

From Legacy to Innovation

How Startups are Redefining
the Makeup Industry



Introduction

The Indian beauty industry is undergoing a profound transformation, with startups like RENEE Cosmetics, Sugar Cosmetics, and MyGlamm challenging traditional players such as Lakme, Maybelline, and Mac Cosmetics and emerging as strong competitors. This report by **TheKredible**, titled **"From Legacy to Innovation: How Startups are Redefining the Makeup Industry,"** delves into the dynamics of this shift. It examines brand preferences, purchasing behaviors, and the factors driving consumer loyalty and switching behavior, using insights from a diverse demographic survey. RENEE Cosmetics, in particular, emerges as a leader among new-age brands, resonating with younger generations through innovative products, ethical practices, and digital-first strategies.



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In 2022,
India's beauty market
was valued at \$15.6 billion
and is projected to reach
\$17.4 billion by 2025,
indicating a robust
growth trajectory.

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Key Areas of Focus

This report covers the following aspects:

Product Range and Innovation

Exploring innovative formulations and sustainable product lines offered by new-age makeup brands.

Geographic Reach and Expansion

Understanding how brands are penetrating urban, suburban, and rural markets.

Consumer Preferences and Perceptions

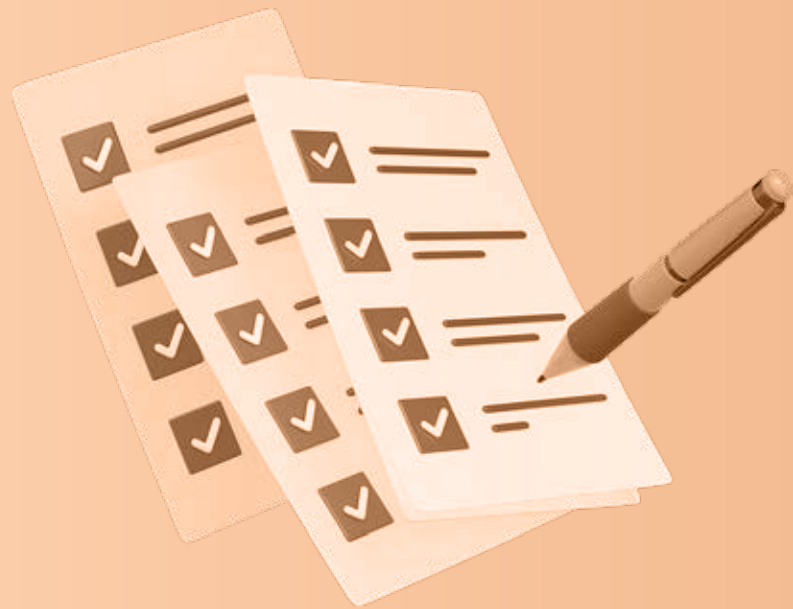
Analyzing what consumers prioritize from both traditional and emerging players.

Growth Drivers for New-Age Makeup Brands

Investigating the rise of brands and their appeal to Gen Z and Millennials.

Methodology

The research combined secondary and primary data analysis. An extensive review of market reports and a nationwide survey provided insights into brand awareness, usage patterns, and consumer preferences.



Survey Demographics

The survey for this report captured insights from a diverse group of respondents, primarily younger consumers, with 65.70% aged 14–24 years and 34.30% aged 25–34 years. Geographically, 85.70% of participants were from urban areas, while rural and suburban areas contributed 10.50% and 3.80%, respectively.

Students formed the largest segment at 68.60%, followed by employed professionals (21.90%), homemakers (4.80%), self-employed individuals (3.80%), and retirees (1.10%). In terms of income, 77.10% of respondents earned less than Rs 5 LPA, with a smaller proportion falling into higher income brackets.

This diverse sample highlights the preferences of younger, urban, and value-conscious consumers, offering a comprehensive view of the changing dynamics in India's beauty industry.

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Gen Z consumers are not just target audience but trendsetters, reshaping the makeup industry with demands for speed, convenience, and transparency.

