



NYKAA Market Insights

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Social Media and Review Analysis of Nykaa: Enhancing Brand Perception and Market Position

INTRODUCTION:

The fashion and lifestyle e-commerce industry is highly influenced by customer perception and social media engagement. Brands like Nykaa rely heavily on online feedback to improve their services. Analyzing this data helps understand market trends, customer satisfaction, and competitive positioning.



Project Introduction

- This project analyzes social media posts and customer reviews related to Nykaa to understand brand perception and customer satisfaction.
- It also compares Nykaa with its competitors to identify improvement opportunities and market trends.

Project Objective

- The goal is to extract insights from customer sentiment and feedback to improve Nykaa's market position.
- The analysis provides strategic recommendations based on perception, satisfaction, trends, and competition





OVERVIEW

- Founded in 2012 by Falguni Nayar, Nykaa is a leading Indian beauty and lifestyle retailer.
- Operates on an omnichannel model, selling through online platforms and 150+ physical stores.
- Offers 4,500+ brands and 3 lakh+ products across beauty, fashion, wellness, and personal care.

MISSION

- To create a world where consumers have access to a finely curated, authentic assortment of products and services that delight and elevate the human spirit.

VISION

- To bring inspiration and joy to people, everywhere, every day.

BUSINESS MODEL

- **Revenue Streams** - Product sales (beauty, wellness, fashion), private label brands, commissions from third-party sellers, and offline retail
- **Customer Segments** - Young urban consumers, predominantly women aged 18-35
- **Value Proposition** - Curated quality products, personalized shopping experience, influencer-driven marketing



- **Key Channels** - Website, mobile app, physical stores (Nykaa Luxe, Nykaa On Trend)
- **Cost Structure** - Inventory, logistics, marketing, warehousing, influencer partnerships
- **Competitive Advantage** - Early digital adoption, brand loyalty, omnichannel presence, in-house brands



Market Position

- Holds 25–30% market share in India's online beauty segment.
- Competes with Amazon Fashion, Flipkart, AJIO, and emerging D2C brands.
- Nykaa is the only profitable startup among India's major unicorn IPOs (2021–2024).



Growth Highlights

- 61% quarterly profit growth (as of Q4 FY25).
- Beauty vertical: Revenue growth in mid-20s %, GMV growth in low-30s %.
- Added to MSCI Global Standard Index in 2025.
- Focus on expanding product categories, enhancing tech stack, and offline retail expansion.



Nykaa Revenue Model & Financial Performance (FY22–FY25)

Fiscal Year	Revenue from Operations	YoY Growth	Profit After Tax (PAT)	Key Highlights
FY22	₹3,774 crore	–	₹41.3 crore	Baseline year for comparison
FY23	₹5,144 crore	36.30%	₹21 crore	Significant growth in gross revenue
FY24	₹6,386 crore	24.10%	₹40 crore	Continued growth with improved profitability
Q3 FY25	₹2,267 crore	26.8% YoY	₹26.4 crore	Strong quarterly performance with increased profit



Revenue Streams

- Beauty & Personal Care (BPC): Primary revenue driver, accounting for approximately 90.9% of total revenue in Q3 FY25.
- Fashion Segment: Contributed around 8.8% to operating income in Q3 FY25.
- Other Income: Includes earnings from interest and gains on financial assets, adding ₹30 crore in FY24.

Cost Structure

- Procurement Costs: Represented 57.4% of total expenditure in FY24, increasing by 27.3% to ₹3,647 crore.
- Operational Expenses: Overall expenditure rose by 23.6% to ₹6,346 crore in FY24, encompassing employee benefits, marketing, technology, and other overheads.

Profitability Metrics

- Return on Capital Employed (ROCE): Stood at 5% in FY24.
- EBITDA Margin: Recorded at 1.6% in FY24.
- Unit Economics: Nykaa spent ₹0.99 to earn ₹1 in FY24, indicating efficient cost management.

