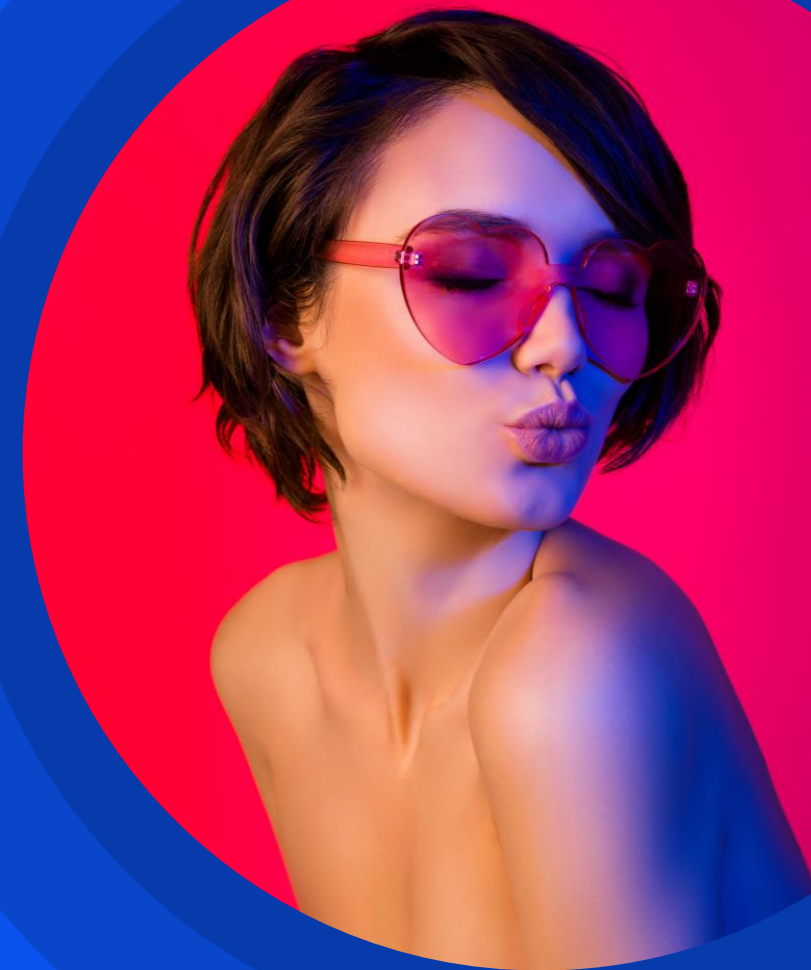


State of Beauty in 2025

January 2025

NielsenIQ



Your presenter today

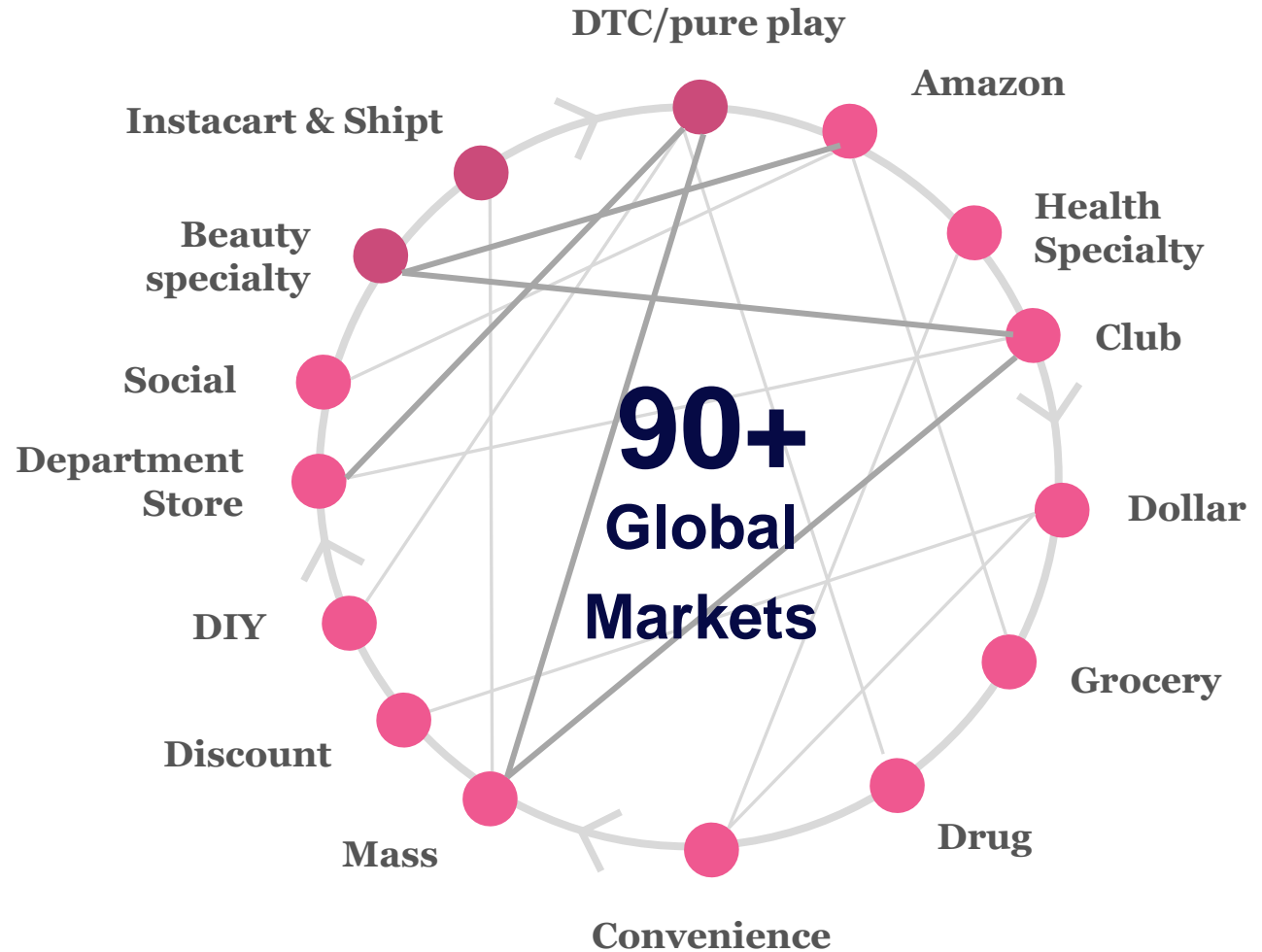


Anna Mayo

Vice President, Beauty
NielsenIQ

NIQ delivers the *Full View* of beauty buying behavior

- The industry's most trusted consumer data—more channels, sources, consumers, and regions