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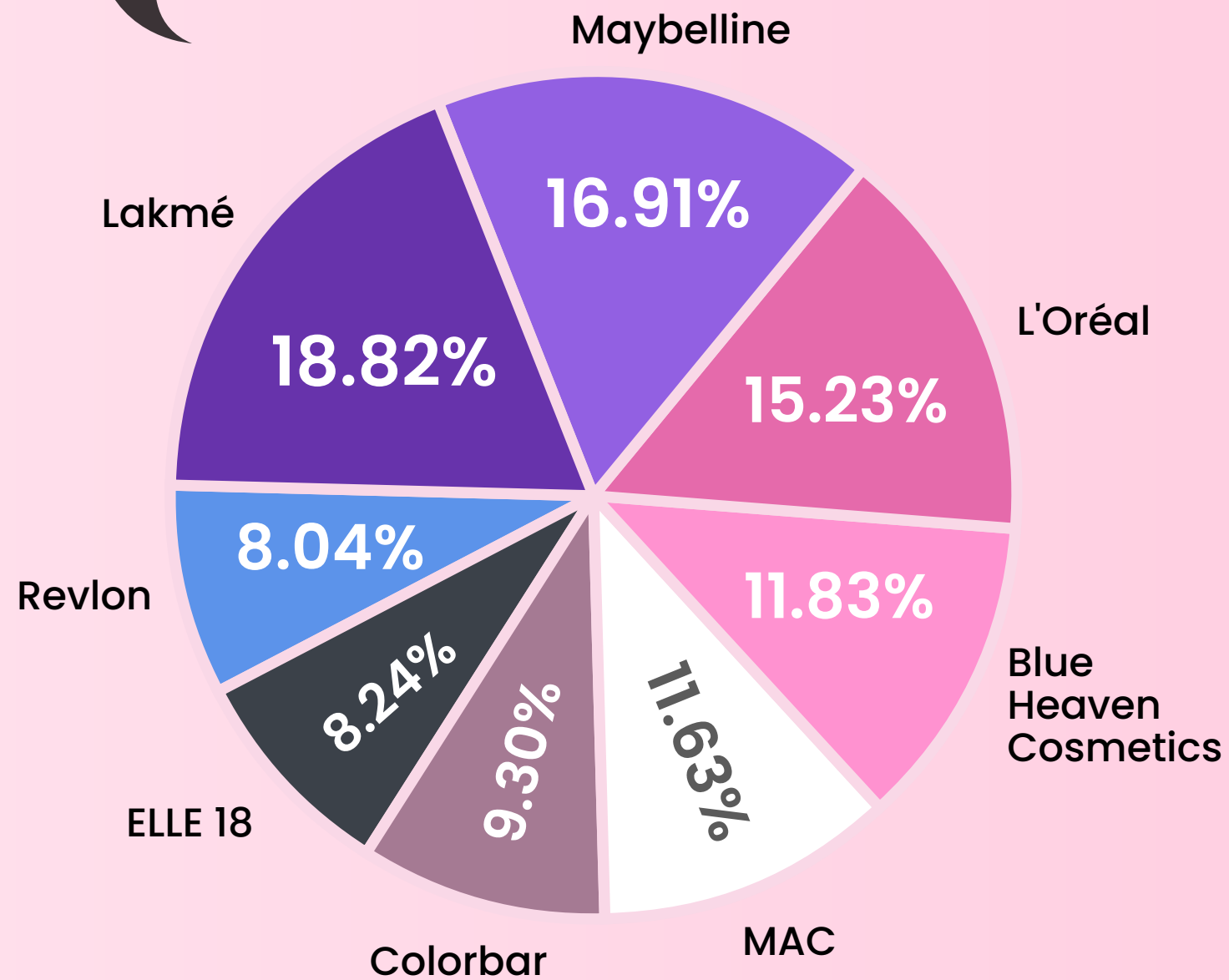
Key Findings from the Survey

