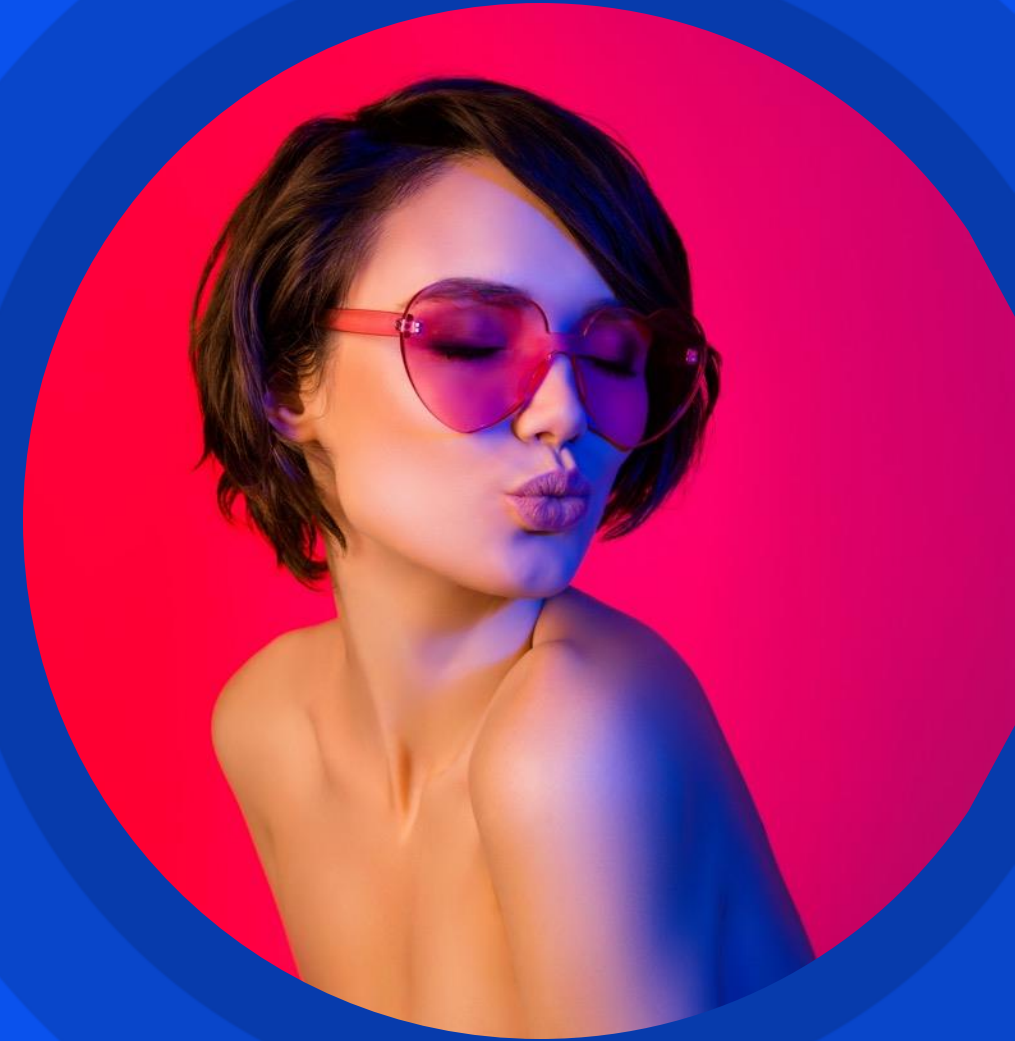


Beauty Unleashed: *The Evolution of Digital Retail* *in the Amazon and TikTok Era*

