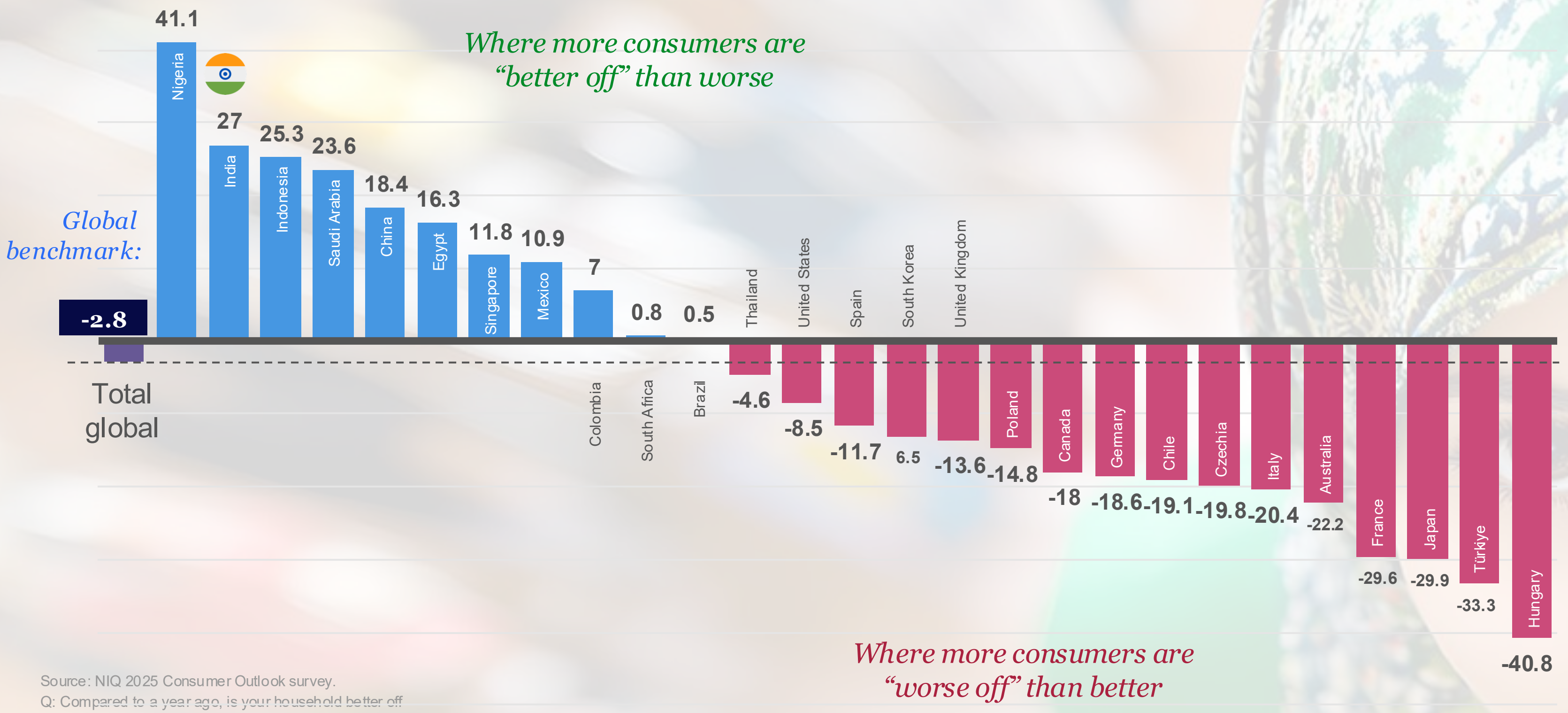
Welcome to

India's Beauty Moment

Discussing Growth, Shifts & Strategies for 2026

NielsenIQ

Optimism around financial situation *varies widely by region and country*



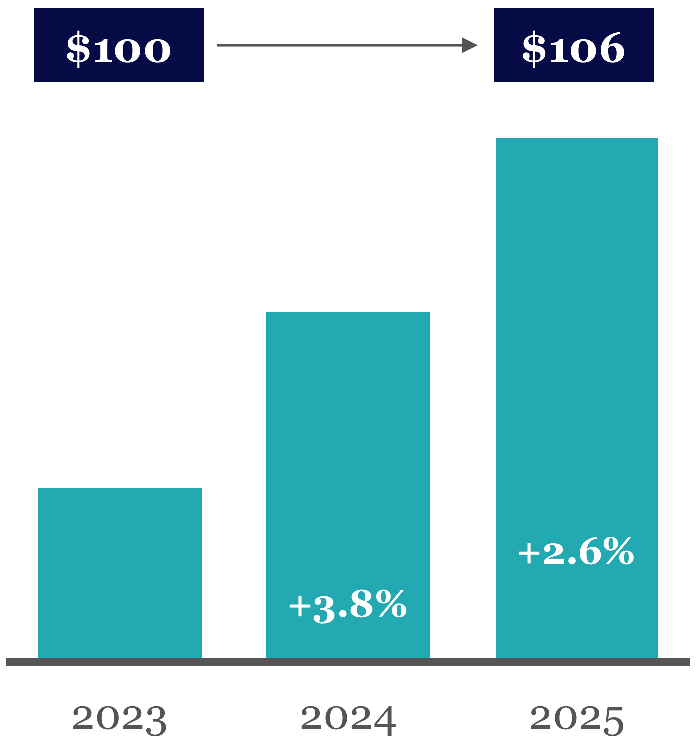
Source: NIQ 2025 Consumer Outlook survey.
Q: Compared to a year ago, is your household better off or worse off financially? Note: In China, verbiage reflects change in "management of spending."

