked by total YouTube videos published to brand channel

Figure 30.

List of 168 beauty brands included in this study, ranked by the number of videos on their official YouTube channel. Brands with a * have products unrelated to the beauty industry.

Rank	Brand	URL: youtube.com/	Videos	Rank	Brand	URL: youtube.com/	Videos
1	Sephora	/sephora	770	27	Aveda	/aveda	154
2	LUSH	/LUSHcosmetics	699	28	Lancôme	/Lancômestudios	154
3	Dolce & Gabbana*	/dolcegabbanachannel	620	29	Natura	/naturamx	153
4	Victoria's Secret*	/victoriassecret	403	30	Hair Club for Men and Women	/hairclub	153
5	Burberry*	/burberry	362	31	Olay	/olay	151
6	e.l.f. Cosmetics	/eyeslipsfacedotcom	347	32	L'Occitane	/loccitaneenprovence	150
7	Schwarzkopf	/Schwarzkopf	342	33	L'Oreal Professionnel	/lorealprofessionnel	147
8	Rimmel London	/rimmellondon	339	34	Kiehl's	/KiehlsNYC	140
9	CHANEL*	/CHANEL	323	35	Clinique	/clinique	139
10	BirchBox	/birchboxtv	316	36	Benefit Cosmetics	/benefitcosmetics	135
11	Mary Kay	/marykay	313	37	Revlon	/revlon	132
12	HUGO BOSS*	/HUGOBOSSTV	280	38	The Body Shop	/thebodyshop	132
13	L'Oréal Paris	/lorealparisnyc	266	39	Forever21	/Forever21Inc	128
14	Diesel*	/DieselPlanet	245	40	Bobbi Brown	/bobbibrown	125
15	BootsNo7	/Boots	238	41	Neve	/nevecosmetics	121
16	DermStore	/DermStore	233	42	Bebe	/bebestores	120
17	Ralph Lauren*	/RLTVralphlauren	195	43	Bumble and Bumble	/thehouseofbumble	118
18	Maybelline New York	/maybellinenewyork	179	44	NARS	/narsmedia	113
19	Dior*	/Dior	177	45	Matrix	/imagineallyoucanbe	113
20	Garnier	/GarnierUSA	176	46	Vichy Laboratoires	/VICHYLABORATOIRES	111
21	Avon	/AvonProductsInc	174	47	Clarins	/ClarinsNews	110
22	Pantene	/Pantene	174	48	PürMinerals	/purmineralsvideo	110
23	Simple	/simplecouk	172	49	Max Factor	/MaxfactorUK	108
24	CoverGirl	/covergirl	159	50	NIVEA	/NIVEASkincare	104
25	Stila	/stilavideo	156	51	Tarte	/tartecosmetics	103
26	Oriflame	/oriflamecosmetics	155				

Rank	Brand	URL: youtube.com/	Videos
52	Bare Minerals	/bareescentuals	96
53	Helena Rubinstein	/HRcosmetics	96
54	Origins	/origins	95
55	Kérastase	/KerastaseUSA	92
56	Sunsilk	/SunsilkHairExperts	91
57	Garnier Fructis	/GarnierFructis	87
58	Maison Martin Margiela	/MARGIELAtube	86
59	BLUSH	/shopbLUSHonline	86
60	Dove	/doveunitedstates	83
61	BH Cosmetics	/bhcosmetics	82
62	Redken (Consumer)	/redken	81
63	Proactiv	/proactiv	81
64	Dermologica	/dermalogica	80
65	Clairol	/clairol	78
66	Josie Maran	/josiemarancosmetics	78
67	Head & Shoulders	/headandshoulders	78
68	Herbal Essences	/herbalessences	77
69	Redken (Professional)	/redkenmedia	74
70	Giorgio Armani Beauty	/GiorgioArmaniBeauty	73
71	Murad	/muradskincare	73
72	NYX	/nyxcosmetics	72
73	Sebastian Professional	/SebastianProTV	72
74	LuxBeauty	/justalittlelux	71
75	Dr. Dennis Gross Skincare	/DGSkincare	71
76	Estée Lauder	/EstéeLauder	69
77	Iman Cosmetics	/imancosmetics	68
78	Laura Geller	/LauraGellerUS	68
79	MAC Cosmetics	/maccosmetics	62
80	Sally Hansen	/SallyHansenTV	62
81	Caudalie	/Caudalie	62