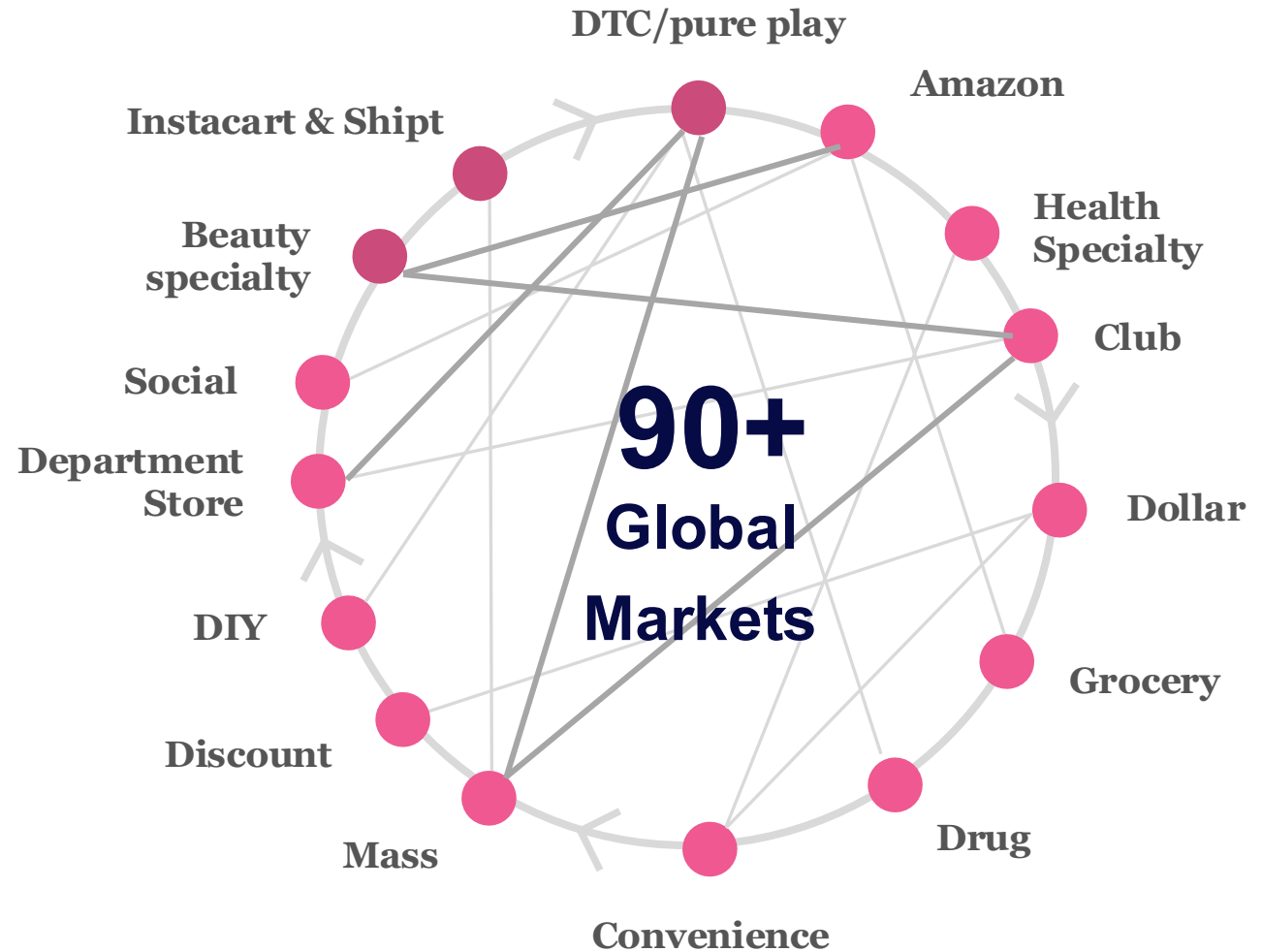
June 2025

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



The US Beauty Market begins to soften as challenging macro conditions arise

- *2025 Slowdown*
 - Consumer Confidence slows and shoppers are pulling back on non-essentials, the forecast for beauty in 2025 looks shaky
- *Ecommerce Acceleration*
 - With more than 45% of all beauty sales happening online, the new world of beauty retail is digital
 - Amazon is the #1 Beauty Retailer, winning through a replenishment strategy focused on pricing, distribution, and delivery speed
 - TikTok Shop has proven the stickiness of social selling platforms.
 - AI platforms will emerge as the newest discovery engines