NIQ

The Price-Pressure Reality Check

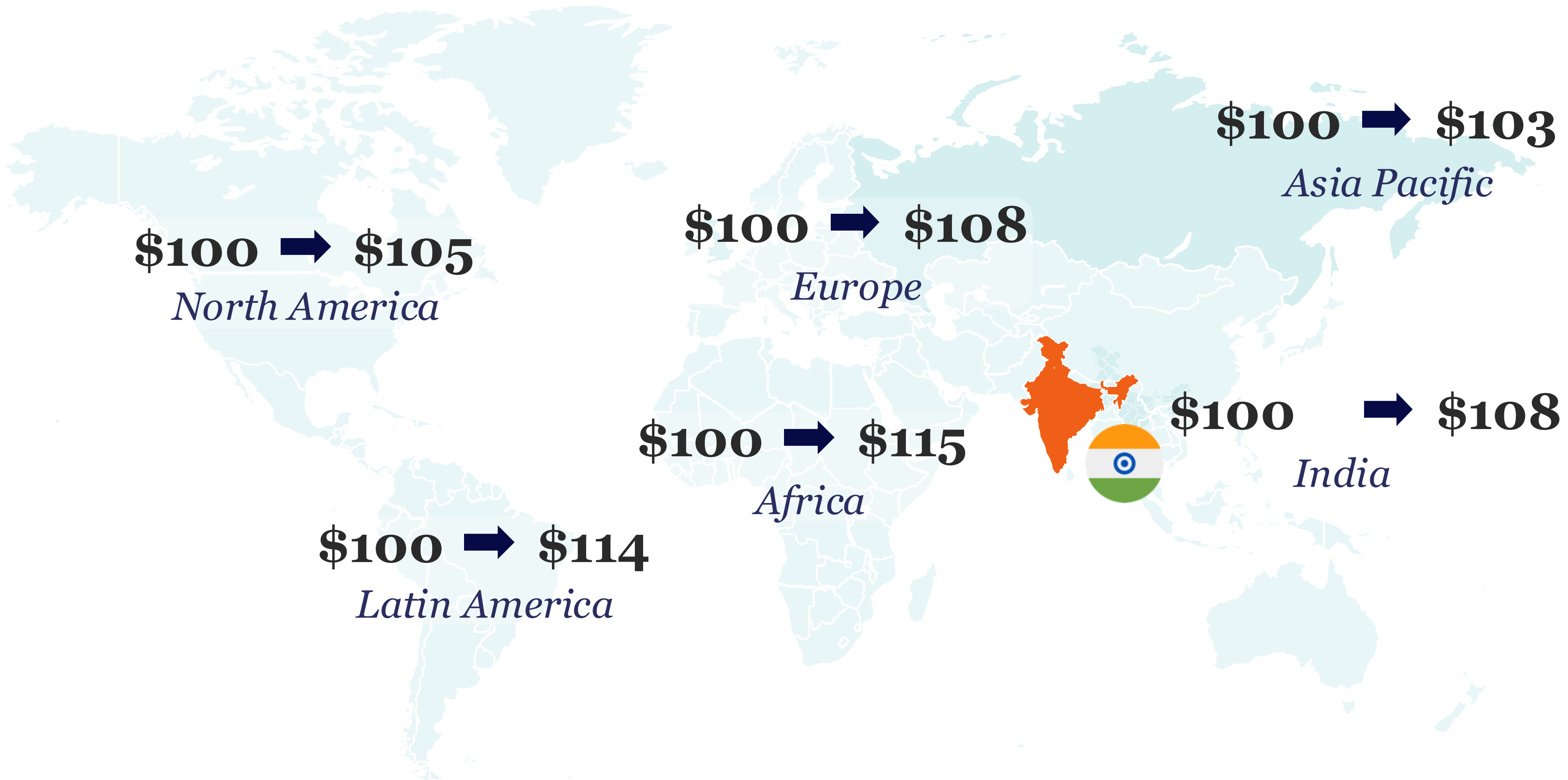
Rising living costs continue to tighten discretionary spend and heighten scrutiny on value

Global



Consumers are still spending
6% more vs. 2023

Regional – 2023 vs 2025



Source: NIQ Global Strategic Planner, 54 markets, Eq Vol Price % Change, Latest 52 weeks ended June 15, 2025, vs. previous periods. Reflected in US dollars.