- Validated with point of sales data directly from retailers



2024 US Beauty Performance



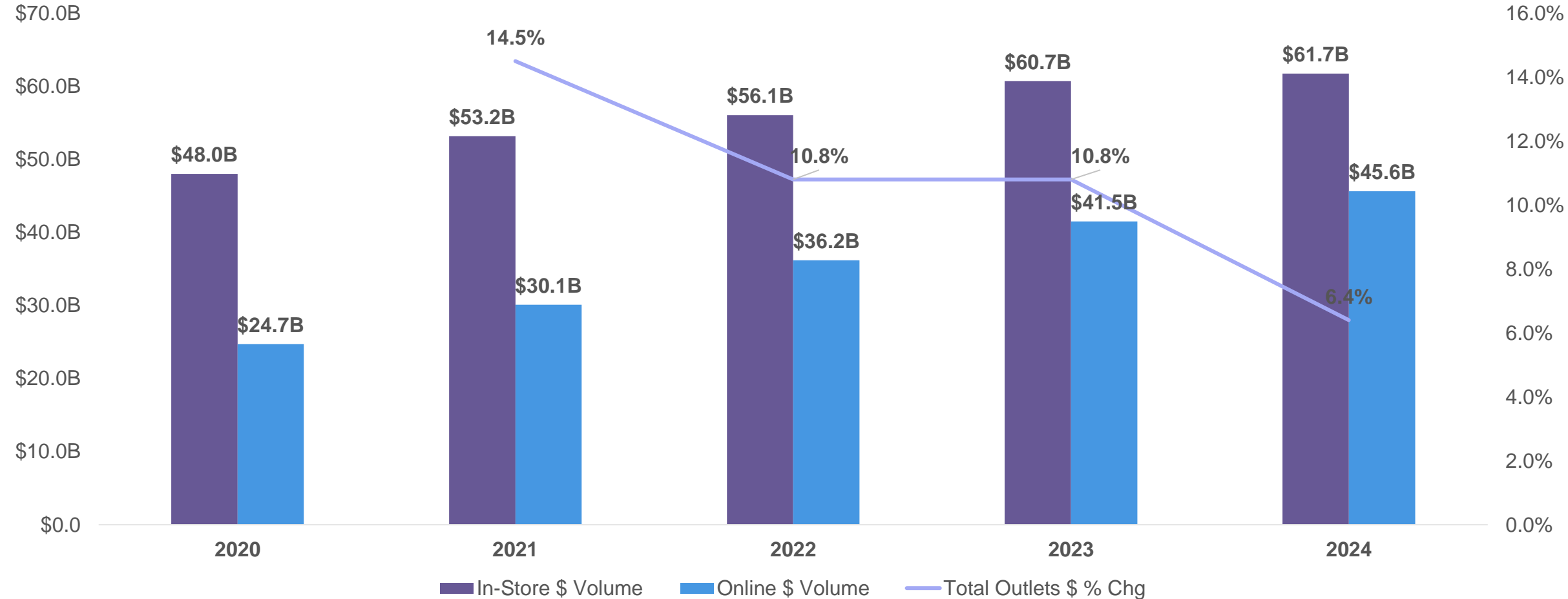
Online continues to drive growth for beauty



Source: NielsenIQ POD Omnishopper Panel Total US L52 week ending 11/30/2024 vs YA.Dollar percent change

