

The Influence of Young Adults in Beauty

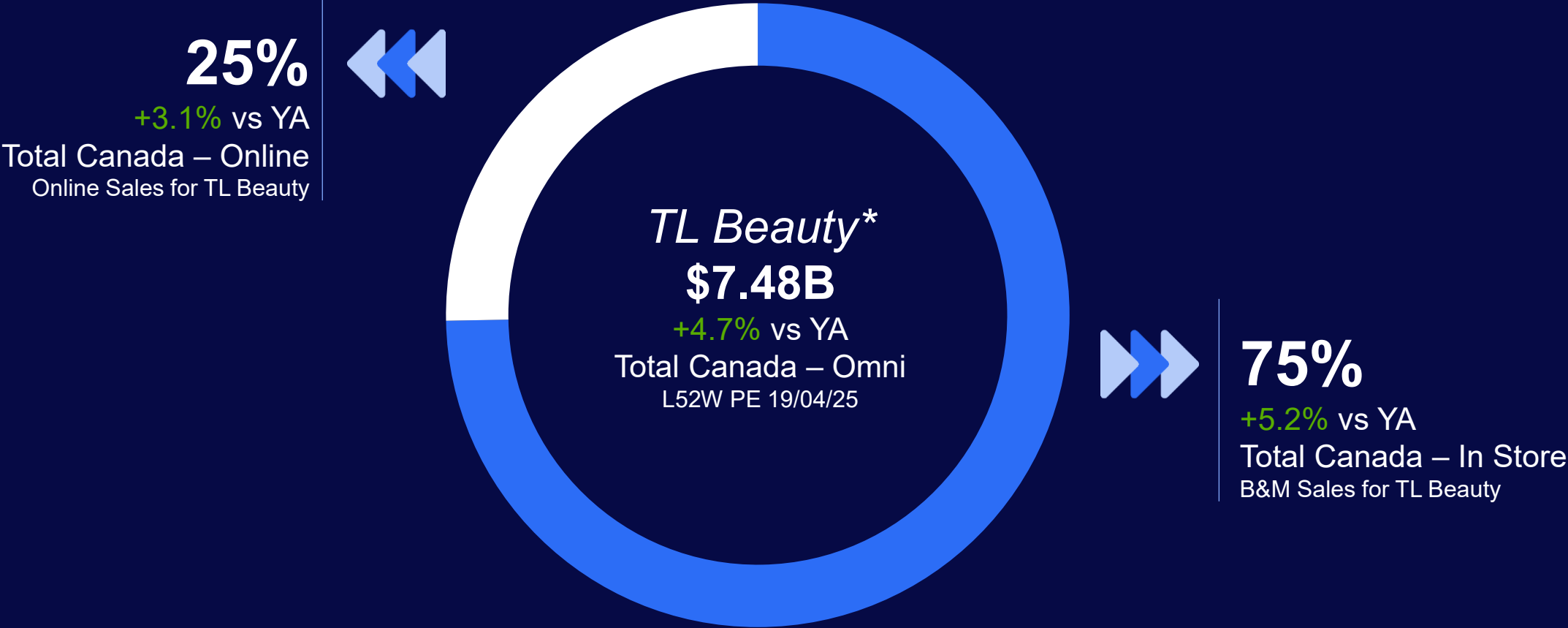
July 2025

NIQ



Beauty is a growing business, and manufacturers need to ensure they are well positioned to benefit from it