Mixed Intentions Heading into 2026

Macro mood, cultural norms and income stability shape contrasting 2026 outlooks

Beauty & Personal Care Spending Intention Over the Next 12 Months – Net (Spending More – Spending Less)

Top 3

Nigeria: +19

China: +14

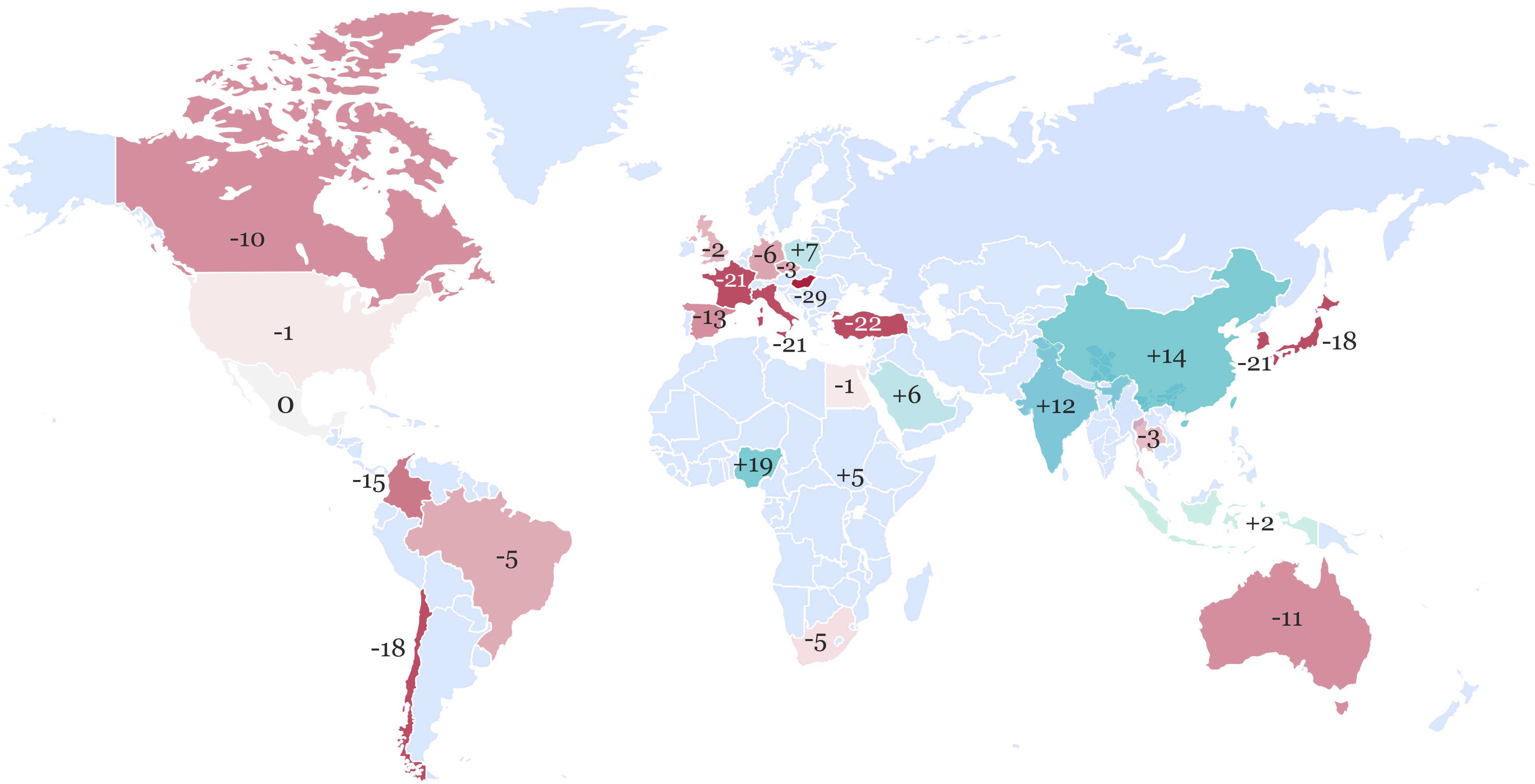
India: +12

Bottom 3

Hungary: -29

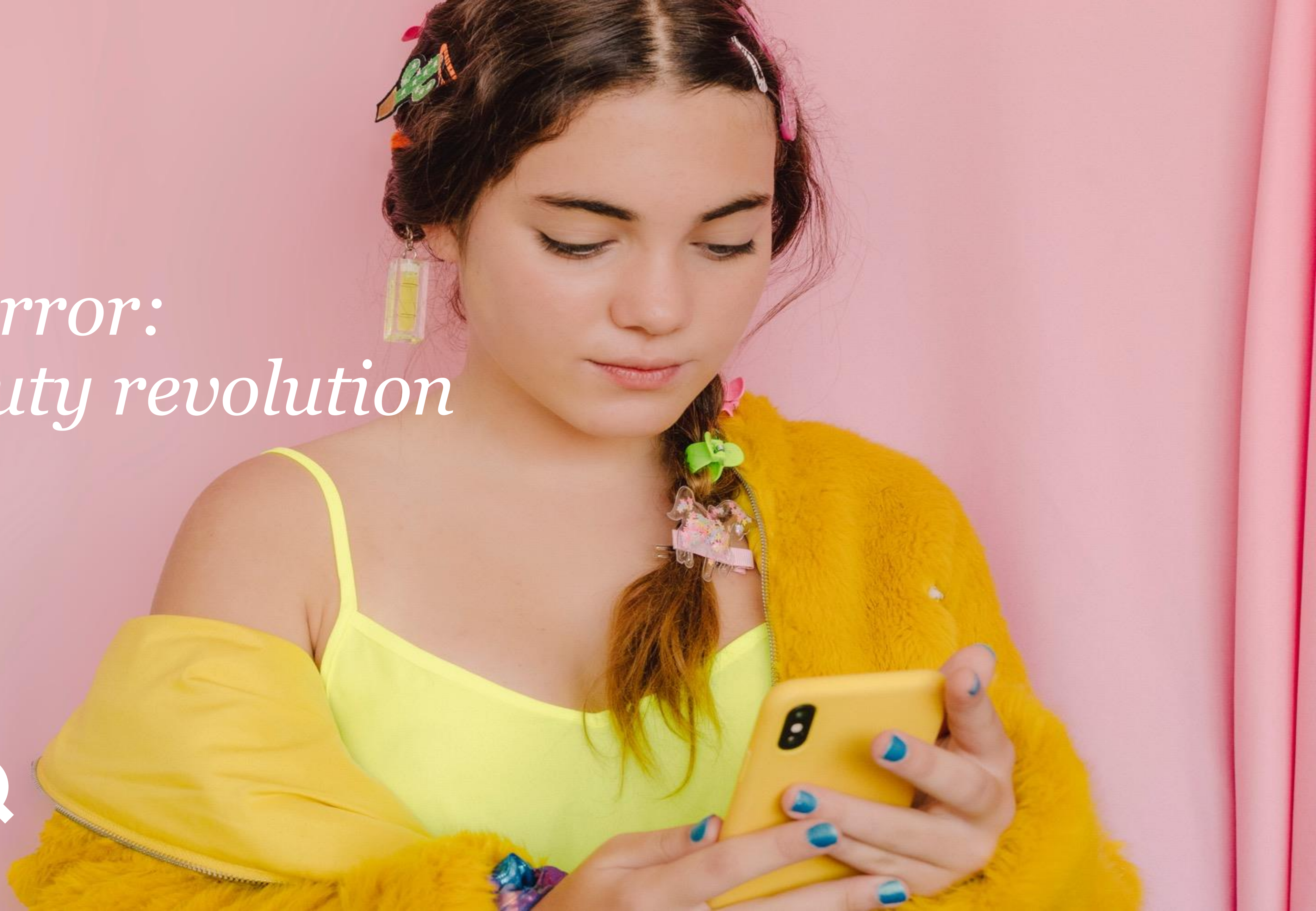
Turkey: -22

France: -21



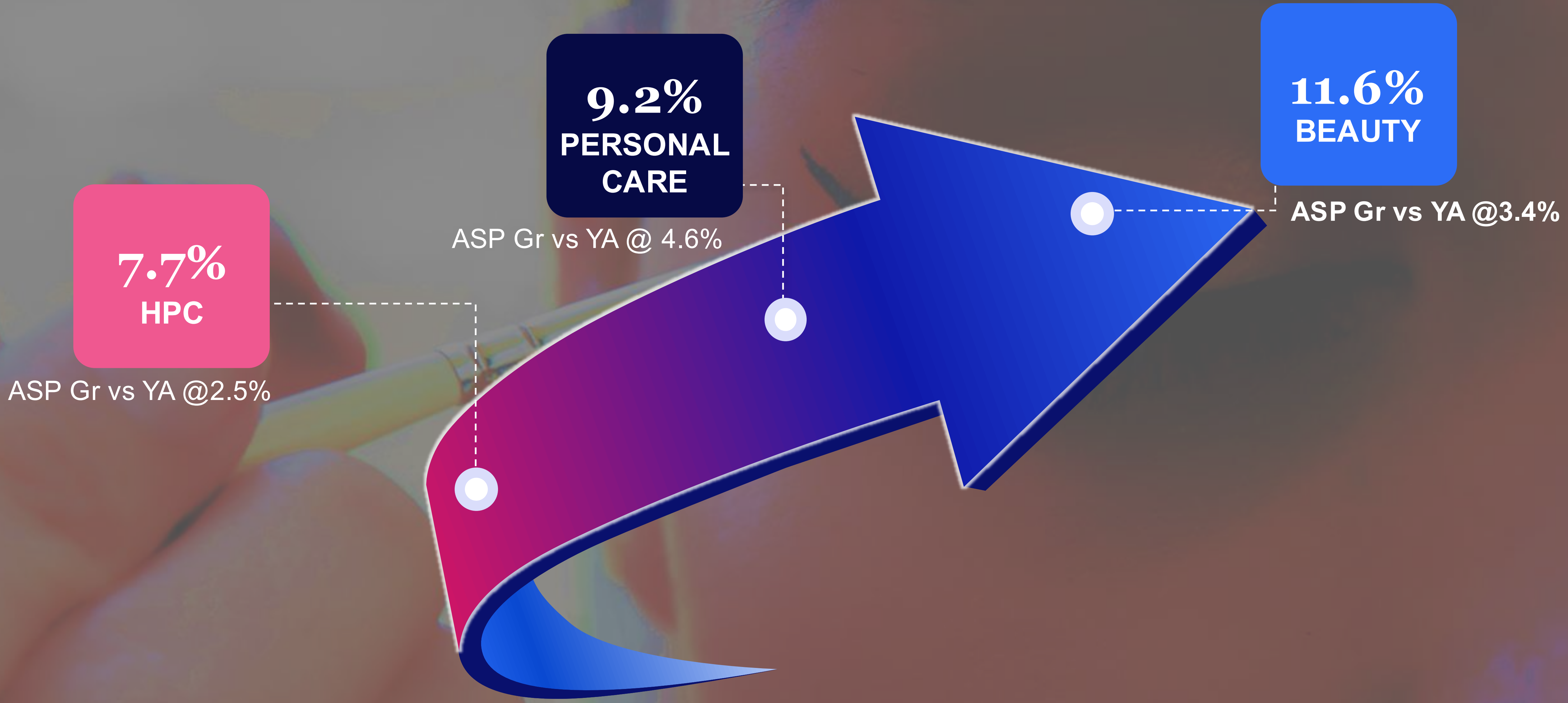
Source: NielsenIQ Consumer Outlook 2025

Beyond the Mirror: The 'New' Beauty revolution



NielsenIQ

Beauty outshines in growth!



Source: NielsenIQ Retail Measurement Service Data | All India (U+R) | MAT Dec'25
Beauty in India: Skincare, Haircare (Hair Oil, Shampoo, Hair Conditioner, Hair Dye), Make-Up (Lipstick, Nail Enamel, Fragrance, Eye Makeup)

Numbers in boxes = Val Gr vs YA