TECHNOLOGY UTILIZATION

Cloud Infrastructure:

- Utilizes cloud platforms (e.g., AWS) for scalable and secure e-commerce operations.
- Enables smooth handling of high user traffic during sales and new launches.

Data Analytics & AI:

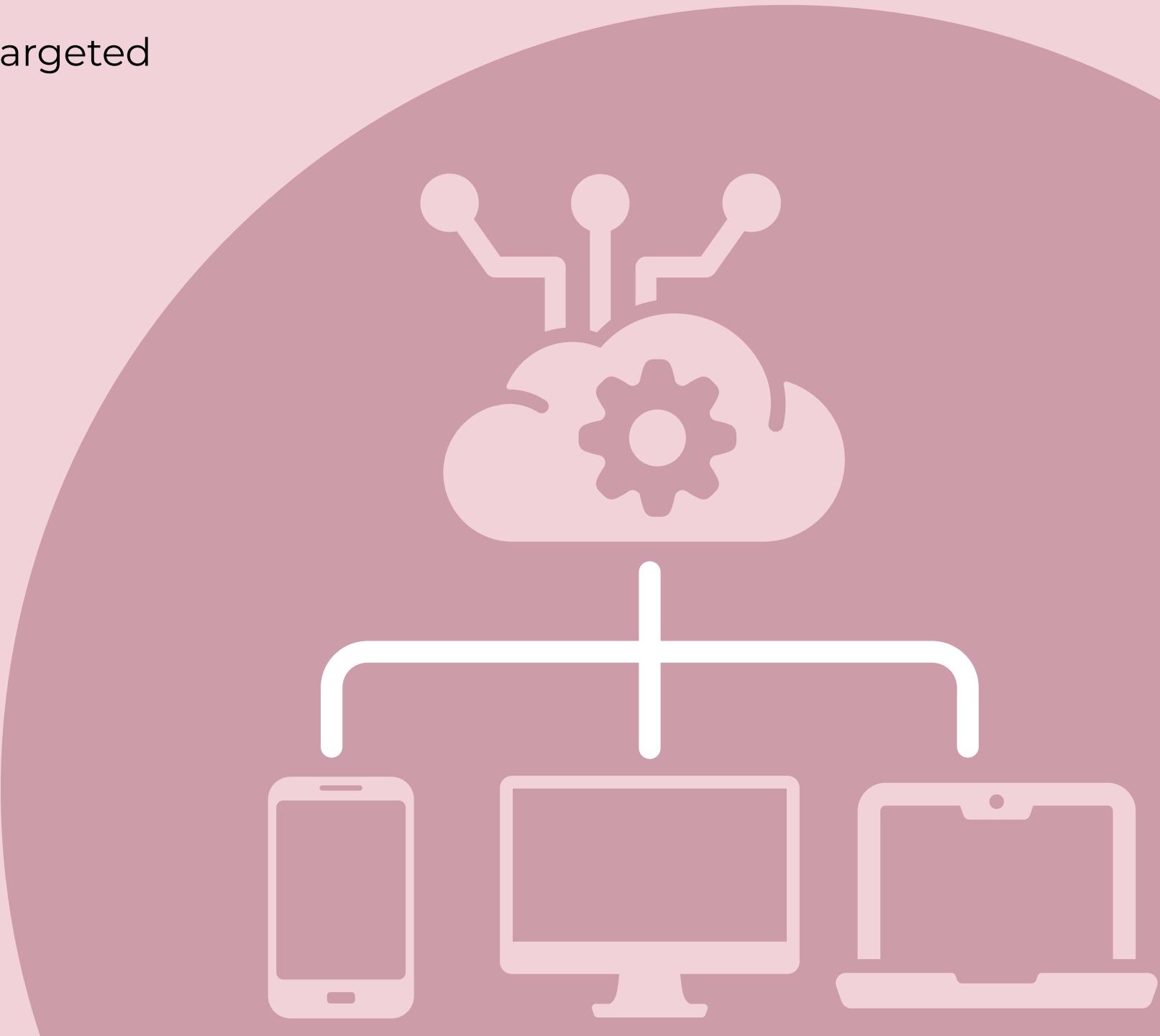
- Leverages customer data to offer personalized recommendations and targeted marketing.
- Uses AI to optimize inventory, pricing strategies, and customer service.