Rank	Brand	URL: youtube.com/	Videos
82	DKNY Fragrances*	/dkny	60
83	Clairol Professional	/ClairolProfessional	59
84	Burt's Bees	/burtsbeesvideos	59
85	Philosophy	/philosophybeauty	59
86	LabSeries	/labseries	56
87	Physicians Formula	/pfcosmetics	56
88	Shiseido	/shiseidousa	55
89	Eucerin	/EucerinUS	55
90	Moroccanoil	/moroccanoil	53
91	OPI	/OpiProducts	52
92	Almay	/almay	51
93	John Frieda	/JohnFriedaUK	50
94	Mizani	/MIZANIUSA	49
95	Viktor & Rolf	/ViktorRolfTV	48
96	Neutrogena	/NeutrogenaVideos	47
97	Dr. Brandt	/drbrandtskincare	46
98	Laura Mercier	/LauraMercierCosmetic	44
99	KatVonD*	/thekatvond	44
100	Yves Saint Laurent Beaute	/yslparfums	43
101	Skinceuticals	/skinceuticals	42
102	Smashbox	/SmashboxCosmetics	42
103	Rogaine	/rogaie	42
104	Perricone MD	/DrPerricone	40
105	Softsheen-Carson	/softsheencarson	39
106	Biotherm	/biotherm	39
107	Pixi Beauty	/PixiBeauty	39
108	SK-II	/SKIIVideos	38
109	INOA	/inoaUSA	37
110	Make Up For Ever	/mufepro	35
111	essence cosmetics	/essencecosmetics	33

Rank	Brand	URL: youtube.com/	Videos
112	Pond's	/ponds	33
113	La Prairie	/LaPrairieBeauty	33
114	em michelle phan	/emcosmeticsmp	32
115	Vichy USA	/VichyLaboratoriesUSA	31
116	StriVectin	/strivectin	30
117	Clarisonic	/Clarisonic	29
118	Gucci*	/gucciparfums	28
119	Shu Uemura	/shuuemuraTV	28
120	Aveeno	/aveeno	28
121	Createurs de Beaute	/lescreateursdebeaute	28
122	Frederic Fekkai	/Fekkai	27
123	Lorac	/LORACCosmetics	27
124	diego dalla palma	/diegodallapalma	26
125	Clearasil	/clearasil	26
126	Ojon	/OjonHaircare	26
127	Speed Stick	/SpeedStick	25
128	Urban Decay	/urbandecayyt	25
129	livingproof	/livingproof	24
130	Deborah Lippmann	/DeborahLippmann	20
131	Sonia Kashuk	/SoniaKashukInc	19
132	RoC	/rocskincare	19
133	Nexus	/nexus	19
134	Elizabeth Arden	/ElizabethArdenBeauty	18
135	Shu Uemura	/shuuemuraartofhair	17
	Art of Hair		17
136	Japonesque	/Japonesque09	16
137	Khroma	/KardashianStore	15
138	Clean & Clear	/CleanandClearUS	14
139	Tom Ford	/tomfordinternational	14
140	Vaseline	/VaselineUS	14
141	Cacharel	/CacharelParfums	13

Rank	Brand	URL: youtube.com/	Videos
142	Essie	/essieusa	13
143	Anna Sui	/annasui2011	13
144	Baxter of California	/BaxterOfCA	11
145	Aromachology	/Aromachology	11
146	Jack Black Skin Care	/JackBlackSkinCare	10
147	Fresh	/FreshBeautyChannel	10
148	Coty	/COTYvideos	10
149	Vidal Sassoon Pro Series	/vidalsassoonproserie	9
150	Ardell	/ardelllashes	9
151	Kiss My Face	/KissMyFaceVideos	9
152	Pureology	/PureologySCC	8
153	Dermablend	/dermablendpro	7
154	Gorgeous Cosmetics	/GorgeousCosmetics	7
155	Ahava	/ahavaworldwide	6
156	Crème de la Mer	/CremedelaMerUK	5
157	Majic Beauty	/MajicBeautyOfficial	5
158	Destination Beauty	/destinationbeauty	4
159	NYC	/nycnewyorkcolor	4
160	Kose	/kosesingapore	4
161	Optimum Salon Haircare	/optimumsalonhaircare	3
162	Milani	/milani	3
163	Bioré	/BioreUK	3
164	La Roche-Posay	/LaRochePosayUSA	2
165	Softsoap	/SoftsoapBrand	2
166	Trish McEvoy	/trishmcevoycosmetics	1
167	Recreate the Runway	/liverunway	0
168	Alba Botanica	/thealbabotanica	0

About Pixability

Pixability is a YouTube-certified software company that works with major brands to dramatically increase their YouTube impact on target audiences.

Pixability's YouTube software allows brands to distill insights from the data to hone their YouTube strategy and outpace the competition.

Pixability's software mines billions of YouTube video views, relevant social communities, search patterns, and competitors' moves to ensure content and ad campaigns are targeted, relevant, and impactful. Pixability automates, synchronizes, and measures the entire YouTube process for content and campaigns.

We extract the digital conversation around beauty brands, provide the historical, industry, and trends context for the conversation, compute the data in real-time, and generate actionable insights to deliver powerful results on YouTube for brands.

Since 2008, Pixability has worked with more than 500 customers, 10,000 YouTube channels, and 2.5 million business and brand videos to deliver proven YouTube performance and return on marketing investment.

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