Hair & Skincare redefining beauty

Beauty in offline post strong double-digit growth despite Ecom disruption

OFFLINE

BEAUTY

(MAT DEC'25)

57,218 Cr
(41% of PC)

11.6% ▲

36%
Skincare
(MAT Dec'25)
12.7% ▲

Sunscreen, Face Serum, Face Cleanser, Face Moisturizer, Face Lotion, CC-BB Cream, Sheet Mask, Brightness cream, Anti Ageing, Foundation

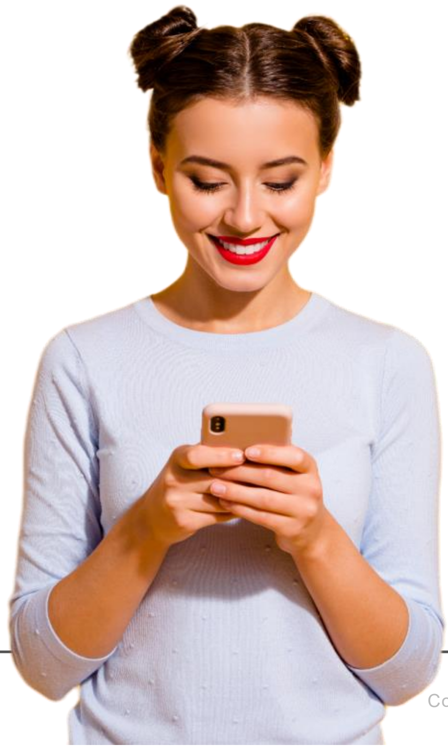
51%
Haircare
(MAT Dec'25)
9.1%

Hair Color, Hair Dye, Hair Conditioner, Hair Gel, Shampoo, Hair Serum, Hair Wax

13%
Make-up
(MAT Dec'25)
19.0% ▲

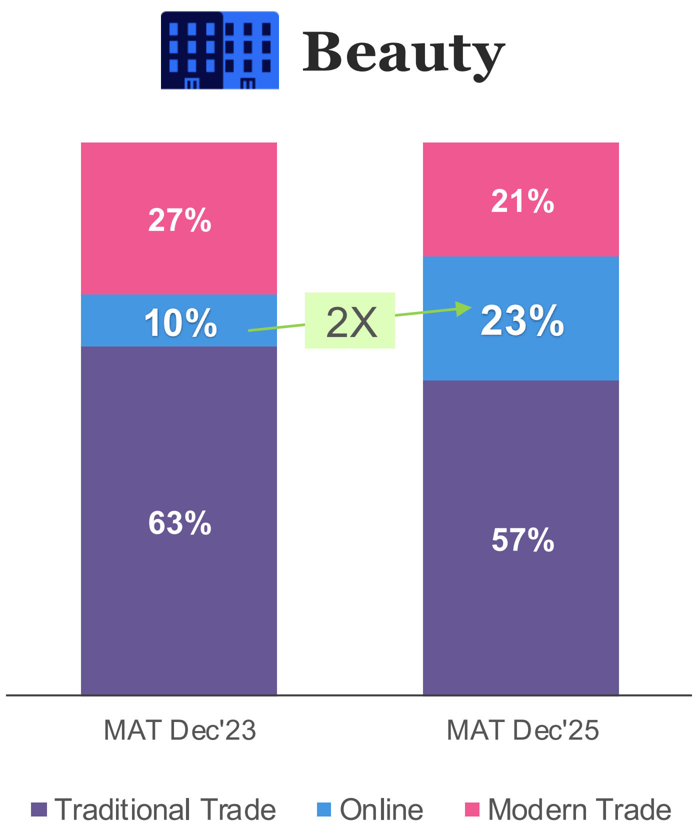
Lip Color, Nail Enamel, Cologne, Perfume, Deodorant, Roll On, Lip Stick, Eye Makeup

Source: Nielsen IQ Retail Measurement Service Data | All India (U+R) | MAT Dec'25
Beauty in India: Skincare, Haircare (Hair Oil, Shampoo, Hair Conditioner, Hair Dye), Make-Up (Lipstick, Nail Enamel, Fragrance, Eye Makeup)



Online surpasses Modern Trade

Reached 23% share in Metros in Two Years



Market: All India Metros (52 Metros aggregate with 1Mn+ population)
e-POS data from co-operating retailers (Marketplaces & Quick commerce)
Value information is End Consumer Price (net of discounts)
Note: Data of TT & MT is projected while E-comm is All Co-operating retailers' data

Food for thought

What?	So What?	Now What?
India is among the fastest-growing beauty markets globally, growing well ahead of personal care and home care.	Risk of **misallocating investment**. Not all categories, channels or price tiers are contributing equally.	Assess which lever to double down category, channel or price tier, do you know which one is actually driving profitable growth for your brand?