Brand Awareness and Recognition

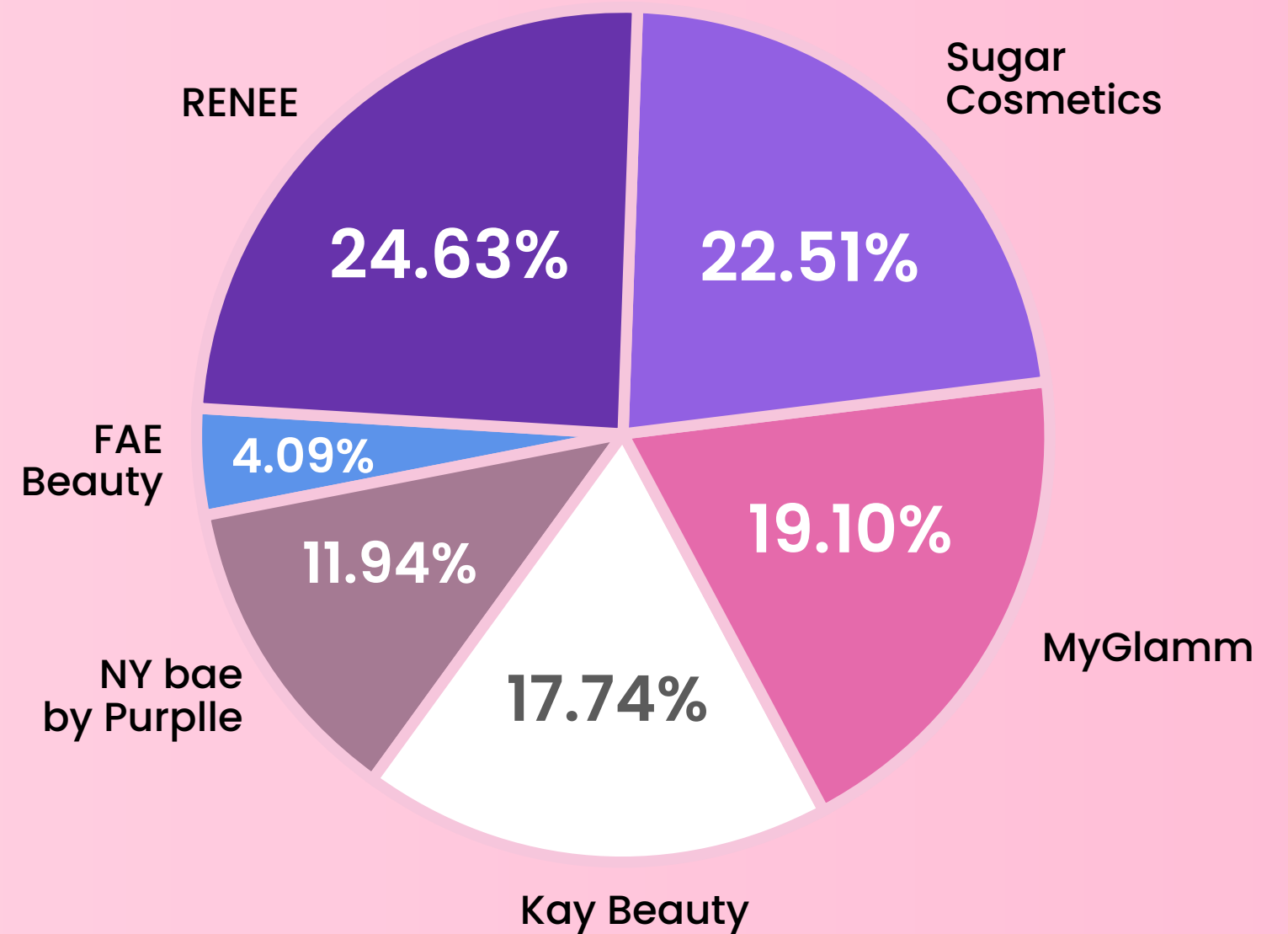
- **High Familiarity with RENEE Cosmetics:** Among new-age brands, 24.63% of respondents recognized RENEE Cosmetics followed by Sugar Cosmetics (22.51%) and MyGlamm (19.10%), placing them among the top familiar new-age brands.
- **Digital Discovery:** Social media played a pivotal role in this recognition, showcasing strength in digital engagement. Most respondents discovered new-age brands through influencer marketing and targeted ads on platforms like Instagram.

How respondents reacted to the questions asked in the survey ?

Which traditional makeup brands are you familiar with?



Which new-age makeup brands are you familiar with?