Beauty continues its 5-year growth streak

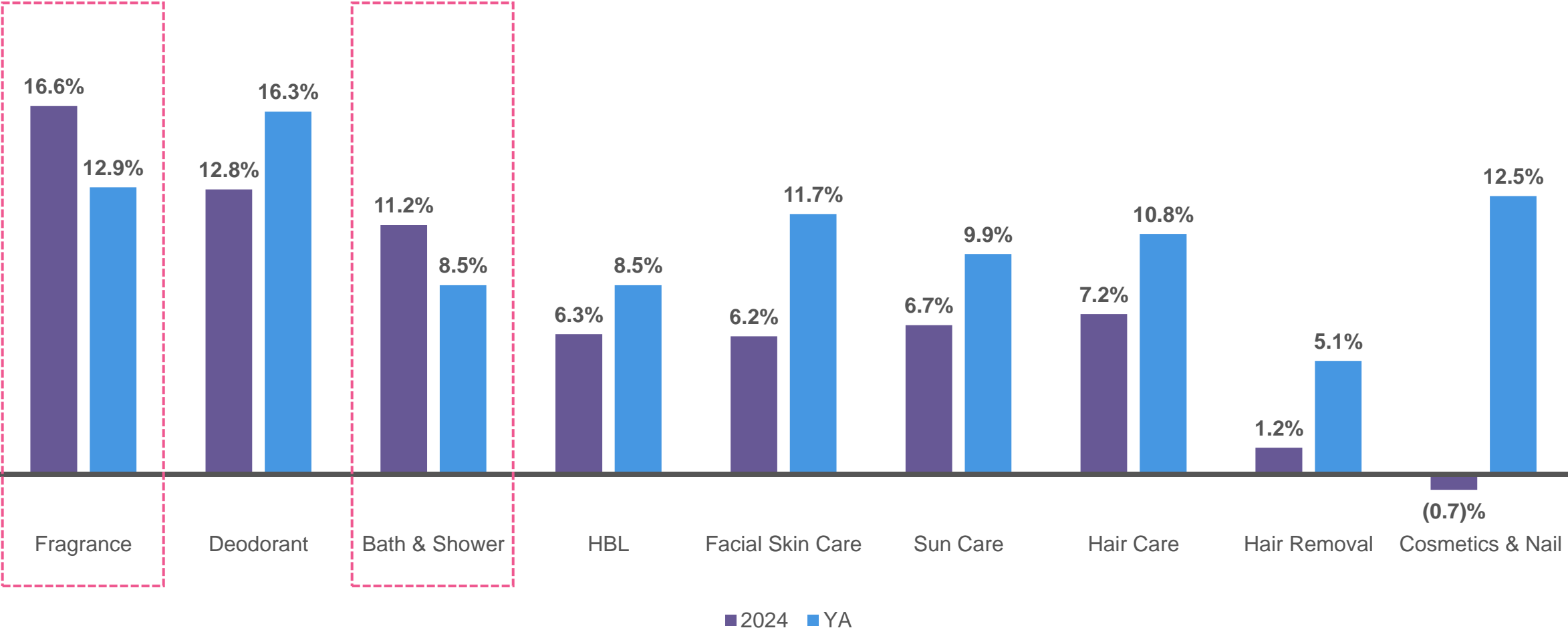
In-Store vs. Online Trended Dollar Sales



Source: NielsenIQ Omnishopper Panel, Total US, Total Beauty & Personal Care,

Beauty categories under paced 2023 growth except for fragrance and bath & shower

\$ % chg 2024 vs YA



Source: NielsenIQ Omnishopper Panel Total US Latest 52 weeks ending 11/30/2024 vs YA

Key beauty categories are driving growth by expanding & bringing new consumers

Household Penetration point change vs YA



Source: NielsenIQ Omnishopper Panel Total US 52 we 10//05/2024 vs YA. Penetration point change