Online continues to drive growth for beauty

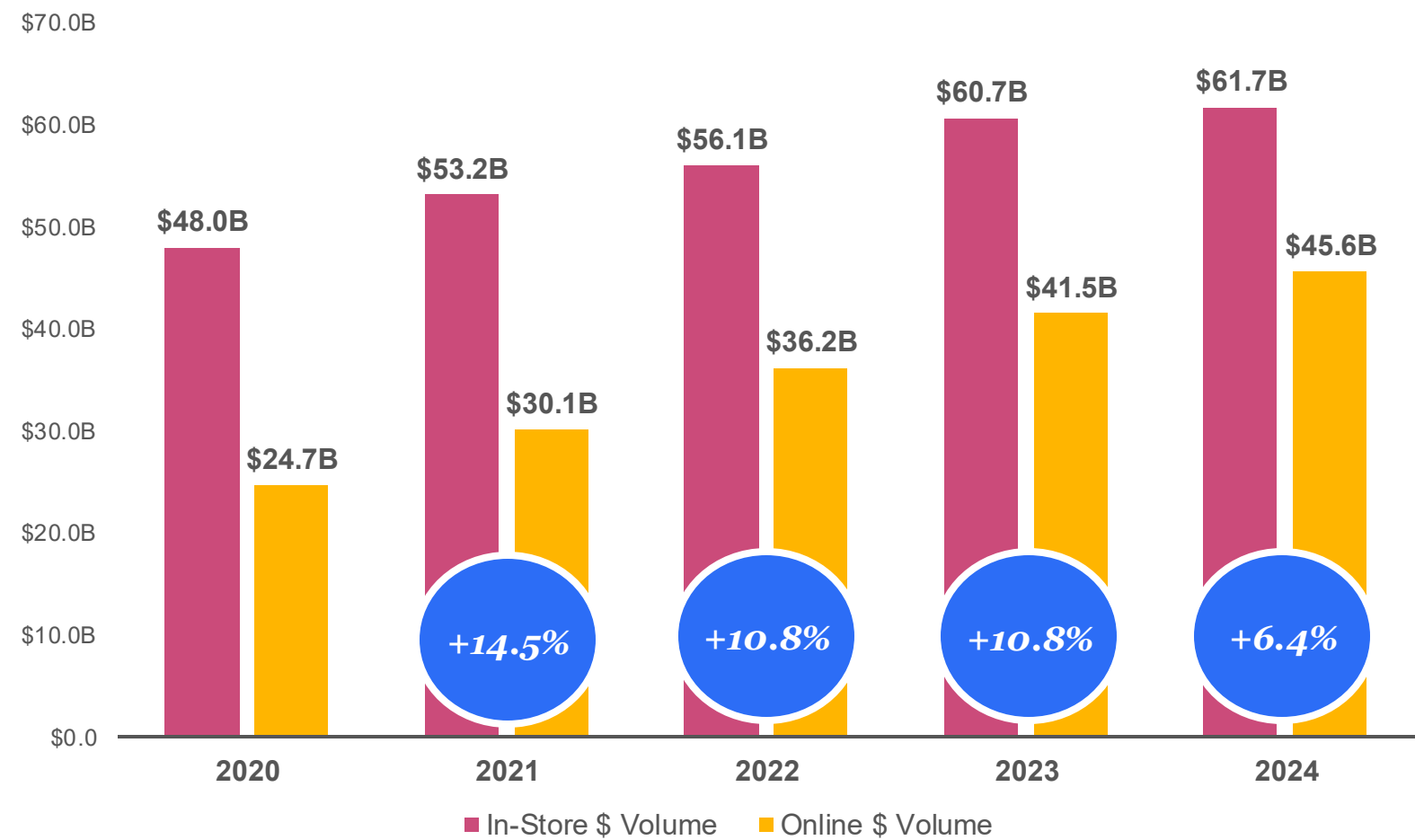


Source: NielsenIQ POD Omnishopper Panel Total US L52 week ending 4/19/2025 vs YA.Dollar percent change

Beauty continues its 5-year growth streak



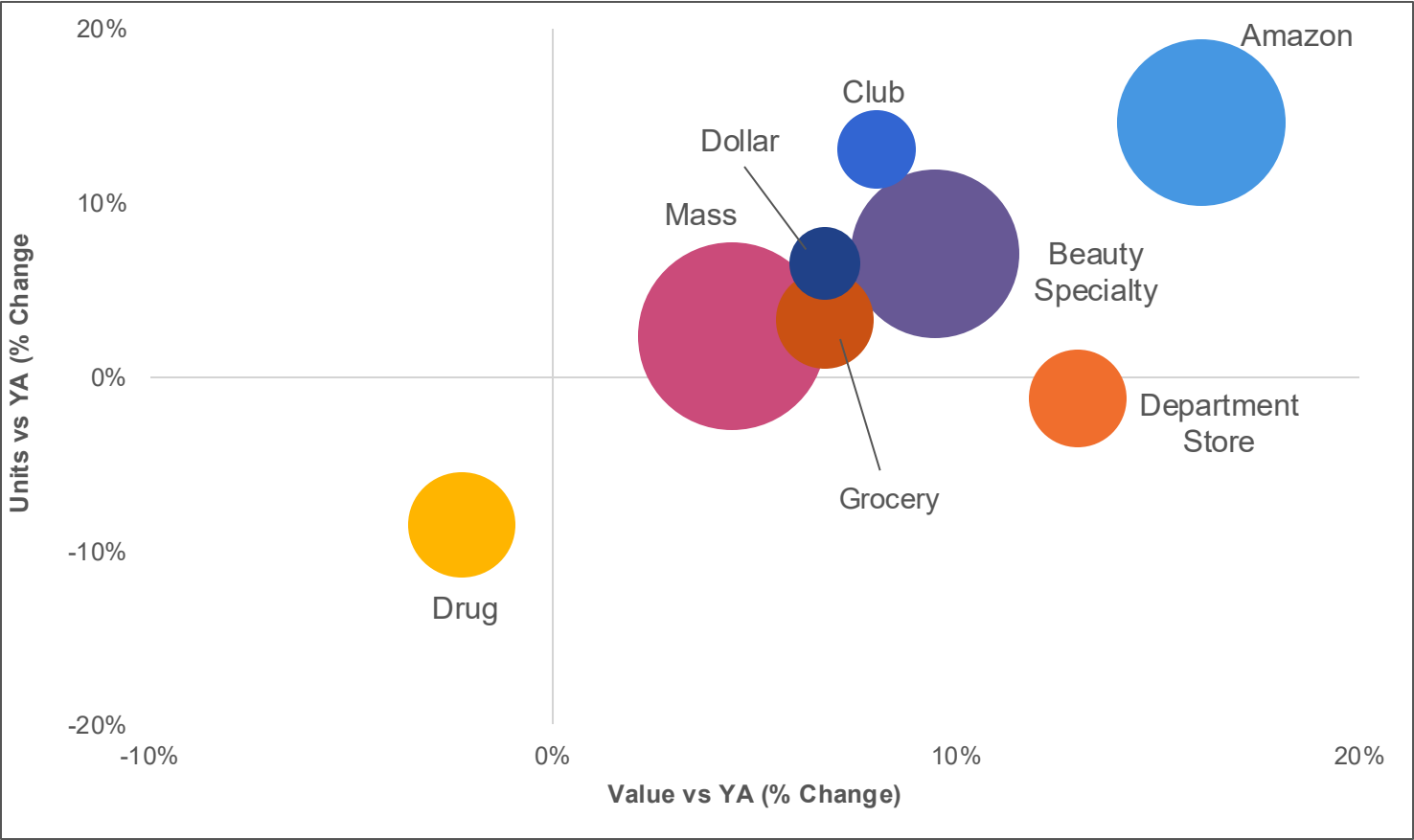
In-Store vs. Online Trended Dollar Sales



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

Amazon capturing strong both dollar and unit growth

Size and growth of key beauty channels (omnichannel view)



Channel	\$ share	\$ % chg	Unit % chg
Mass	25.2	4.5%	2.3%
Beauty Specialty	20.4	9.5%	7.1%
Amazon	20.4	16.1%	14.6%
Drug	8.1	-2.3%	-8.5%
Department Store	6.9	13.0%	-1.2%
Grocery	6.9	6.7%	3.3%
Club	4.3	8.0%	13.1%
Dollar	3.7	6.7%	6.5%
DTC	2.7	-30.9%	-27.0%