Brand Usage and Preferences

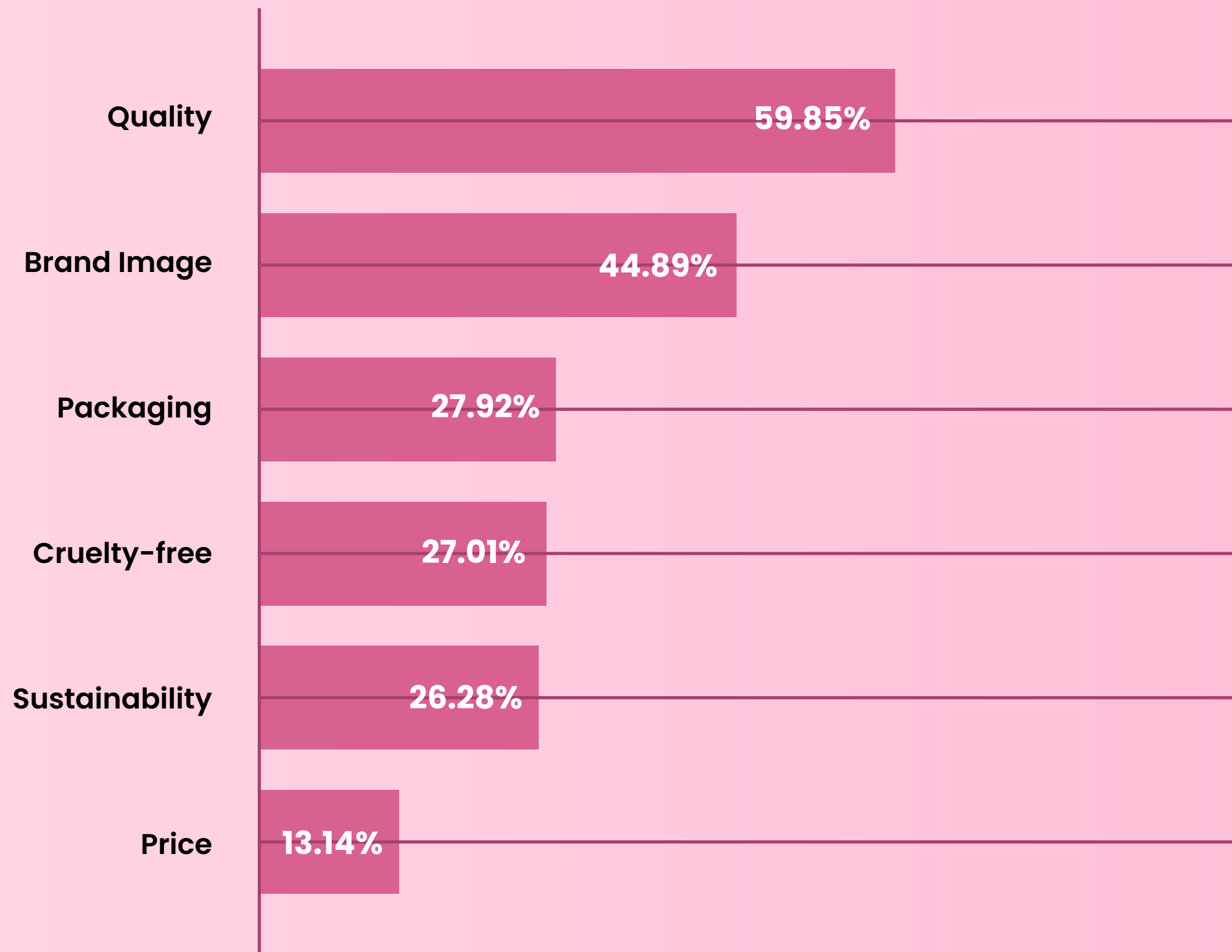
- **Traditional players taking the lead:** Out of the total (including traditional and new-age brands), 19.33% of respondents listed Lakme among their most frequently used brands followed by Maybelline (18.1%), RENEE (15.97%), and Sugar Cosmetics (15.37%). Mac Cosmetics, MyGlamm, Blue Heaven, Swiss Beauty, Loreal, and Faces Canada are next on the list.
- **Ethical Practices Matter:** New-age brands' alignment with values such as cruelty-free formulations and sustainable packaging contributed to their positive perception.

Brand Switching Factors

- **Flexibility in Preferences:** Out of the total (including traditional and new-age brands), 20.33% of respondents listed RENEE among their most frequently used brands followed by Sugar (20.1%) and Lakme (18.67%). Maybelline, Mac Cosmetics, MyGlamm, Blue Heaven, Swiss Beauty, Loreal, and Faces Canada are next on the list.
- **Innovation as a Driver:** The unique product offerings of these brands, such as multitasking makeup solutions, have made them a standout choice.