NIQ says

Know your **category decomposition, channel mix modeling** and **growth contribution analytics.**

E-Commerce Continues to Drive Beauty's Global Growth

In-store sales growth has lagged ecommerce performance as the online ecosystem continues to evolve and expand

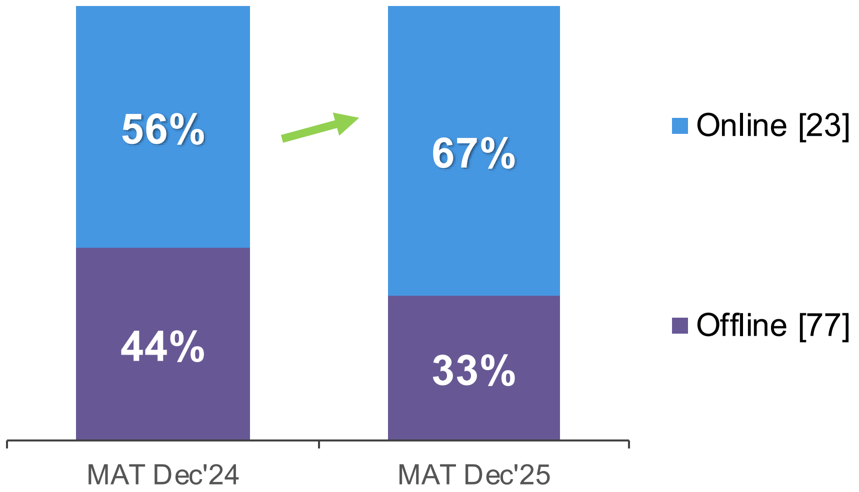
Beauty - Value % Change vs YA – Latest 52 Weeks *(MAT Q3 2025)*

All India – Metro | MAT Sept'25

Source: NielsenIQ Omnishopper Panel (US, CA, AU), Omnisales (FR, DE, IT, ES, GB, AT, BE, CH, NL), NIQ ecommerce measurement (CN, KR), SPG Weekly (BA, HR, DK, EE, GR, HU, LV, LT, NO, PL, PT, RO, SI, SE, UA, AR, BR, DO, EG, HK, IN, ID, KZ, MY, MX, MM, NZ, PE, PH, PR, SA, SG, ZA, TW, TH, TR, AE, VN)
Key exclusions: China & South Korea excludes cosmetics & fragrances, UK excludes fragrances. Beauty specialist offline channel only captured in US, ES, CH, CA, AU

Online beauty grows 10X faster than Offline in Metros

Beauty Value %Incremental to Omni



	Value CAGR	Volume CAGR	Price CAGR
Omni	16%	4%	12%
Online	78%	47%	30%
Offline	7%	0.2%	7%

>10X

52%

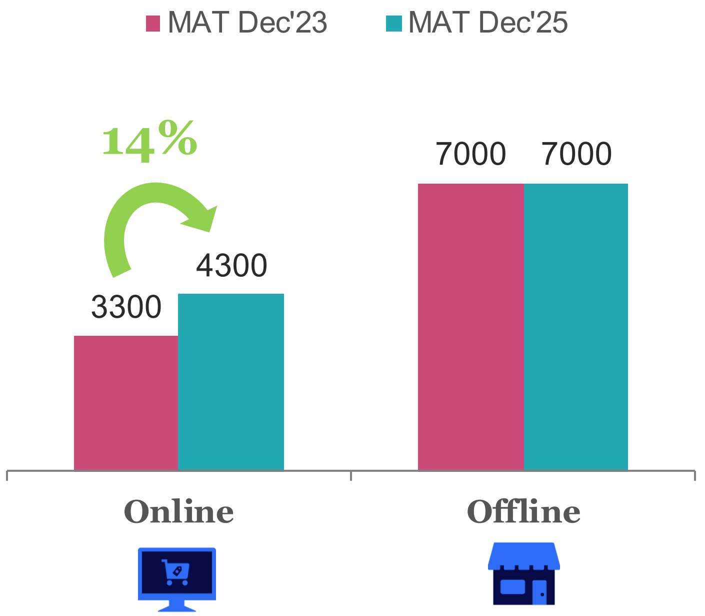
of Indian consumers are ordering more from **online retailers** for home delivery than a year ago