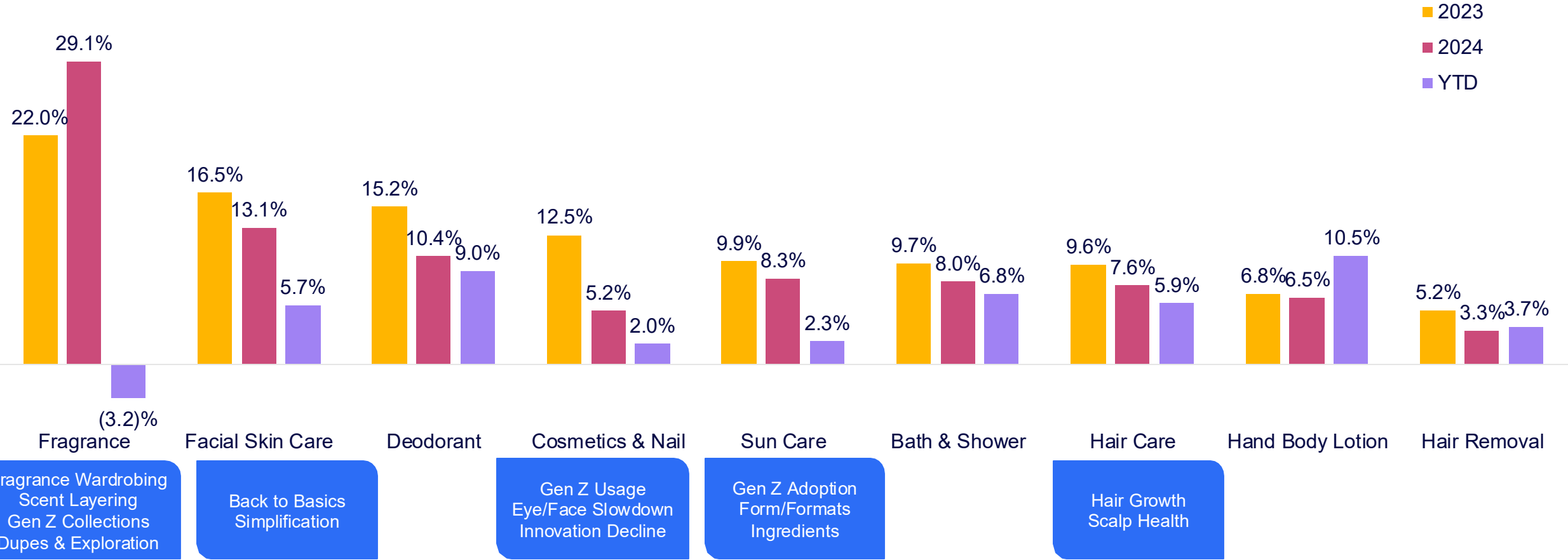


TikTok Dollar Sales - \$1.1B

Source: NielsenIQ Omnishopper Panel Total US 52 week ending 3/22/2025 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 2/28/25.

Beauty categories showing steeper declines in 2025 than personal care

\$ % chg vs YA



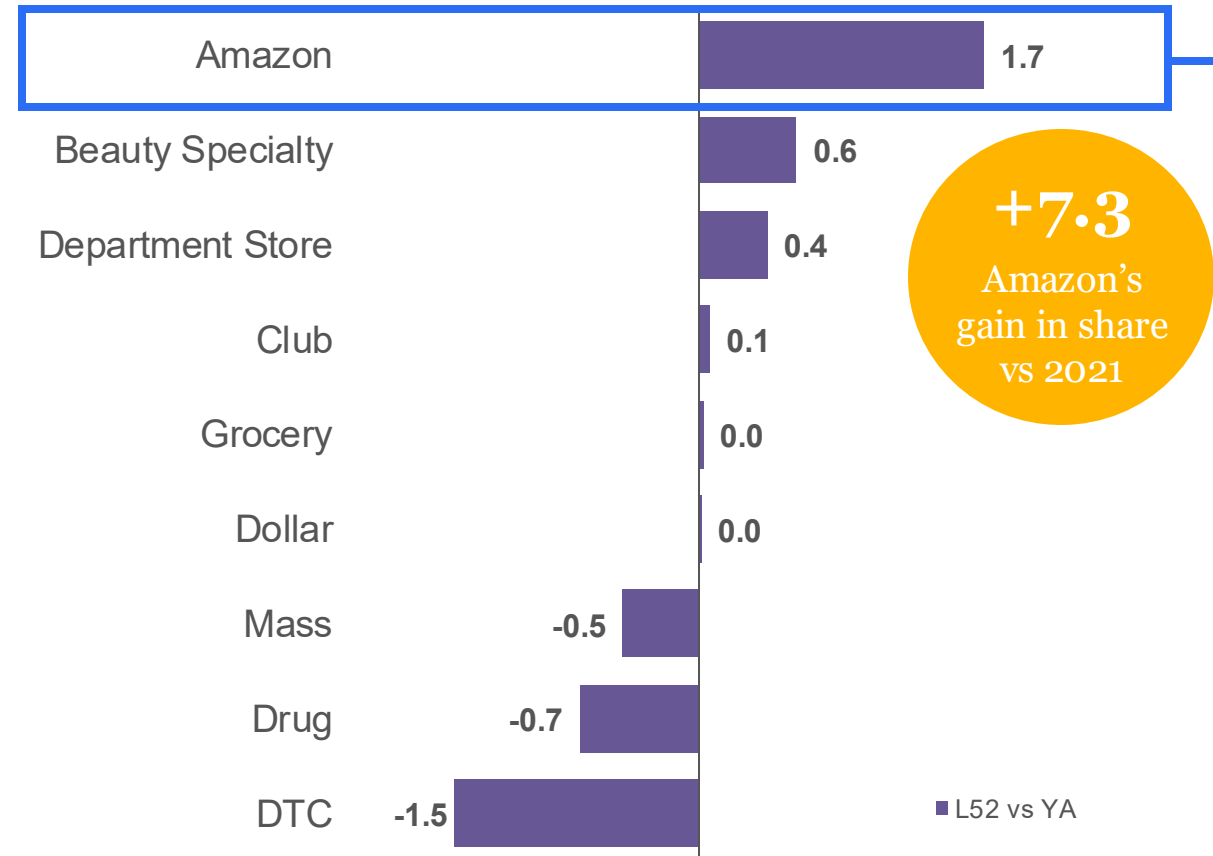
Source: NielsenIQ POD Omnishopper Panel Total US L52 week ending 4/19/2025 vs YA.Dollar percent change