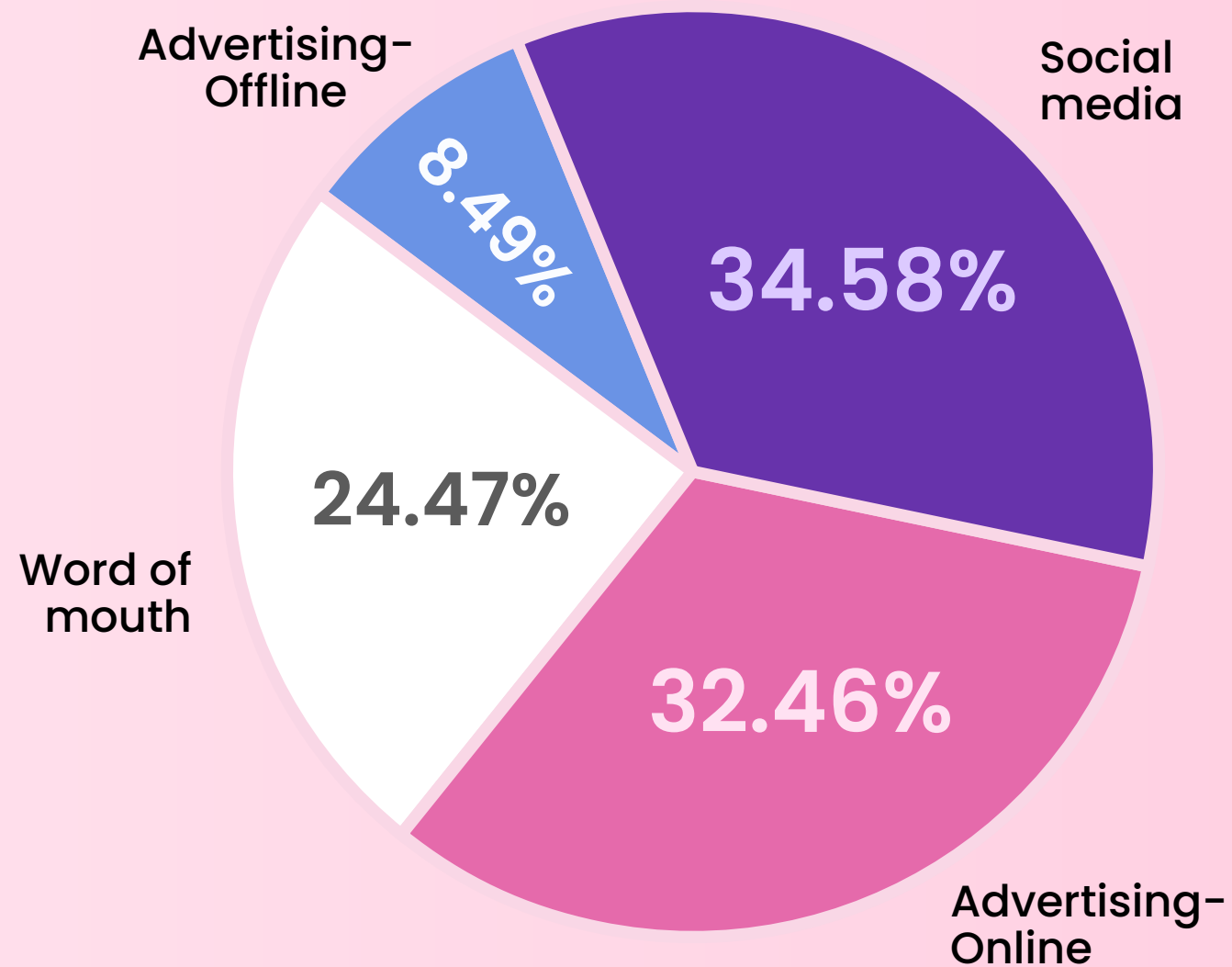
How respondents reacted to the questions asked in the survey ?

What factors influence you to switch from one makeup brand to another?