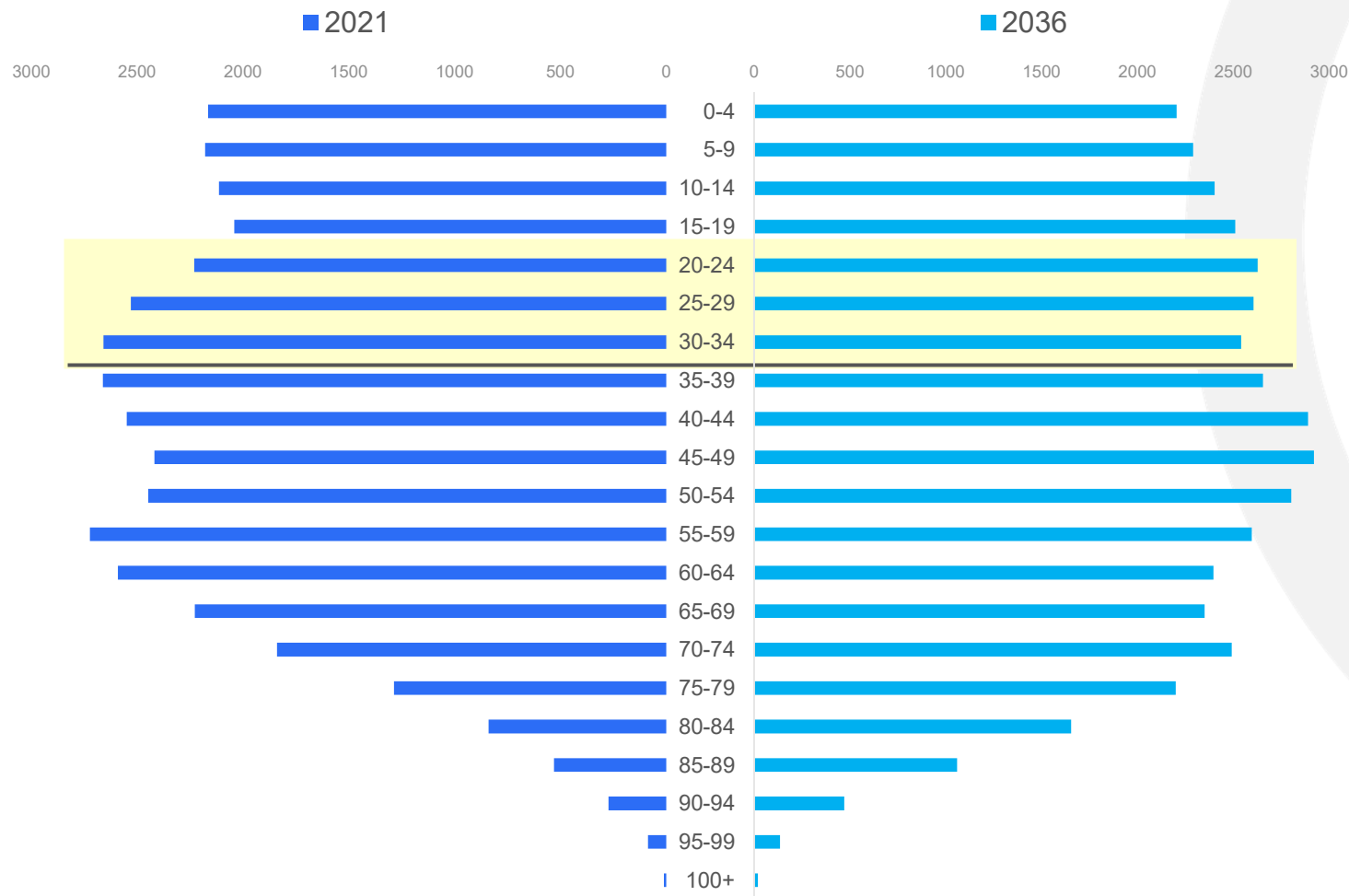
TL Beauty achieved nearly \$7.5 billion in sales, marking a growth of 4.7% compared to the previous year



Definition of TL Beauty Closed Group : Hair Care (inc. Color), Cosm & Nail, Fragrances, Sun Care (inc.tanning), Skin Care.
Source: NIQ | Panel On Demand Omnishopper | Total Canada | Total Outlets | TL Beauty Closed Group | L52wks PE April 19, 2025 vs YA

Young adults are an emerging force, making it important to grasp their influence on the beauty sector