Source: NielsenIQ Consumer Outlook 2025

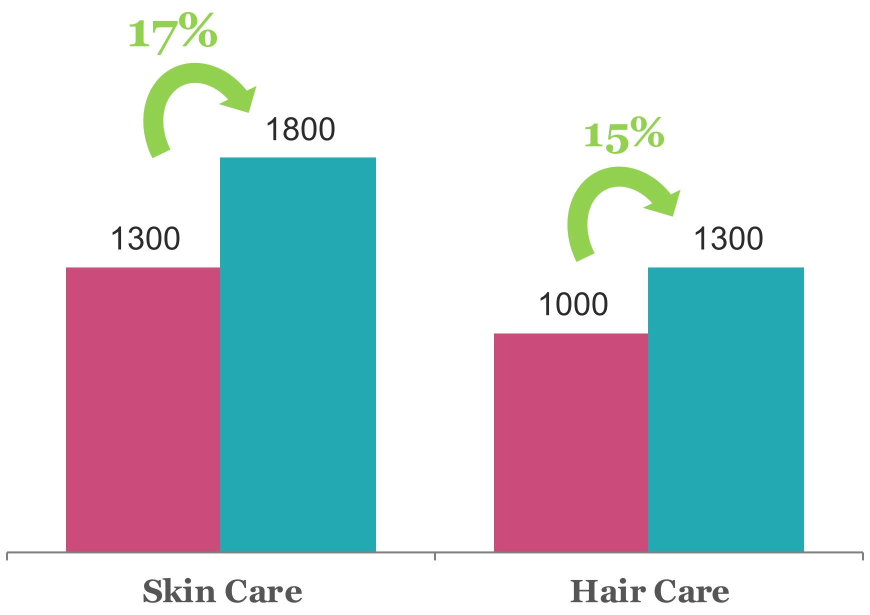
Market: All India Metro (52 Metros)
Omnichannel = TT & MT data from RMS + E-comm co-op only data from EMS

Online growth accelerates on new sub-brands; Offline momentum stabilizes

Assortment Count (Sub-brands)



Assortment Count in top 2 Categories - Online



Market: All India Metro (52 Metros)

Source: NIQ RMS & EMS data

The Instore vs Online Balance

Consumers shift fluidly between physical and digital footprints, as shopping becomes channel-agnostic

29%

30%

BUT

52%

of consumers are ordering more from **online retailers** for home delivery than a year ago

42%

of consumers are purchasing more **in person** from hypermarkets, supermarkets & mass merchandise stores

Source: NielsenIQ Consumer Outlook 2025

Food for thought

What?	So What?	Now What?
E-commerce is growing more than 10x faster than in-store in India, but offline still drives trial, trust and scale.	This isn't a channel shift, it's a **role shift**. Success depends on knowing what each channel is best at and designing portfolios accordingly.	Are your online and offline strategies truly complementary? Or are they unknowingly competing on price, packs and hero SKUs?

NIQ says

Look into **omnichannel harmonized measurement, online–offline price tracking and role clarity**.