Mobile & Omnichannel Tech:

- Invested in mobile-first experiences via the Nykaa app.
- Seamless integration between online and offline (retail) shopping experience

Tech Impact:

- Improved customer engagement and satisfaction.
- Enhanced operational efficiency and real-time decision-making.
- Scalable infrastructure supporting rapid growth and digital expansion.



Customer Analysis using Social media Reviews With Chat GPT



Customer Sentiment Snapshot – Nykaa Services & Products



ACTIONABLE INSIGHTS FOR NYKAA

Simplify Return Procedures:

Streamline the return process to make it more user-friendly and transparent.

Provide clear guidelines and timely updates on return status.

Improve Communication:

Ensure consistent and prompt communication regarding return approvals and refund timelines.

Address Delivery Delays:

Identify and mitigate factors causing delivery delays, particularly in Tier 2/3 cities.

Real-Time Tracking:

Implement real-time order tracking to keep customers informed about their delivery status.





Highlight Positive Reviews:

Showcase positive customer testimonials and reviews on the website and social media platforms.

Engage with Loyal Customers:

Recognize and reward loyal customers through exclusive offers and personalized recommendations.

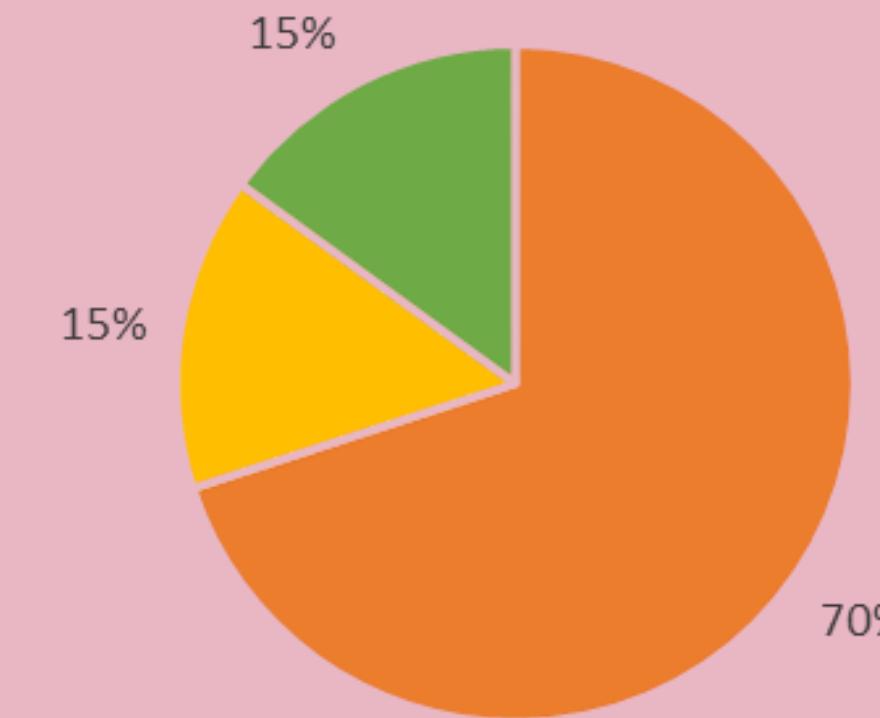
Introduce Authenticity Certificates:

Provide authenticity certificates, especially for luxury and high-end products, to build customer trust.

Transparent Sourcing Information:

Share detailed information about product sourcing and brand partnerships to reassure customers.