Canada Population Projection – Both sexes, by age

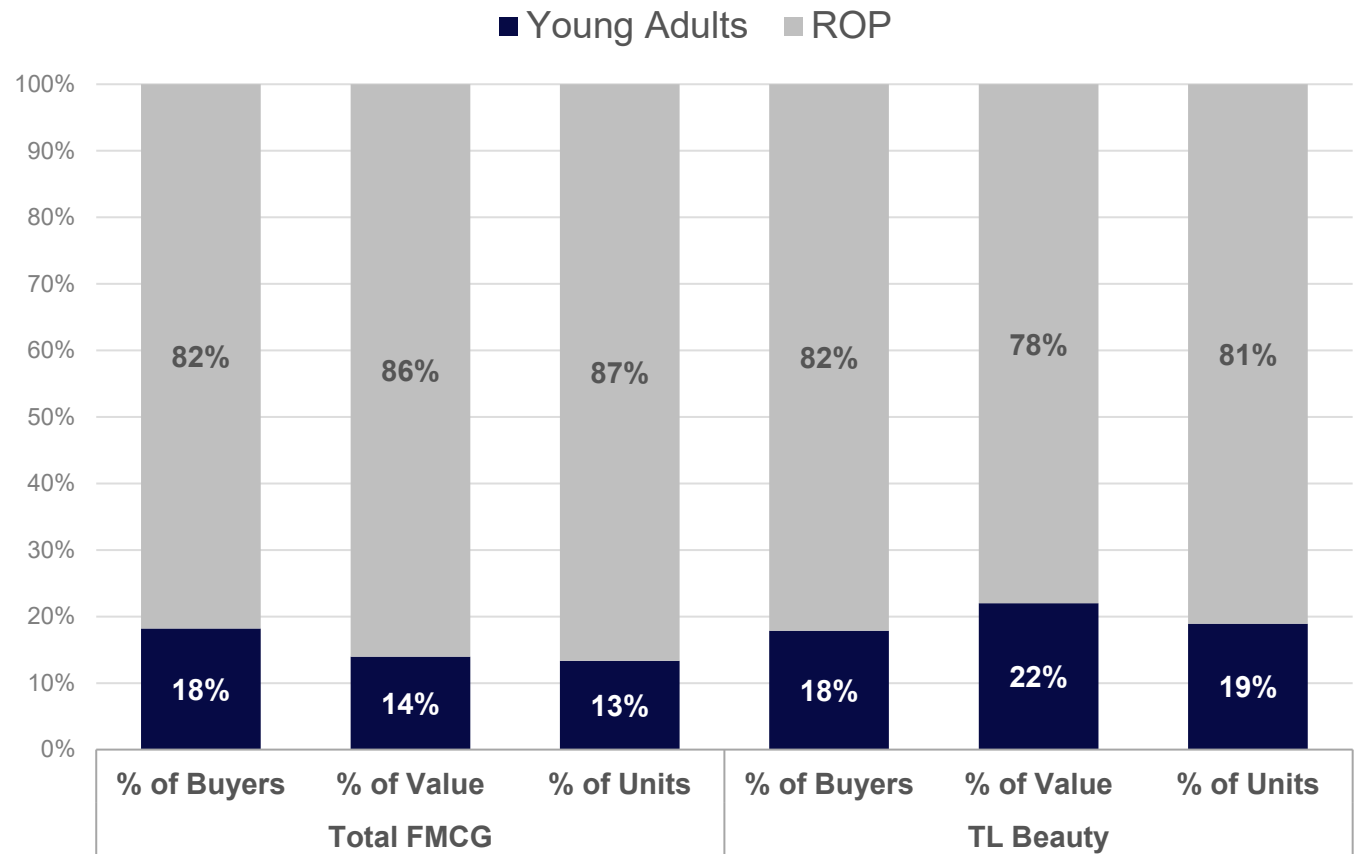


In 2036, 7.8 Million Canadians will be between the age of 20-35 (+5%)

The significance of beauty for young adults should not be underestimated

Young Adults’ stronger engagement for beauty, compared to their TL FMCG spending, signals growth opportunity in beauty