The New Center of Beauty Growth: Amazon and TikTok Shop



Retail consolidates as the big get bigger

\$ Share Pt Chg



Amazon delivers well-rounded growth

Category	\$ % Chg. vs YA
Hair Care	14.8%
Facial Skin Care	25.1%
Cosmetics & Nail	6.5%
Hair Removal	6.0%
Bath & Shower	25.7%
Hand & Body Lotion	20.6%
Fragrances	16.1%
Deodorant	30.9%
Sun Care	20.7%

+16.1%

Dollar Sales

+1.2pts

Penetration

+\$28/year

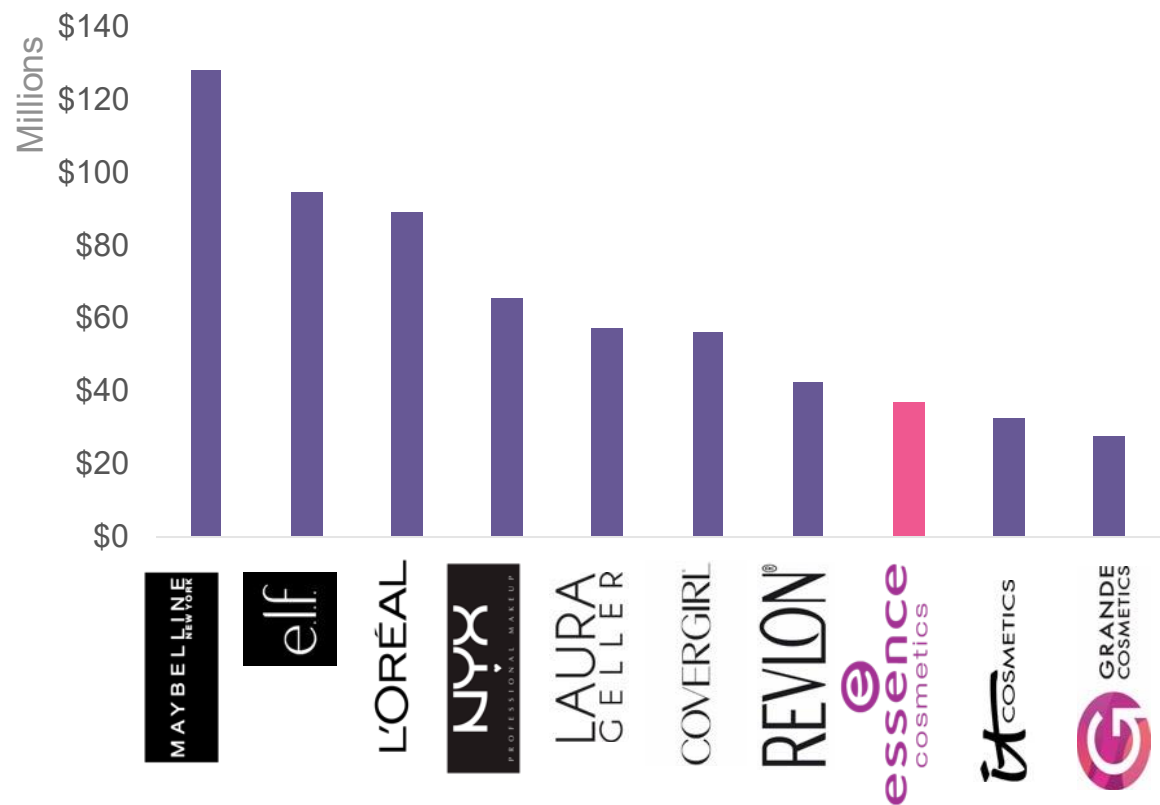
\$ Buy Rate

Categories ranked by \$ sales at Amazon

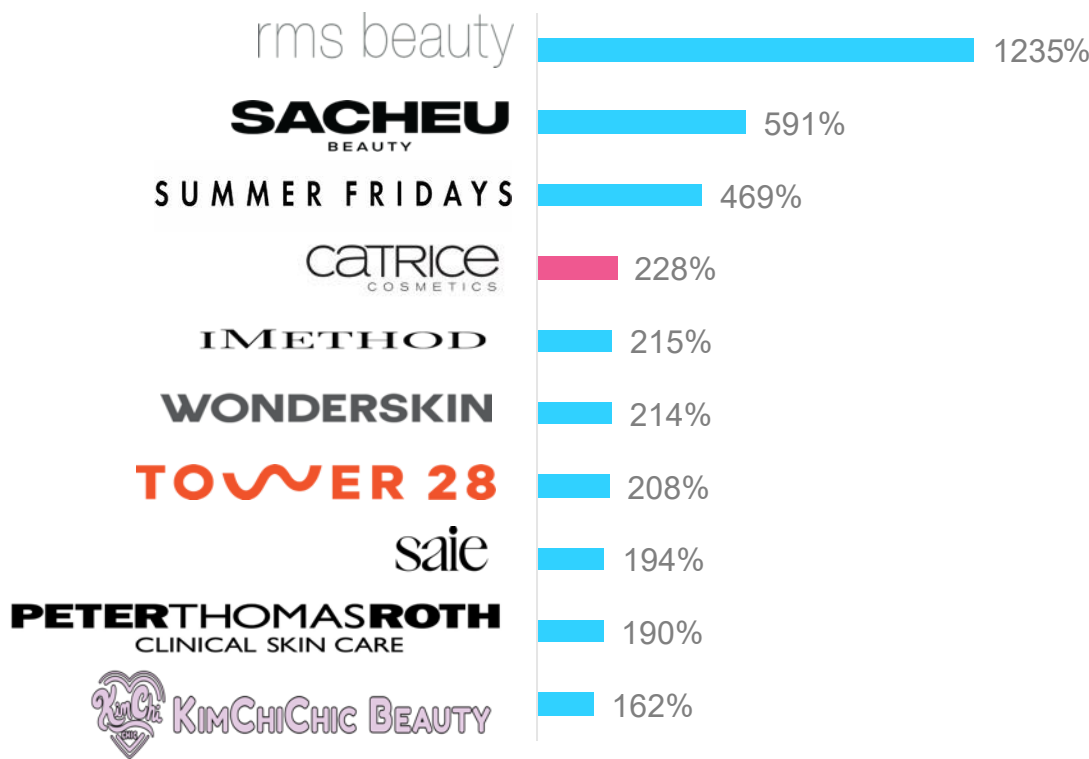
Source: NielsenIQ Panel on Demand Omnishopper, Total US, Total Beauty, Latest 52 weeks ending 3/22/2025 vs YA