Cosmetics sales lag as Gen Z prioritizes skin care over makeup

-13.1%
Decline in eye cosmetics

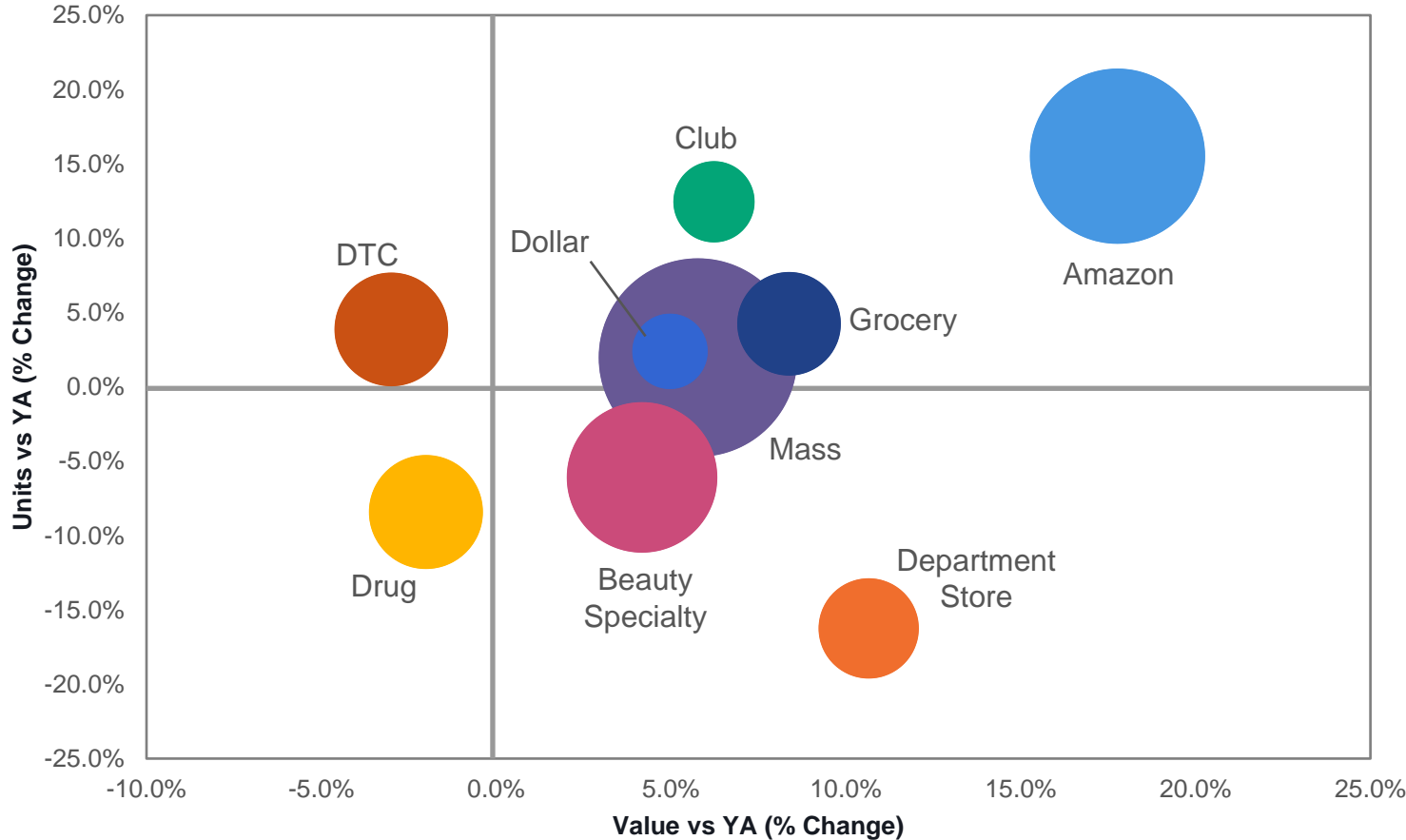


-14.5%
Decline in face cosmetics



Amazon capturing strong both dollar and unit growth

Size and growth of key beauty channels (omnichannel view)



Channel	\$ share	\$ % chg	Unit % chg
Mass	25.7	5.8	2.0
Amazon	20.0	17.8	15.5
Beauty Specialty	14.7	4.2	-6.1
Drug	8.4	-2.0	-8.4
DTC	8.4	-3.0	3.9
Grocery	7.0	8.4	4.2
Department Store	6.5	10.7	-16.2
Club	4.3	6.2	12.5
Dollar	3.7	5.0	2.4