Young Adult vs Rest Of Population (ROP) Buyer Share Comparison by Metric



\$1.7 billion



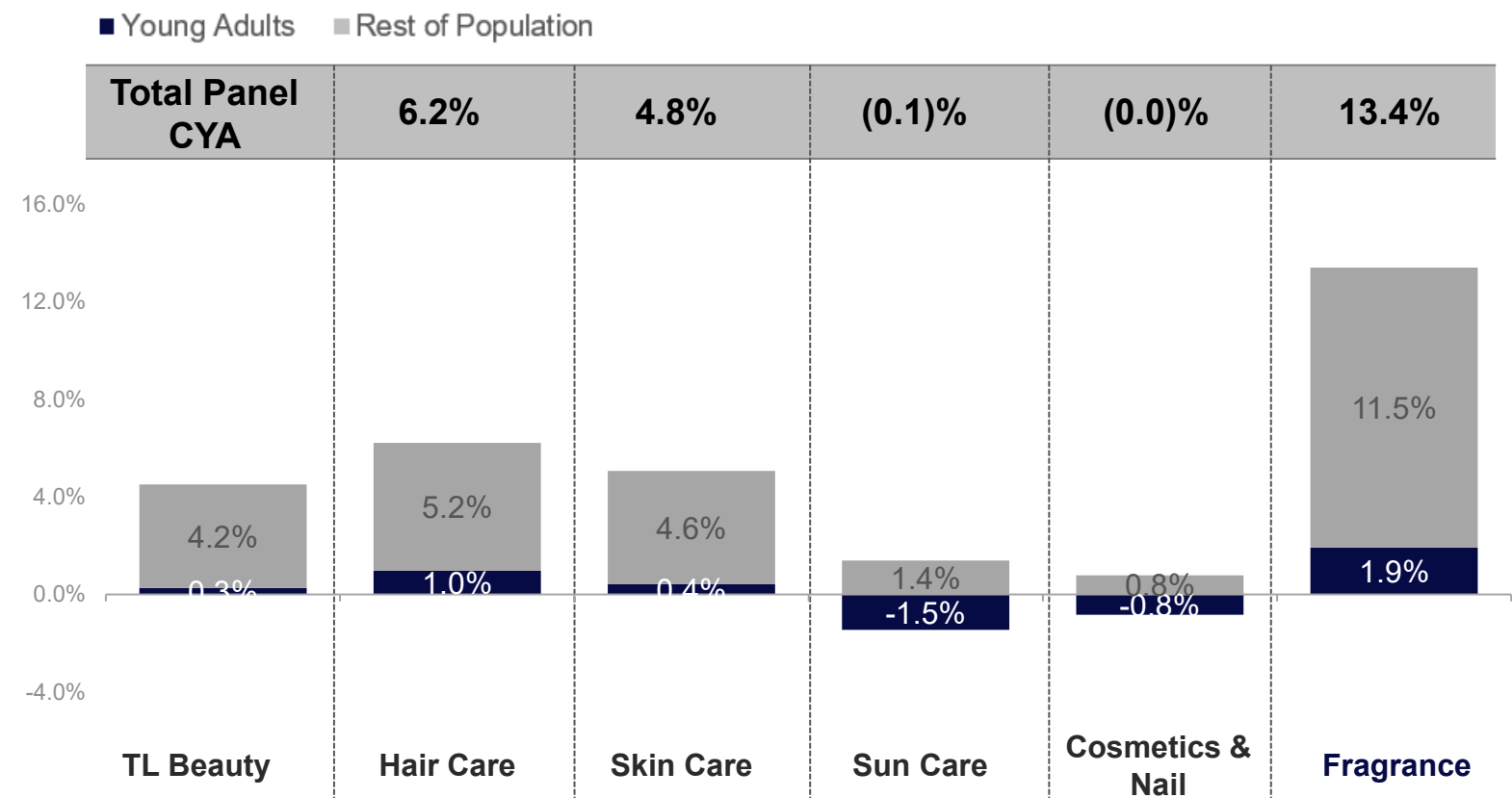
Beauty spending by Young Adult Buyer (+\$26M vs YA)



Despite making up 18% of buyers, Young Adults have an undeniable impact on the performance of beauty categories