Cosnova brands ranking among top selling and top growing brands on Amazon

Top 10 Cosmetics Brands by \$ Sales



Top 10 Growing Cosmetics (\$1M+) Brands \$ % chg



Source: NielsenIQ Slice eCommerce Panel, Amazon, Total Cosmetics (Eye, Lip, Face), Latest 52 weeks ending April 2025 vs YA, Brands with over \$1M of sales in current year

Just 1.5 years in, TikTok Shop's success continues to compound

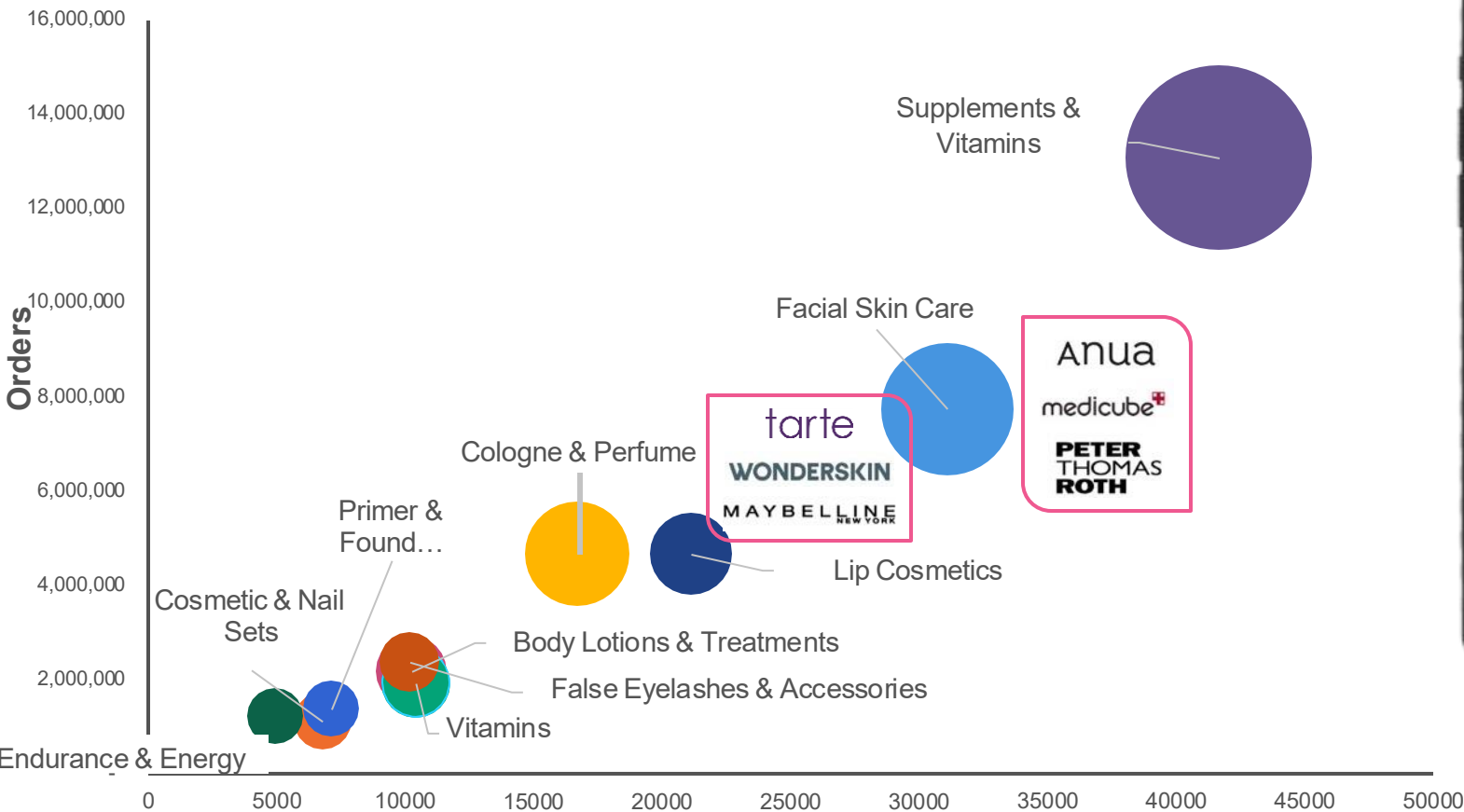
- **#7 Health & Beauty** ecommerce retailer
- **12.8% of US ecommerce shoppers** made a purchase on TikTok Shop in the last year
- **35% growth** in avg monthly dollars sales
- 45% of sales are now coming from items priced **above \$30**