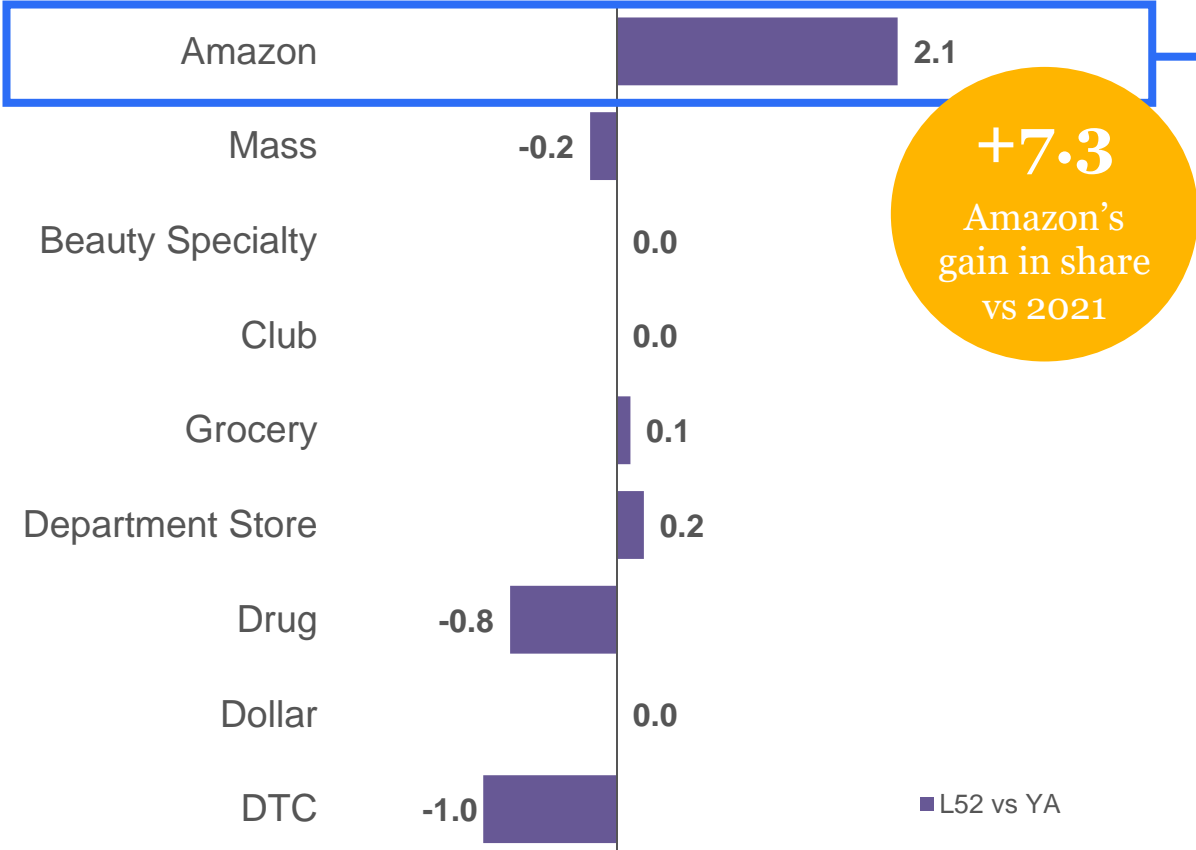


2024 TikTok Dollar Sales - \$995.8M

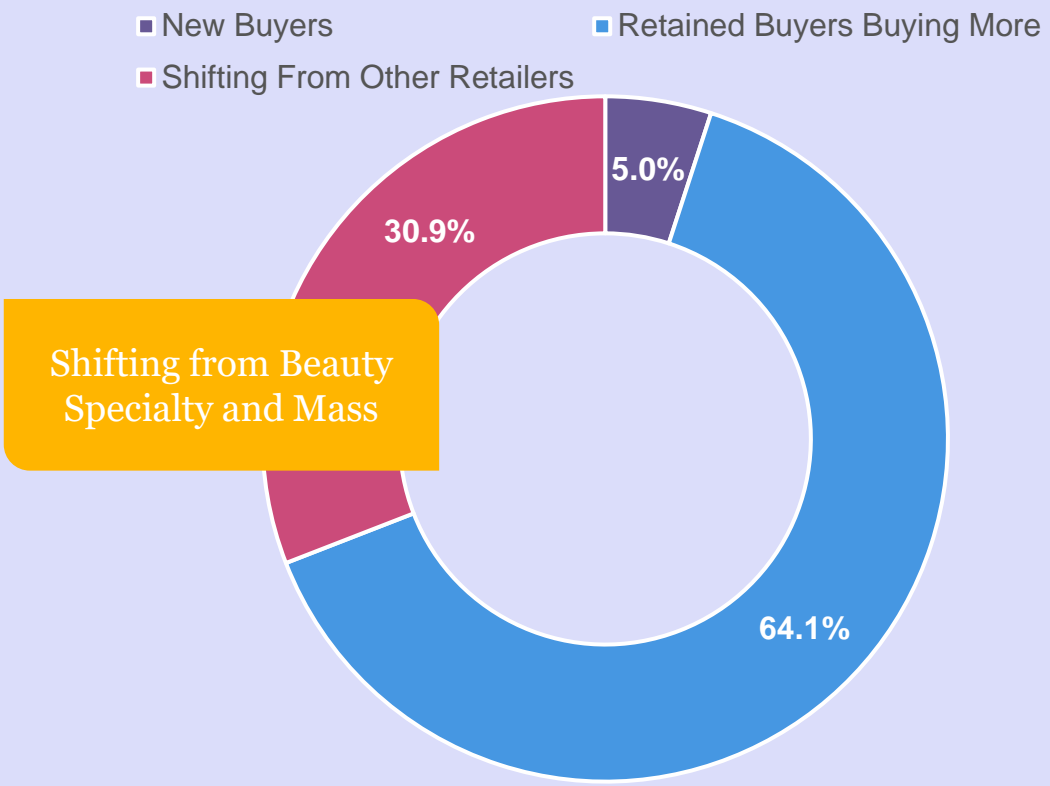
Source: NielsenIQ Omnishopper Panel Total US 52 week ending 11/23/2024 vs YA. Mass is defined as Total-Amazon. DTC is defined as beauty supply online minus Sephora+Sally Beauty+Ulta. Beauty specialty is Beauty supply channel-DTC Rakuten Data 12 Month Aggregate w/e 11/30/24.