Contribution to % \$ chg vs YA - TL Beauty & Categories



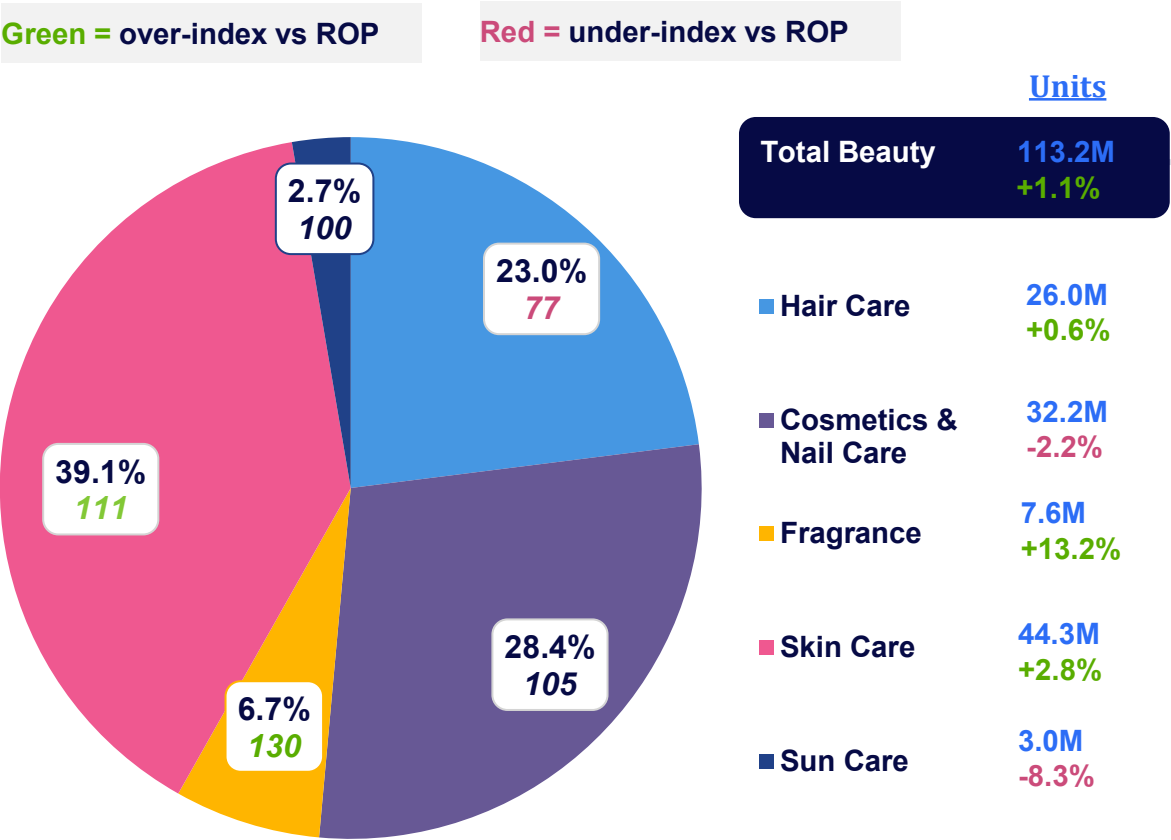
To ensure growth, businesses must develop robust strategies when targeting Young Adults, particularly in the Sun Care and Cosmetics and Nail categories

Source: NielsenIQ | Panel On Demand Omnishopper | Total Canada | Total Outlets | TL Beauty Closed Group | Ages Under 35 vs ROP | L52wks PE April 19, 2025 vs YA

Young Adults show strong interest in fragrance and skin care, making them essential categories for manufacturers to consider

These categories are becoming more prominent in their shopping baskets and overindexing vs rest of population

Total Beauty | Young Adults | Unit Share by Category - Index vs ROP



Top Sub-Categories by Units | Young Adults



Source: NielsenIQ | Panel On Demand Omnishopper | Total Canada | Total Outlets | TL Beauty Closed Group | Ages Under 35 vs ROP | L52wks PE April 19, 2025 vs YA
Index >115: young adults are over-represented relative to the rest of the population | Index < 85: young adults are under-represented relative to the rest of the population



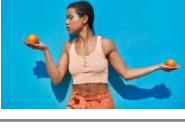
Manufacturers should capitalize on the premium value of Young Adults

Their basket value are significantly more valuable than Rest Of Population for each beauty category