NielsenIQ eCommerce Retailer View, 52wks ending 4/30/25

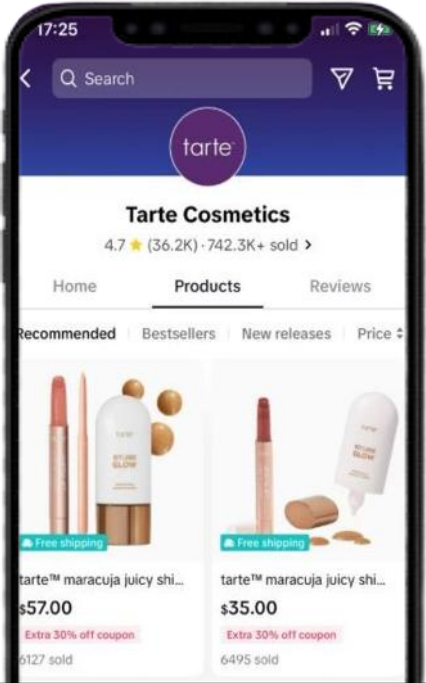
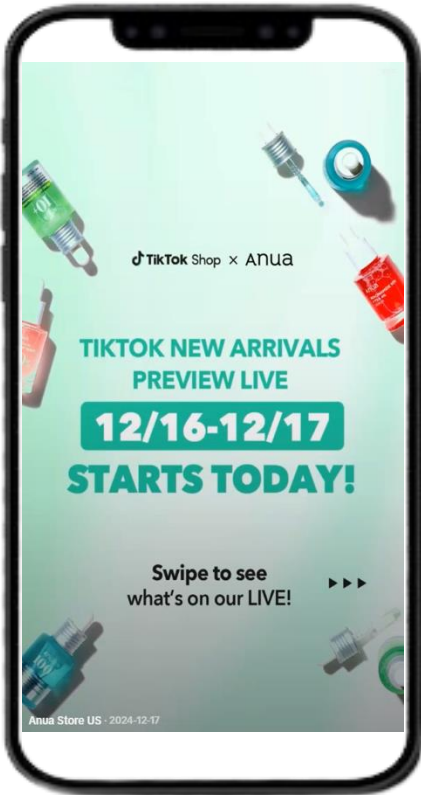
Source: NielsenIQ Digital Purchases, Total US Ecommerce, TikTok, Health & Beauty Care (Fragrances, Hair Care, Make-up, Manicure and Pedicure, Skin Care [Includes Facial Skin Care, HBL, and Sun Care]), Latest 52 wks 3/30/2025

TikTok Shop's top selling categories include Supplements, Facial Skin Care, Fragrance, and Lip Cosmetics

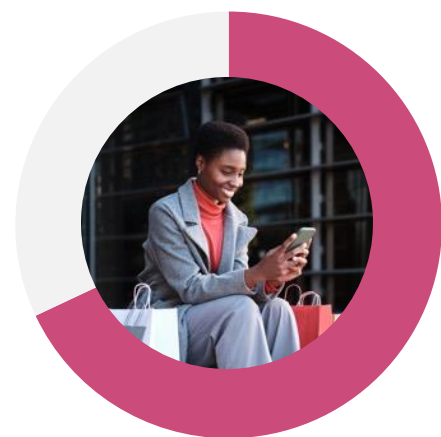


Bubble Size = Dollar Volume (000)

Source: NielsenIQ e-commerce Retailer View, TikTok Health & Beauty Categories, 52wks ending 11/30/24



Social Selling is fueling discovery and impulse, though quality and trust are concerns