In the US, Retail consolidates as the big get bigger

\$ Share Pt Chg



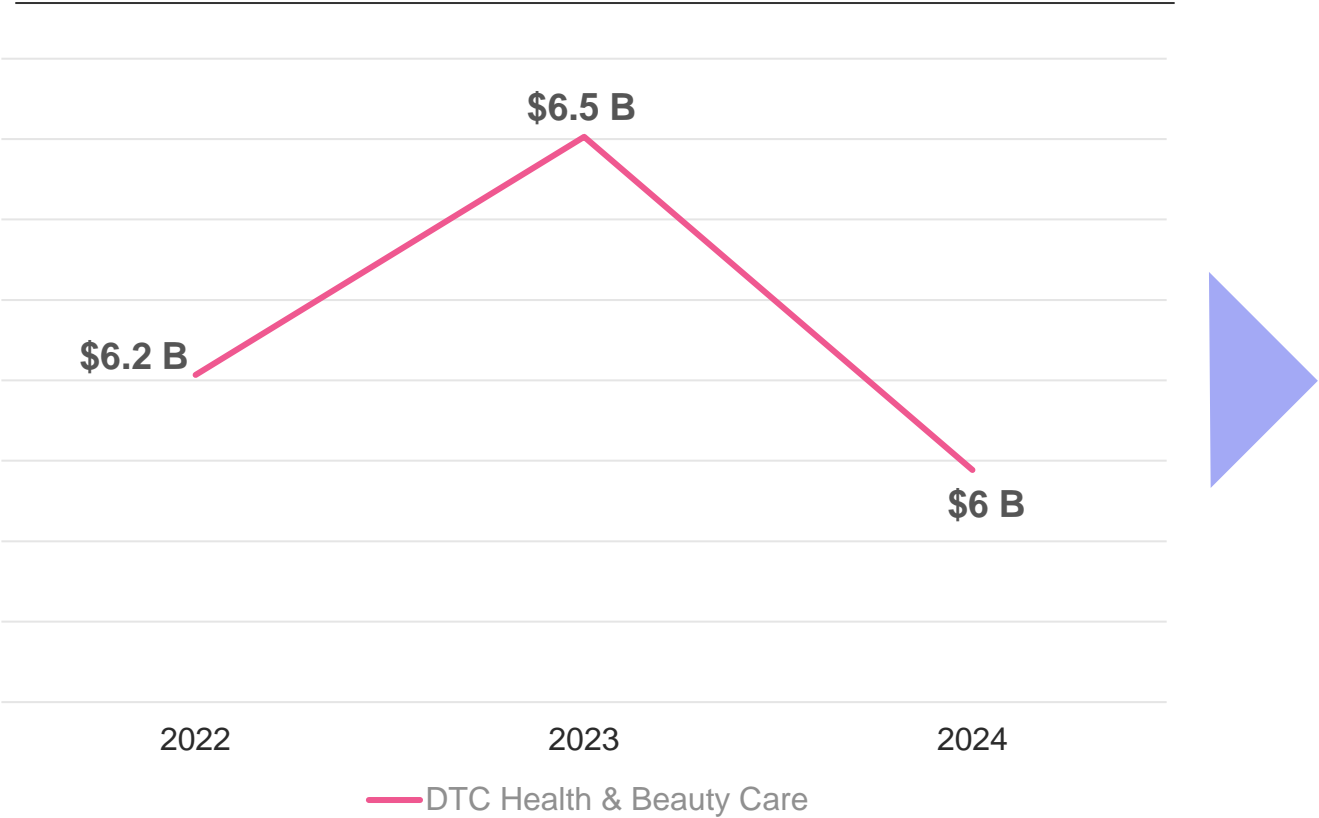
Amazon Beauty by Growth Contribution



Source: NielsenIQ Panel on Demand Omnishopper, Total US, Total Beauty, Latest 52 weeks ending 11/30/2024 vs YA

DTC experiences slowdown, with contraction across all categories

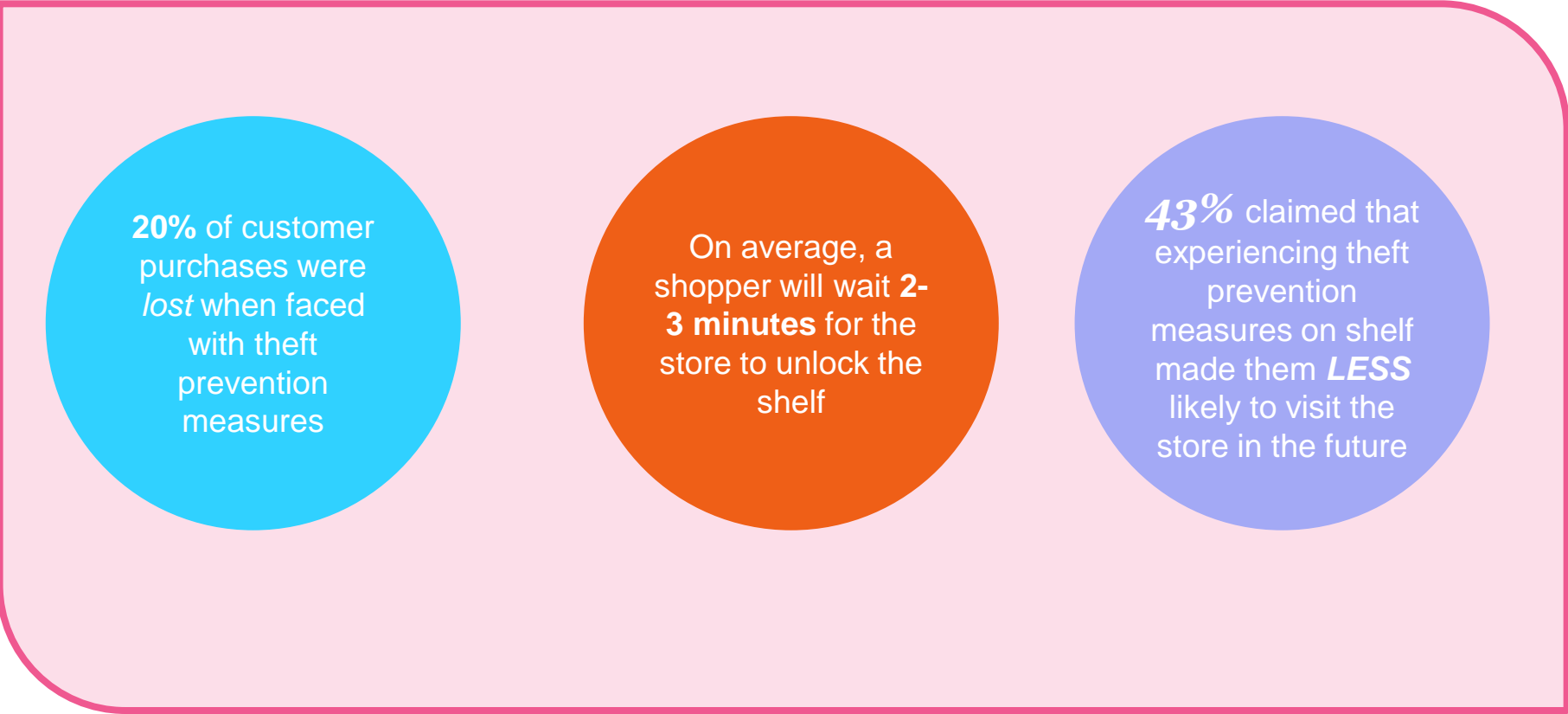
Total DTC Beauty & Personal Care \$ sales