Young Adults Consumer Behavior Overview by Category

Green = over-index vs ROP

Red = under-index vs ROP

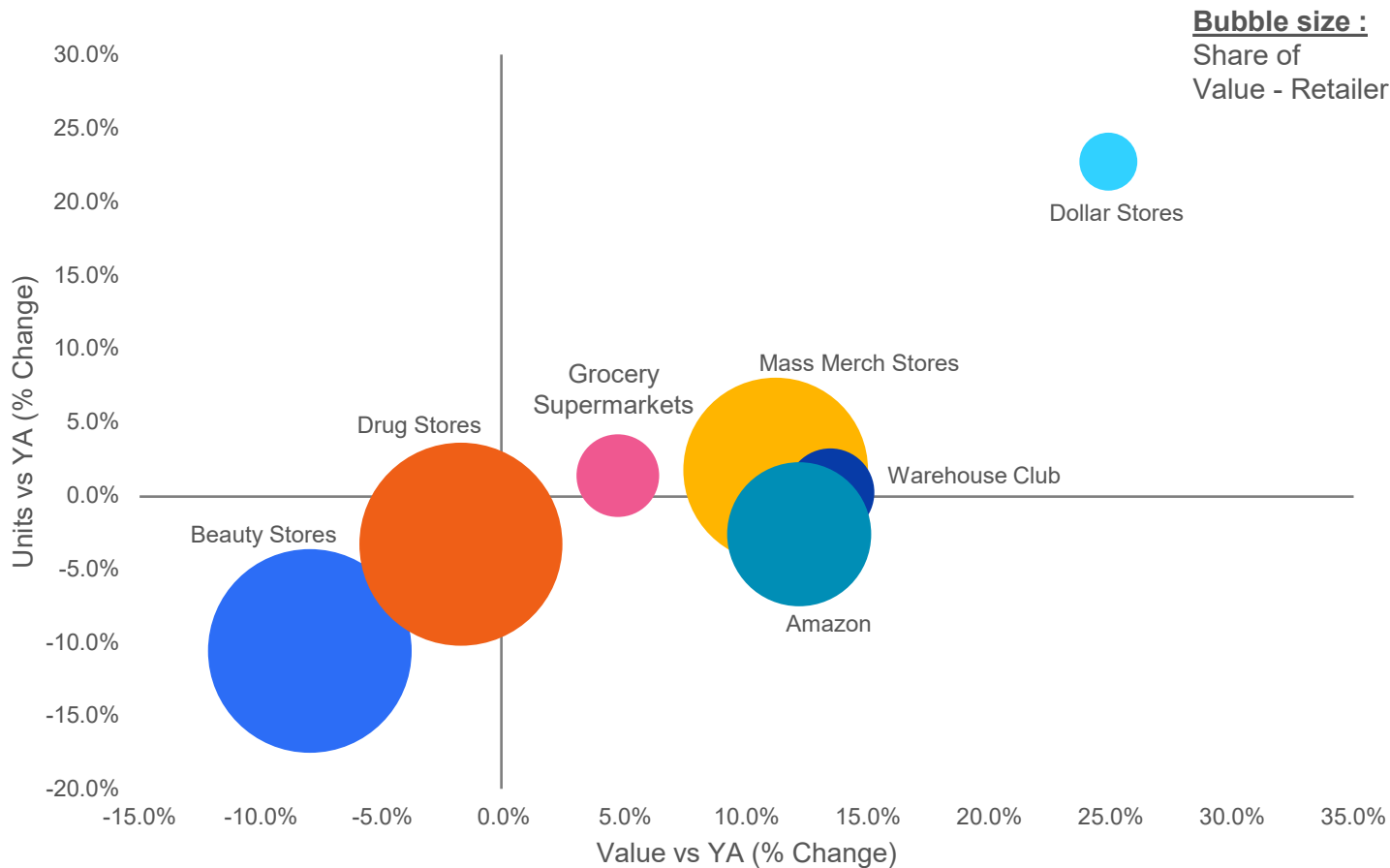
	Beauty Categories	Penetration	Dollars per buyer	Dollars per trip	Trips per Buyer
	Total Beauty	95.9% 98	\$576.18 130	\$25.88 124	22.3 105
	Hair Care	83.0% 91	\$118.60 110	\$16.84 120	7.0 92
	Cosmetics & Nail Care	79.3% 93	\$195.75 142	\$22.97 124	8.5 114
	Fragrance	41.6% 97	\$164.65 156	\$50.03 120	3.3 130
	Skin Care	90.0% 98	\$235.21 137	\$21.06 117	11.2 117
	Sun Care	38.6% 95	\$48.62 126	\$22.44 109	2.2 115

Source: NielsenIQ | Panel On Demand Omnishopper | Total Canada | Total Outlets | TL Beauty Closed Group | Ages Under 35 vs ROP | L52wks PE April 19, 2025 vs YA
 Index >100: young adults are over-represented relative to the rest of the population | Index < 100: young adults are under-represented relative to the rest of the population

Engaging Young Adults requires a well-rounded and diversified distribution approach

Young Adults are exploring outside of traditional beauty channels

Size and growth of key beauty channels (omnichannel view) | Young Adults



Channels	Share of Value – Retailer	Value vs YA (% Change)	Units vs YA (% Change)
Beauty Stores	29.8%	-8.0	-10.6
Drug Stores	29.6%	-1.8	-3.3
Mass Merch	24.5%	+11.2	+1.7
Amazon	14.9%	+12.2	-2.7
Warehouse Club	5.6%	+13.4	+0.2
Grocery	4.9%	+4.7	+1.3
Dollar Stores	2.4%	+24.9	+22.7