68% of purchases

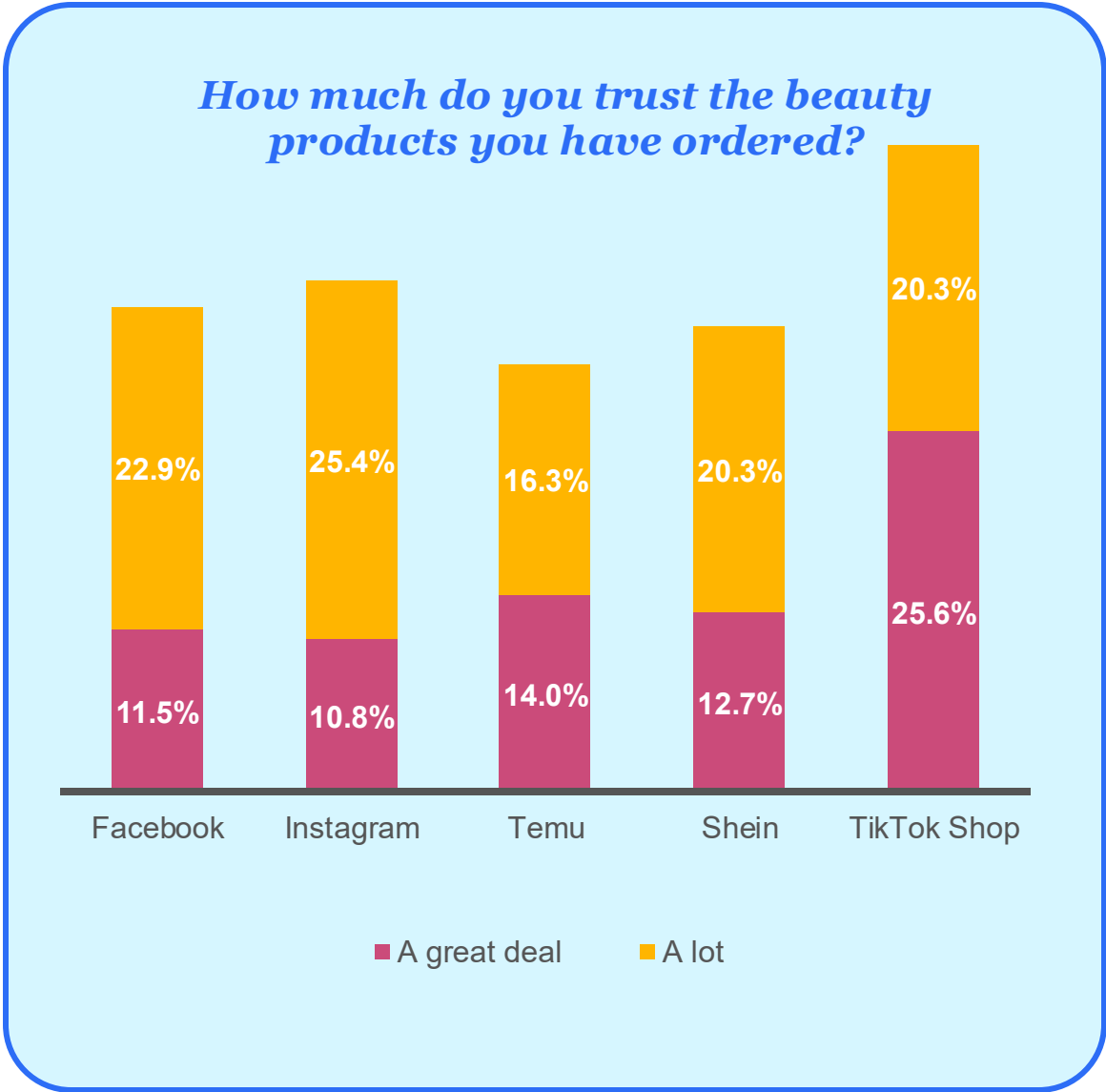
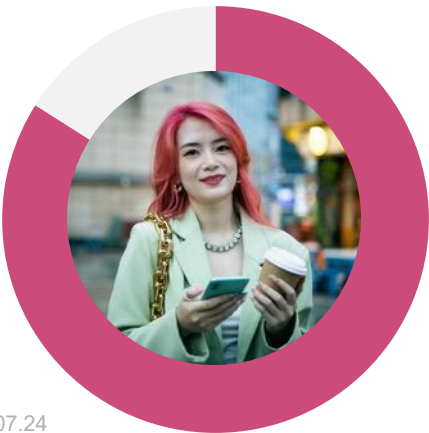
on social selling platforms
are made on impulse

Top reasons for making a purchase on a social selling site:

- I **discovered something new** that I wanted to try
- I can find **cheaper alternatives** to the usual products I buy
- Was a **convenient** way to purchase what I needed

84%

had a **good or excellent**
experience shopping on social sites



Source: NielsenIQ Omnishopper Panel, Social Selling Survey, Total US, L52W 09.07.24

ChatGPT: What is the best drugstore mascara?

Answer: Essence Lash Princess False Lash Effect Mascara



Per ChatGPT: An affordable option that doesn't compromise on performance, this mascara provides dramatic volume and length, making it a cult favorite among beauty enthusiasts



Shoppers are running over 1B web searches per week on ChatGPT



Shopping buttons are coming soon to ChatGPT



Cosnova Cosmetics

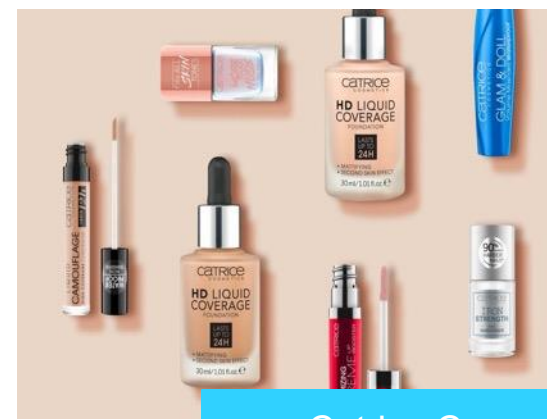
Secrets to Success on
Amazon.com



Jill Krakowski
Chief Marketing Officer
Cosnova USA



essence Makeup



Catrice Cosmetics