DTC Beauty & Personal Care Category	% Chg vs YA	% of Total DTC \$
Cosmetics & Nail Grooming	-1.8%	24%
Facial Skin Care	-2.7%	23%
Hair Care	-7.4%	18%
Fragrances	-1.5%	10%
Bath & Shower	-9.3%	9%
Hand & Body Lotion	-18.4%	5%
Hair Removal	-25.2%	4%
Sun Care	-1.1%	3%
Deodorant	-34.3%	3%
Total DTC % Chg vs YA	-6.4%	

Source: NielsenIQ E-commerce Data powered by Rakuten, 52 w 11/30/2024
 Beauty & Personal Care includes: Bath & Shower, Cosmetics & Nail, Deodorant, Facial Skin Care, Fragrance, Hair Care, Hair Removal, HBL, Sun Care

Methods impacting store experience, like Theft Prevention, significantly impact shopper loyalty



Source: NIQ BASES Theft Prevention Study, November 2024, n=1000

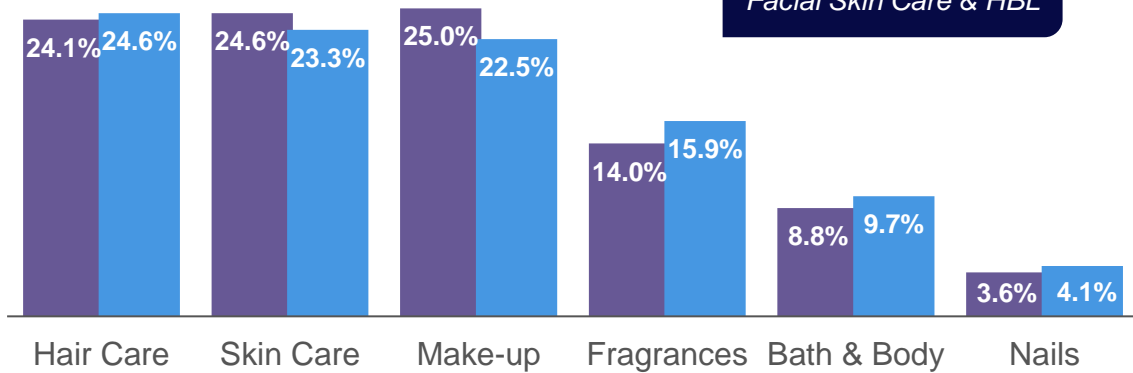
Beauty Bargains Boost Black Friday Sales Online