Source: NielsenIQ | Panel On Demand Omnishopper | Total Canada | Total Outlets | TL Beauty Closed Group | Ages Under 35 vs ROP | L52wks PE April 19, 2025 vs YA

Optimize online presence for agility and accessibility

Young Adults Drive Online Beauty Growth

54% of Young Adults purchase TL Beauty online
(vs. 43% for ROP)

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Young Adults Online Consumer Behavior Overview by Category

<i>Beauty Categories</i>	<i>Online Penetration</i>	<i>Online \$ spend ('M)</i>	<i>Avg # Occ</i>	<i>\$ Spend per Buyer</i>
Hair Care	28.8%	\$97.0 (+12.5%)	3.6	\$113
Cosmetics & Nail	31.9%	\$167.7 (+1.5%)	5.1	\$176
Fragrances	9.6%	\$55.2 (+7.1%)	2.7	\$192
Skin Care	40.4%	\$201.3 (-0.8%)	5.3	\$167
Sun Care	9.7%	\$15.2 (-7.3%)	1.9	\$53



Hair Care is gaining momentum online among Young Adults with spending rising by 12.5% and penetration remaining low at 28.8%, signaling strong potential for growth

Source: NielsenIQ | Panel On Demand Omnishopper | Total Canada | Total Outlets – Online | TL Beauty Closed Group | Ages Under 35 vs ROP | L52wks PE April 19, 2025 vs YA

The Influence of Young Adults on Beauty



Have a Young Adult Beauty Strategy

Young adults are playing an important role in the beauty industry by setting trends and highly influencing the categories performances. Manufacturers and retailers must stay vigilant to the evolving trends driven by young adults, as this demographic signals significant shifts in the market.

Skin Care on the rise

The increasing popularity and significance of skin care products among young adults highlight their desire to maintain healthy skin and look their best for as long as possible. To capture and sustain their interest, businesses must continue to innovate in this sector, enhancing the perception of natural beauty.

Meet them where they are

Although Beauty and Drug Stores are the main beauty channels for Young adults, they are looking for alternatives to traditional beauty channels. Convenient and lower priced destinations have gotten the interest of young adults to purchase beauty products. Developing a robust online strategy aimed at young adults is essential for manufacturers and retailers looking to enhance their performance in this channel.

NielsenIQ Omnishopper

For more information about **NIQ Omnishopper**,
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The Full View of the omni market

Unlock further insights into niche channels, categories, specialty retailers and demographics

Accurately capture a comprehensive and granular view into modern Canadian omnishopper behaviour.

Data is sourced from a managed panel consisting of 30K+ households shopping across online and offline channels. Using unique Trip Projection methodology and receipt coding technology, coverage and trends are the best in the industry so you can make bolder decisions with confidence.

Key benefits

- Better target **your competitors** and win
- More accurately set strategies for **segmenting, marketing, targeting**
- **Pivot your online** strategy based on accurate, trustworthy data
- Build better **consumer programs** and set a business strategy for growth



“64% of today's Canadian households are omnishoppers, and this number is only growing.”

This acceleration of shoppers making purchases both online and offline presents a giant opportunity to capitalize on shifts in shopper behaviour.

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New format but still easy

*Won't take you more than **2 minutes!***

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Based on your recent experience relating to **NIQ Gifting Review - Retailers**, how likely are you to recommend NielsenIQ insights to a colleague? *

0 = Not likely at all 10 = Extremely likely

0	1	2	3	4	5	6	7	8	9	10
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How satisfied are you with the **actionability** of the insights and recommendations?

0 = Not satisfied at all 10 = Extremely satisfied

0	1	2	3	4	5	6	7	8	9	10
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How satisfied are you with NielsenIQ's **knowledge of your industry and business** based on the content shared?

0 = Not satisfied at all 10 = Extremely satisfied

0	1	2	3	4	5	6	7	8	9	10
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Or click the [link](#)

P.S. How the score is calculated:

0 1 2 3 4 5 6	7 8	9 10
Not Satisfied	Neutral	Satisfied



Easy tip:

If you like it, give us a 9 or 10!