Sentiment Distribution



■ Positive ■ Neutral ■ Negative

Data Sources: YouTube, Google Reviews, Twitter, Instagram, Facebook

SWOT ANALYSIS

Strengths

- ✓ Strong brand reputation and customer trust
- 🛍️ Extensive range of 2000+ beauty & wellness brands
- 👤 Omnichannel presence (Online + 145+ Offline stores)
- 💄 Effective influencer and content marketing (Nykaa TV, YouTube, Instagram)
- 🎫 Loyalty programs like Nykaa Prive boost retention
- 🚚 Fast delivery & secure packaging (especially in Tier 1 cities)

Opportunities

- 🌐 Expansion to Tier 2/3 cities – rising digital demand
- ✈️ Potential for global expansion (especially private label)
- 👉 Growth in male grooming & wellness market (Nykaa Man)
- 🤖 AI & tech for personalized beauty suggestions & virtual try-ons
- 🌿 Rising demand for cruelty-free & eco-friendly products

Weaknesses

- ✗ Delayed customer service response & unresolved complaints
- 🔄 Inconsistent return/refund process; post-purchase issues
- ⚠️ App glitches during mega-sale events (e.g., Pink Friday)
- 💰 Perceived as expensive compared to Amazon/Purple
- 📦 Limited stock of high-demand international products

Threats

- ⚔️ High competition from Amazon, Flipkart, Purple, D2C brands
- เศรษ Economic slowdowns may reduce discretionary spending
- 🧪 Risk of counterfeit products affecting brand trust
- 🛒 Logistics costs & delivery delays could hurt experience
- 🔒 Data privacy and cybersecurity compliance pressures

Market Trends in Beauty & Fashion

1. Influencer Insights

Track beauty/fashion influencers.

Note viral products and hashtags (e.g., #NykaaHaul, #CleanBeautyIndia).

2. Trending Topics

Rising interest in sustainable, cruelty-free products.

Seasonal trends: bridal kits, festive looks, monsoon makeup.

3. Customer Engagement

High interaction on skincare/makeup tutorials.

Popular mentions: Maybelline, Minimalist, Hyphen lip balm.



NYKAA'S MARKETING STRATEGY



Website
marketing



YouTube
marketing



Multi-lingual content
distribution



Omnichannel
launch for SMM



Strong D2C
relation



Collaboration with
international brands



Brand authenticity



Strong brand
endorsement



Regular offers
and discount

COMPETITIVE LANDSCAPE ASSESSMENT

Comparison Factors:

- Product Range: Diverse categories across platforms
- Pricing & Deals: Aggressive discounts by competitors
- Customer Reviews: Mixed feedback; Nykaa strong in beauty, others in fashion
- Marketing Presence: Influencer collaborations, seasonal campaigns by all



Customer Satisfaction:

- Competitors excel in delivery & pricing
- Nykaa praised for beauty product curation

