

WHAT'S GOING THERE

Sephora adding NJ Kohl's stores, Ulta Beauty in Target; post-COVID world means glow ups

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Are you looking forward to glamming it up again for a big wedding, shindig or crowded hot spot?

Beauty retailers are hoping you'll stop by. They're counting on it.

Sephora is opening more than 60 stores this year, including one sometime this summer in Marlboro Plaza on Route 9, part of what the company says is its biggest expansion ever.

The company also plans to open 200 locations inside Kohl's stores, called Sephora at Kohl's, this fall. To start, 11 Kohl's stores in New Jersey — in Howell, Clifton, Hamilton Township, Hillsborough, Paramus, Ramsey, Secaucus, Turnersville, North Plainfield, Wayne and Woodland Park — will get a Sephora makeover in the front of the store, which, according to a mock-up, will include the name Sephora over an entrance.

Sounding good: Online music lessons power Rock Out Loud in Marlboro to explosive COVID pandemic growth

The number of Kohl's locations with Sephora's 2,500-square-foot store-within-a-store will expand to at least 850 by 2023, the companies said.

Its competitor Ulta Beauty also will open more than 100 small stores inside Target, starting in 2021. A list of Target stores that are a part of the new Ulta partnership was not available. ("Stay tuned," a Target spokesperson told What's Going There.)

"People are dying to get out and go to locations," said Rutgers University professor Marc Kalan, who teaches in the business of fashion program at the Rutgers School of Business in Newark and New Brunswick. "They (customers) are dying to be able to experience, and

beauty experiences with the female marketplace are ready for this. They've been locked up for a year."

Beauty of movement: How Marlboro dance partners became business partners too

The pandemic scarred specialty beauty retailers in 2020. Stores were shuttered for part of the year and customers stayed home. People stopped wearing makeup as trips to the movies, out for dinner and to the office ground to a halt.

Some sales were online, but locked doors at stores hit the industry hard. According to the NPD Group, overall sales fell 19% last year, a \$3.8 billion drop over 2019, with receipts at brick and mortar stores alone dropping 39%.

"This was a huge, huge decline," said Larissa Jensen, NPD Group's vice president, beauty industry adviser. "It all dropped off."

Sales now are still down compared with 2019, but trends are showing "signs of hope," she said. While it's difficult to predict sales and the industry's outlook as a result of the ongoing pandemic, Jensen said, "If I had to make bets, I would say 2022 is going to be a great year."

Live music: Brian Fallon, Southside Johnny, Max Weinberg help bring NJ concerts back this summer

Retailers are preparing for a post-COVID world.

"Everybody is hoping that by the end of '21, we'll be in better shape; '22 will be a year of transition," said Marc Benhamou, a professor at LIM College in New York City. "In '23, it's going to be a huge bounce back of all beauty companies because people are going to want to party, and weddings, and everything concerning beauty is going to be very big again."

For Sephora, partnering with Kohl's helps to expand the prestige beauty retailer's customer base while bringing more foot traffic to Kohl's stores. It also helps to grow Sephora, which also has a relationship with JC Penney, away from malls and into other locations around the United States.

Its mall locations include Freehold Raceway Mall, Menlo Park Mall, the Mall at Short Hills and Bridgewater Commons. Sephora opened a store at the Grove at Shrewsbury lifestyle shopping center in 2019.

"This expands Sephora's reach in a big way in the brick and mortar channel," said NPD Group's Jensen. "You can always order from Sephora no matter where you are in the country

but being able to physically go in and play with the products, try the products, that's different. That's like a game changer."

At Kohl's, Sephora's 2,500 square feet of space will have more than 100 curated beauty products with a range of makeup, skincare, hair and fragrance brands.

Sephora-trained employees, called "beauty advisers," will help customers with personalized beauty consultations and finding products. There will be new "testing and discovery zones" featuring a rotating assortment of emerging or trending products, the company said.

It will also include online ordering as well as in-store pickup and drive-up ordering.

"This is not a pop-up collaboration," said Jean-André Rougeot, president and chief executive officer of Sephora America in a Dec. 1 statement announcing the partnership.

"With Kohl's we will be able to bring Sephora close to where our customers want us to be, offering them one transformative beauty experience that integrates our prestige product offering, our values and our communities, in a place where they come to get inspired and fulfill their lifestyle needs," said Martin Brok, global president and chief executive officer of Sephora.

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