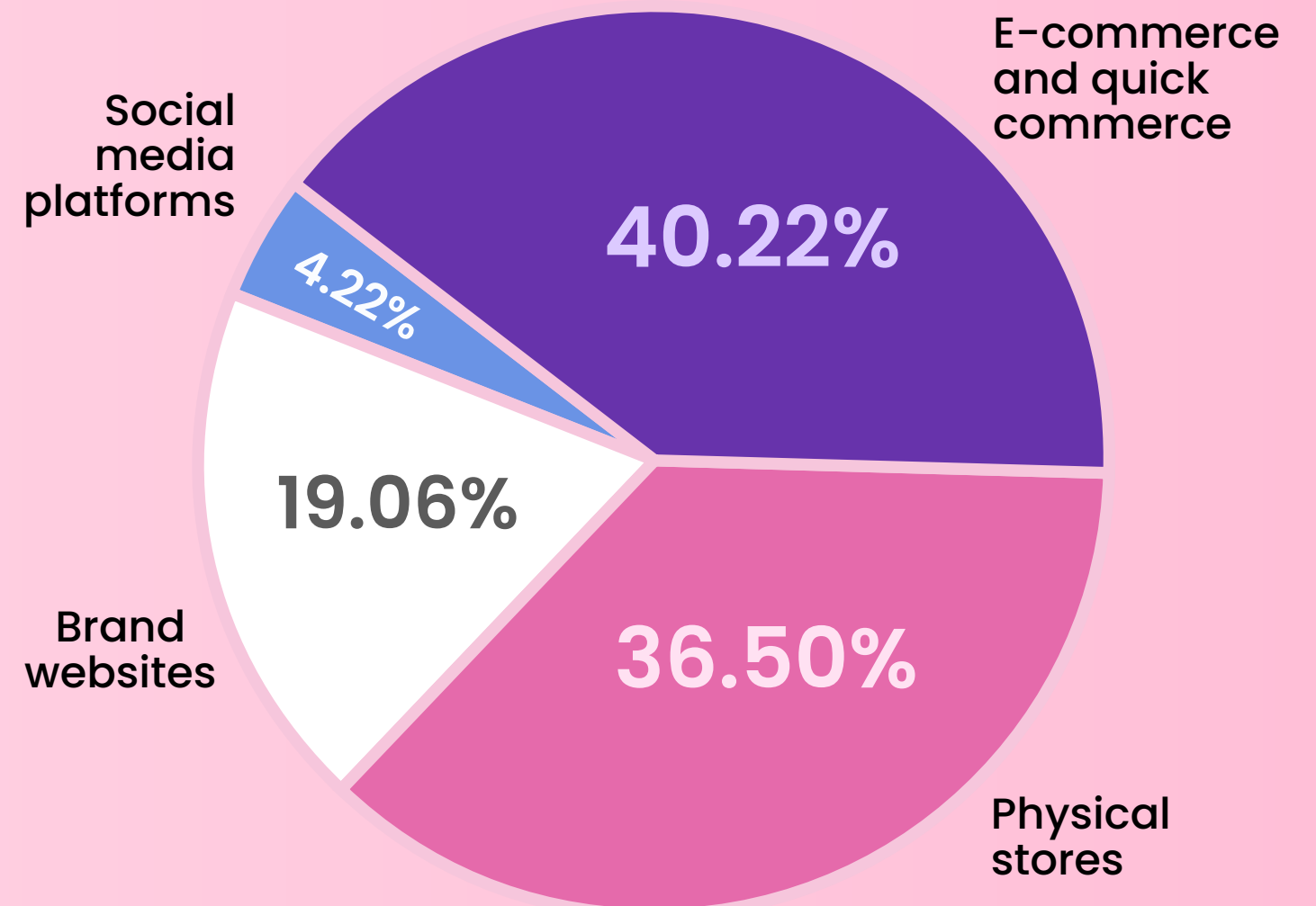


How respondents reacted to the questions asked in the survey ?

How did you first become aware of the above-mentioned brands?



Where do you typically purchase makeup products?



Product Categories and Spending Patterns

- **Popular Choices:** RENEE's lipsticks and eyeliners were frequently mentioned in top product categories.
- **E-commerce Advantage:** The new-age brands leveraged online platforms like Amazon and Flipkart along with quick commerce apps Blinkit, Zepto, and Swiggy's Instamart, as well as their own websites, to capture a significant share of online beauty purchases.