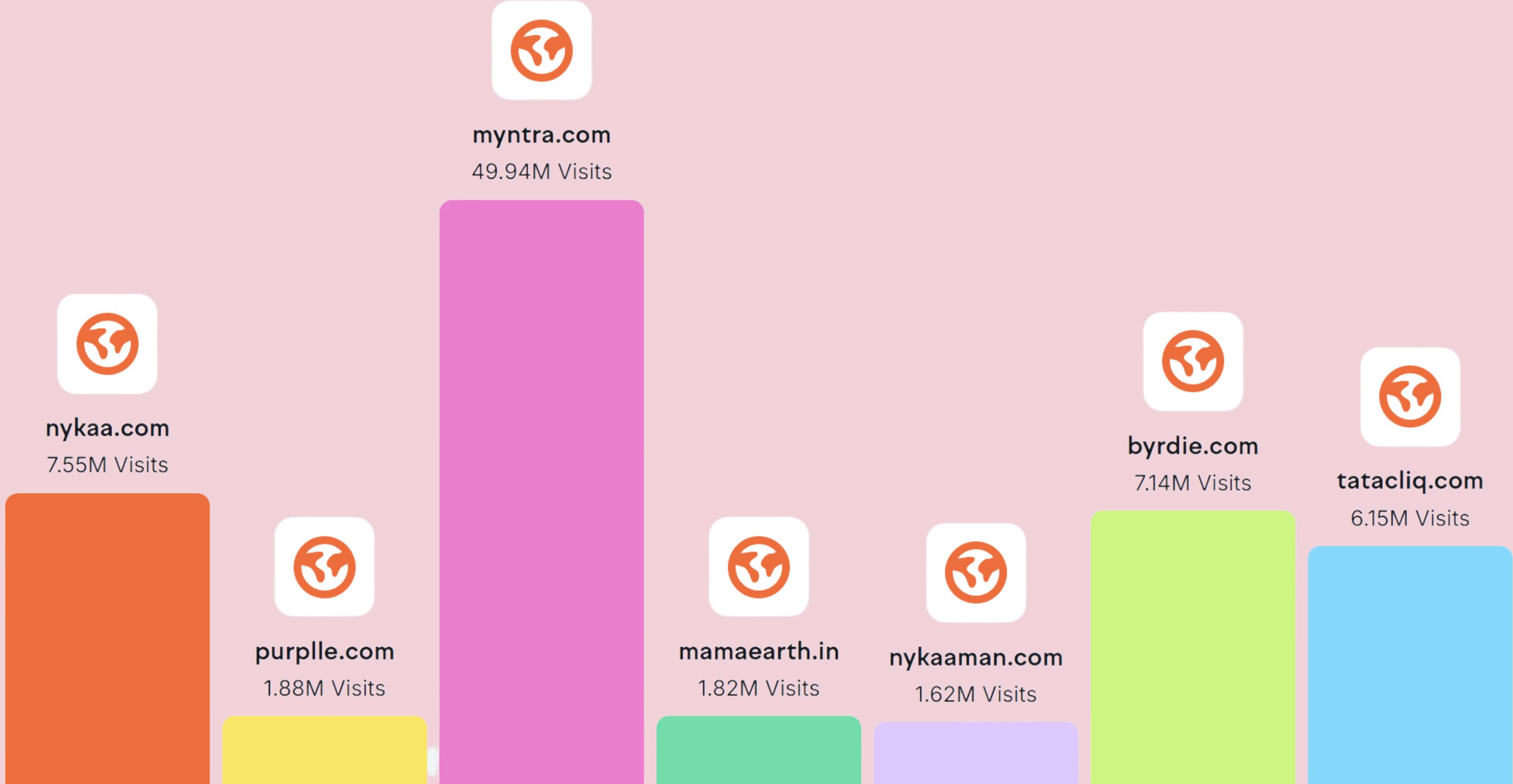
Nykaa's Position:

- Strength: Specialized in beauty, trusted curation
- Gap: Competitors lead in fashion variety & affordability

Key Competitors:

- Amazon Fashion
- Flipkart
- AJIO
- Myntra
- purplle
- mamaearth
- byrdle
- tatacliq

Comparison of Monthly Visits: **nykaa.com** vs Competitors, April 2025



STRATEGIC RECOMMENDATIONS

Improve Customer Satisfaction:

- Faster delivery & better tracking
- More responsive customer support
- Simplify return/refund process

Boost Marketing & Engagement:

- Collaborate with trending influencers
- Promote through contests & giveaways
- Focus on trending beauty/fashion themes

Enhance Product Offering:

- Introduce eco-friendly & organic lines
- Launch influencer-exclusive collections

Strengthen Competitive Positioning:

- Emphasize beauty expertise
- Counter competitors with smart pricing & value bundles

Website Used for Analysis



<https://www.mouthshut.com/product-reviews/nykaa-reviews-925702993>

<https://www.semrush.com/website/nykaa.com/overview/>

<https://www.statista.com/topics/8128/nykaa/>

<https://app.dealroom.co/companies/nykaa>

<https://www.crunchbase.com/organization/nykaa>

More websites for other details



Thank You