Beauty was a Top 4 Category for Cyber 5

Hair Care and Fragrances Became More Prevalent

% of Total Beauty Sales

■ YA ■ TY



\$60.21

Avg. Customer Beauty Spend

1.9

Avg. # of Beauty Items per Order

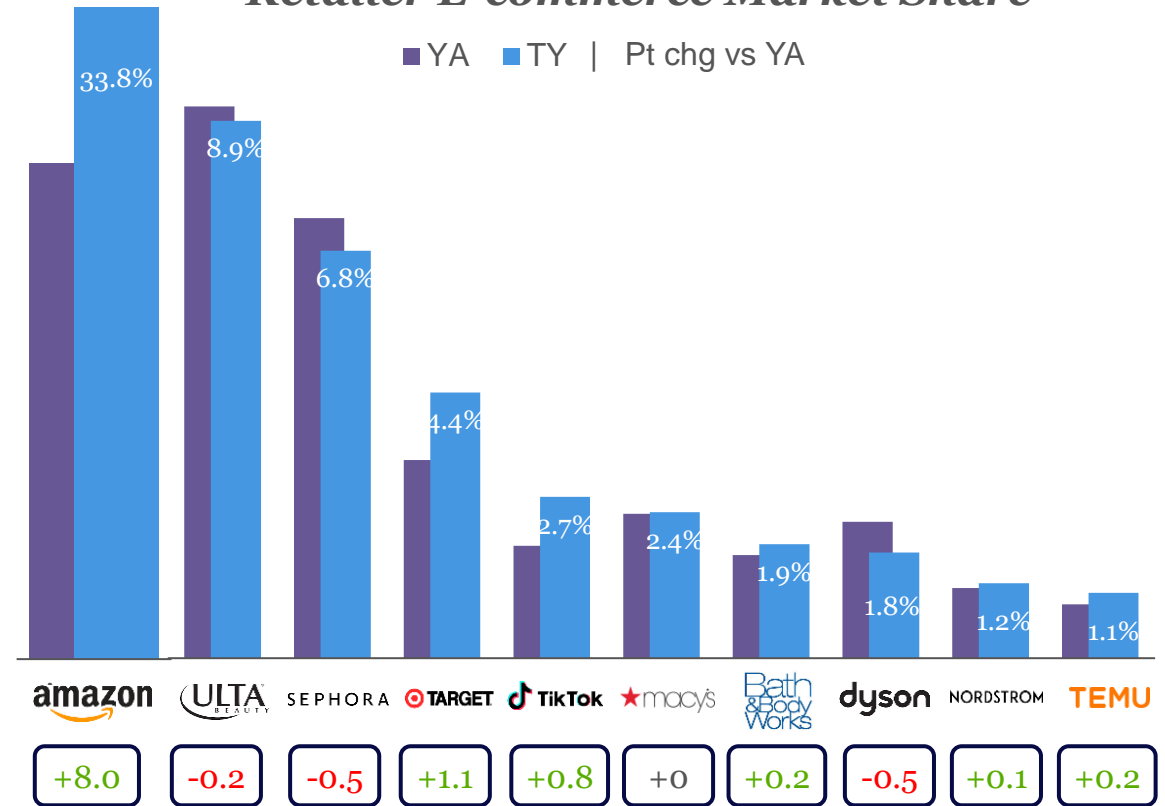
1.5

Beauty Purchase Frequency

Amazon, Target, and TikTok Shop gained Market Share

Retailer E-commerce Market Share

■ YA ■ TY | Pt chg vs YA



Source: NielsenIQ FoxIntelligence

Social Selling

2025 Trends to Watch



Growth in established markets continues to accelerate

Significant share growth across China, the UK and the United States

Beauty & Wellness e-commerce

Share growth



+8.1 pts



+3.4 pts



+1.6 pts

Did not update China or UK



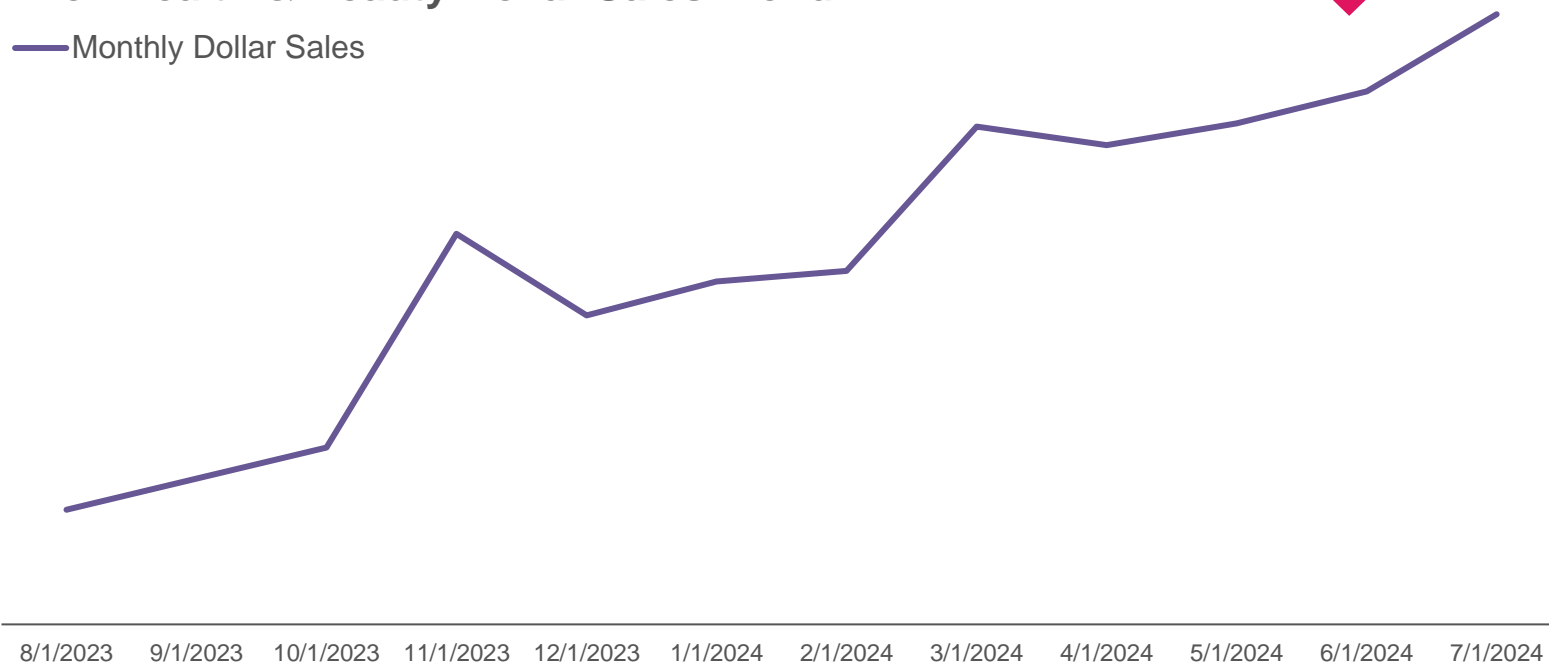
Source: NielsenIQ Personal Care Online Total (Traditional EC+TikTok) - ChinaQ3 2024
Source: Foxintelligence E-receipt Consumer Panel, Full Year 2024 (Personal Care)
Source: NielsenIQ Total US E-commerce Measurement Powered by Rakuten Intelligence | 52wks ending 11/30/24 vs LY Health & Beauty Care

TikTok continues to advance its position as a key Beauty & Wellness Retailer



TikTok Health & Beauty Dollar Sales Trend

— Monthly Dollar Sales



Source: NielsenIQ Total US E-commerce Measurement Powered by Rakuten Intelligence | 16 months ending 11/30/24 | Health & Beauty Care

TikTok Shop Health & Beauty buyers are seeing more overlap with *top beauty sellers online* now that TikTok is more established

% of TikTok Shop Buyers Shopping Health & Beauty at Retail.com



Source: NIQ e-commerce CYTD 2024 through 1/6/2025. Numbers reflect only represent.com online sales.

Social selling captures 6.2% of ecommerce market share in Beauty/Personal Care

3.2%



TikTok Shop

1.4%



1.1%



0.2%



0.2%



0.1%



Source: NielsenIQ FoxIntelligence, Total US, Beauty & Personal Care (Bath & Body, Fragrances, Hair Care, Make-up, Manicure & Pedicure, Facial Skin Care, HBL, Sun Care, Shaving & Hair Removal, Vitamins & Supplements, L52Wks ending 12/29/2024

Thank You!

*For more
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