Sustainability and Clean Beauty

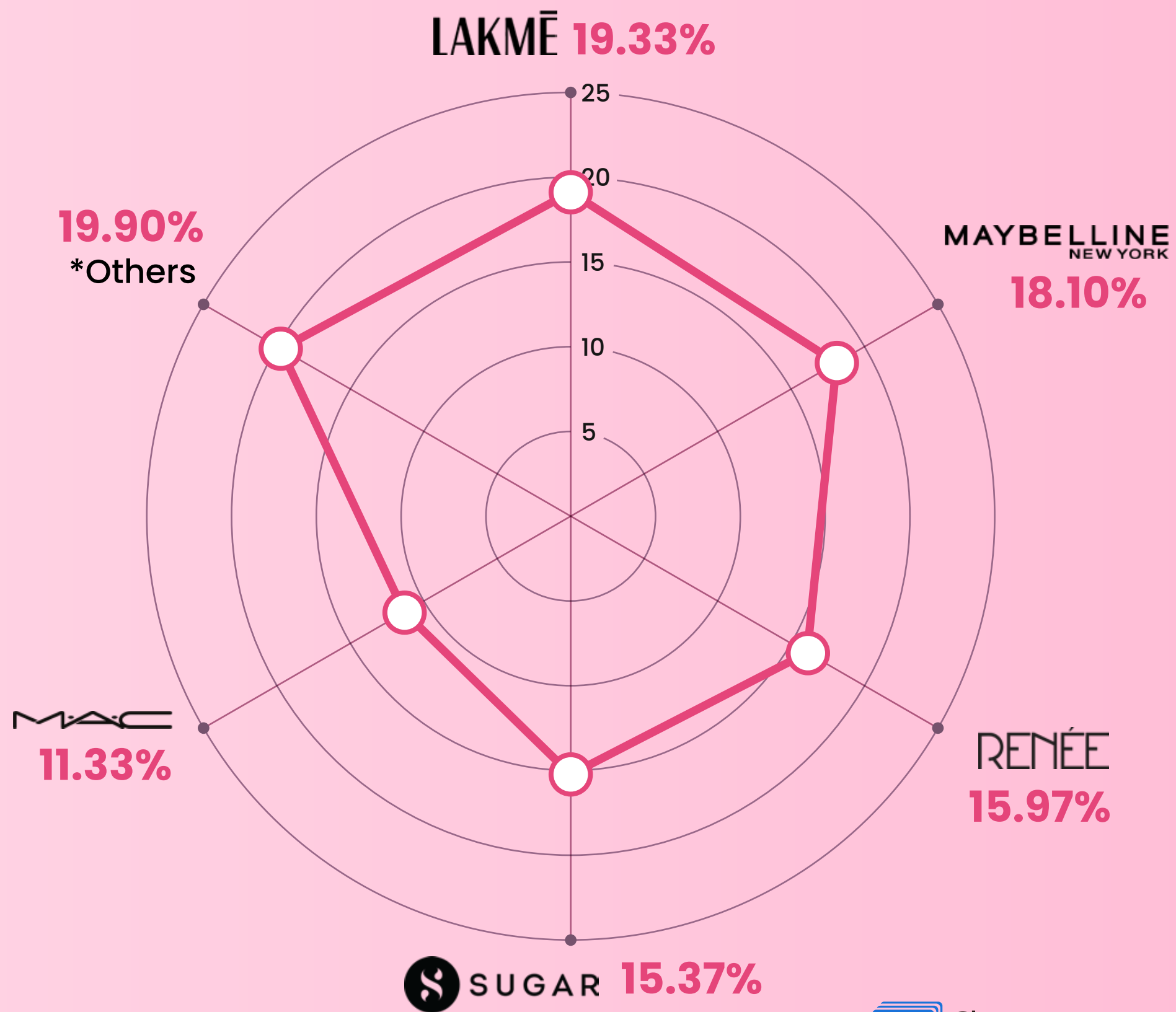
- **Consumer Priorities:** A significant portion of respondents prioritized sustainability, rating it 4 or 5 on a 5-point scale.
- **Awareness of Clean Beauty:** More than half of the respondents acknowledged the influence of clean beauty on their purchasing decisions.

Customer Experience and Social Media Engagement

- **Digital Excellence:** Sugar Cosmetics, RENEE, and MyGlamm have effectively leveraged social media to build brand awareness and engagement. While overall social media interaction from respondents was occasional, Sugar's influencer partnerships have made it a leading contender.

How respondents reacted to the questions asked in the survey ?

List the Top 5 Makeup Brands you use most frequently.



*Other brands include Blue Heaven, MyGlamm, ELLE 18, Loreal, Faces, Huda Beauty, Dior, et al.

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By 2027,
pure-play beauty
companies in India are
expected to increase their
market share from 33%
to 42%, highlighting the
rising prominence of
specialized beauty
startups.

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Impact of Gen Z on the Makeup Industry

As one of the most influential consumer groups, Gen Z's preferences are reshaping the Indian makeup industry. New-age brands such as Sugar Cosmetics, RENEE, and MyGlamm have adapted to engage this tech-savvy demographic through digital marketing, aligning their brand messaging with values of authenticity, inclusivity, and environmental consciousness. This generation's preferences are setting new standards, making it essential for brands to cater to their demand for speed, convenience, and ethical practices.

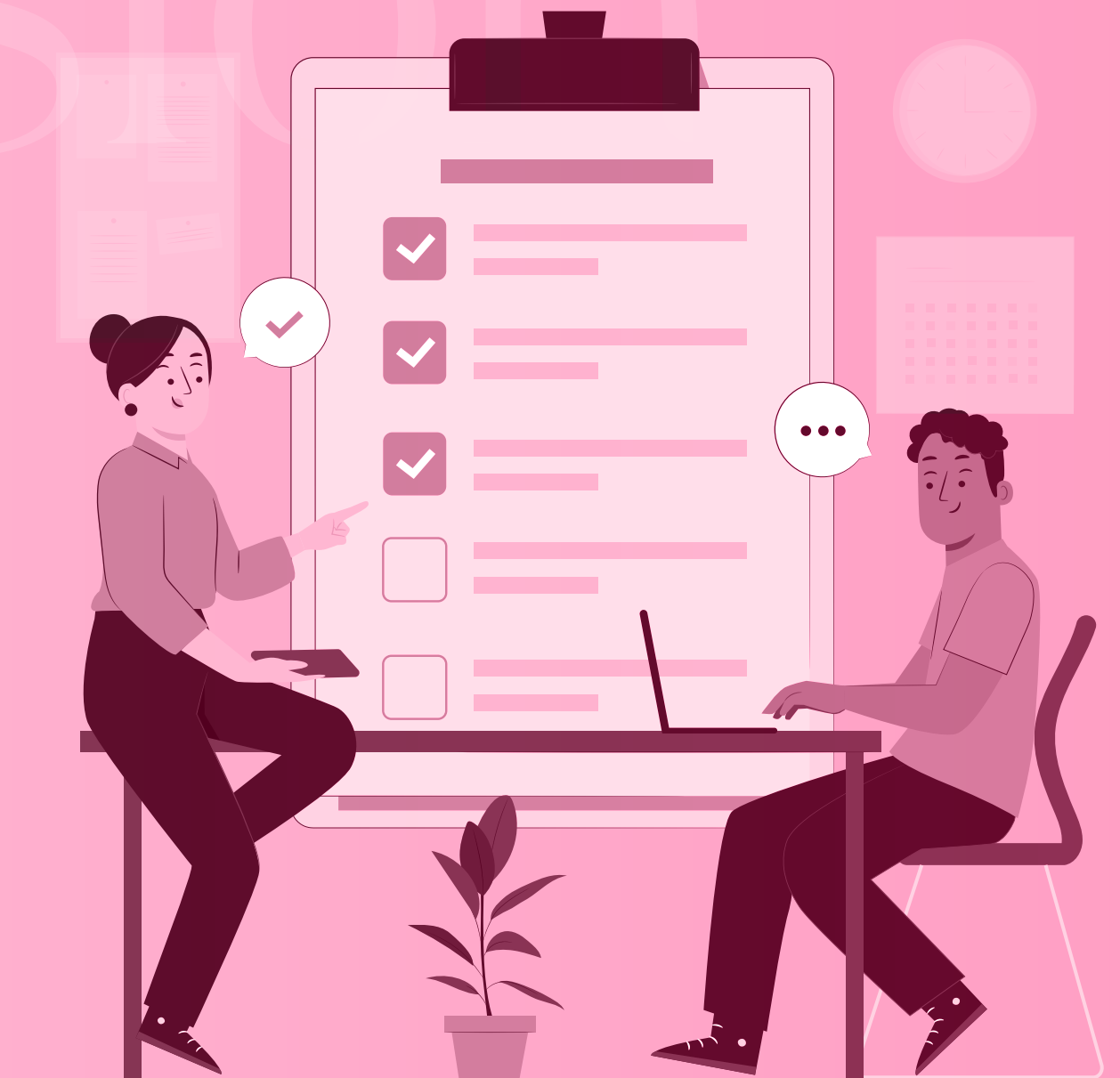


Geographic Reach and Operational Expansion

While traditional brands benefit from established distribution networks across urban and rural areas, new-age brands are making inroads through online channels, allowing them to reach consumers nationwide. Initially focused on urban centers, these brands are now expanding into suburban and rural regions as brand awareness increases.

Conclusion

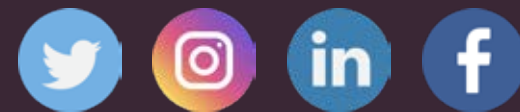
The survey highlights RENEE Cosmetics as a rising star in the Indian makeup industry followed by Sugar and MyGlamm, particularly among Gen Z and Millennials. With its focus on innovation, ethical practices, and digital engagement, RENEE has positioned itself as a leader in a rapidly evolving market. Traditional brands such as Lakme, Maybelline, Mac Cosmetics, Blue Heaven, and Loreal are the most popular, according to the survey but these giants must adapt to the shifting preferences of consumers towards the new-age brands to remain competitive. Meanwhile, the continued emphasis on sustainability and inclusivity will define the future of the industry, with RENEE and Sugar setting a strong example of how startups can lead the charge over traditional brands.



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