Current forces shaping Beauty

The big Beauty trends

1 Premiumization vs. Affordability

Value & efficacy vs prestige

2 Global Meets Local

Cultural Beauty trends from K-Beauty to Ayurveda

3 Fragrance Renaissance

Scent-driven innovations

4 AI and Digital First Beauty

GEO is the new SEO

The new value equation

Beauty pricing increases in 2025 are a global phenomenon

+10%
Value growth vs YA

+5%
Unit growth vs YA

+5%
Price per unit growth vs YA

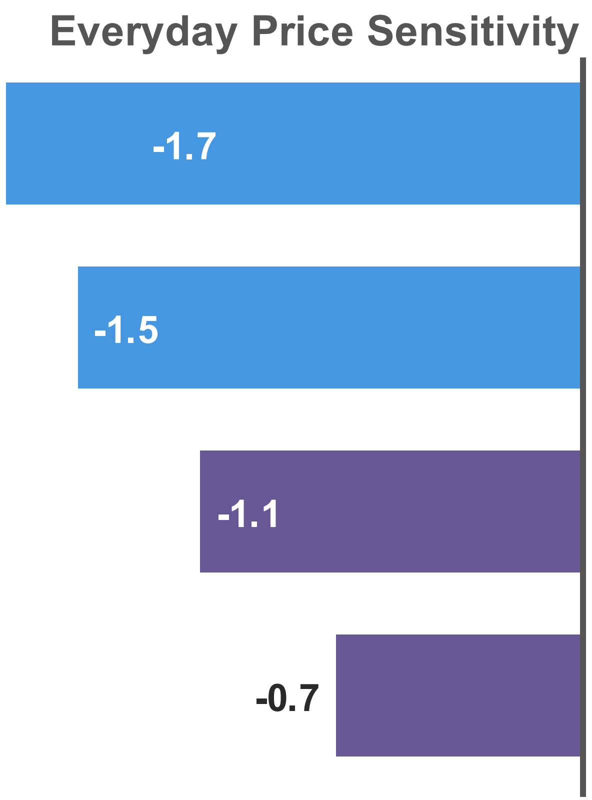
+11.6%
Value growth vs YA

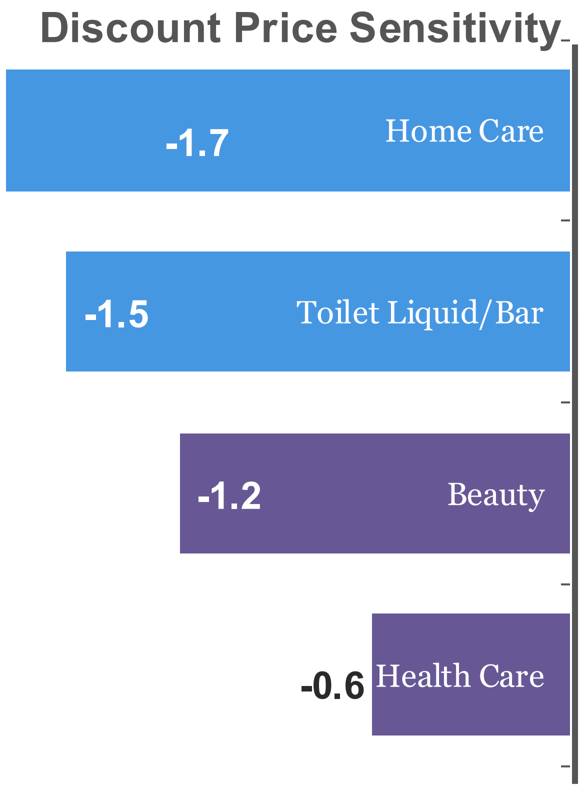
+8.1%
Unit growth vs YA

+3.2%
Price per unit growth vs YA

Fact: Value % growth vs YA (unweighted)
Beauty = Hair, Skin, Fragrance, Cosmetic & Nail (per available coverage by market)
Sourcing: 52 markets – NielsenIQ Consumer Panel (FR, DE, IT, ES, GB), Omnishopper Panel (US, CA, AU), RMS incl TikTok (CN), RMS incl ecom (KR), SPG WEEKLY (BA, HR, DK, EE, GR, HU, LV, LT, NO, PL, PT, RO, SI, SE, UA, AR, BR, DO, EG, HK, IN, ID, KZ, MY, MX, MM, NZ, PE, PH, PR, SA, SG, ZA, TW, TH, TR, AE, VN, AT, BE, CH, NL)

Indian consumer less price sensitive towards Beauty!





Source: Global Everyday Day Analytics Information Center | MAT Dec 25

Lush partners with Bilberry Brands for online-to-store launch

BEAUTY

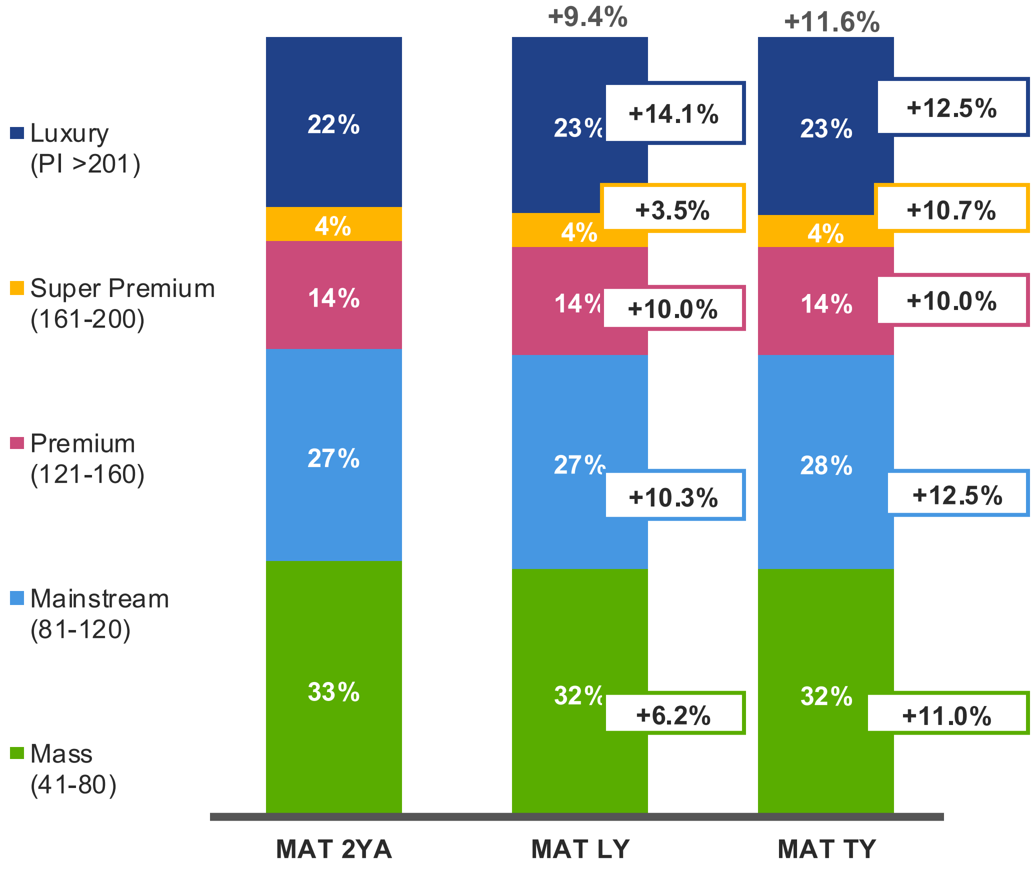
UK's Lush Returns to India as Luxury Beauty Booms

UK cosmetics brand Lush has returned to India around two decades after its exit, aiming to tap the country's booming luxury beauty market, a senior executive told Reuters.

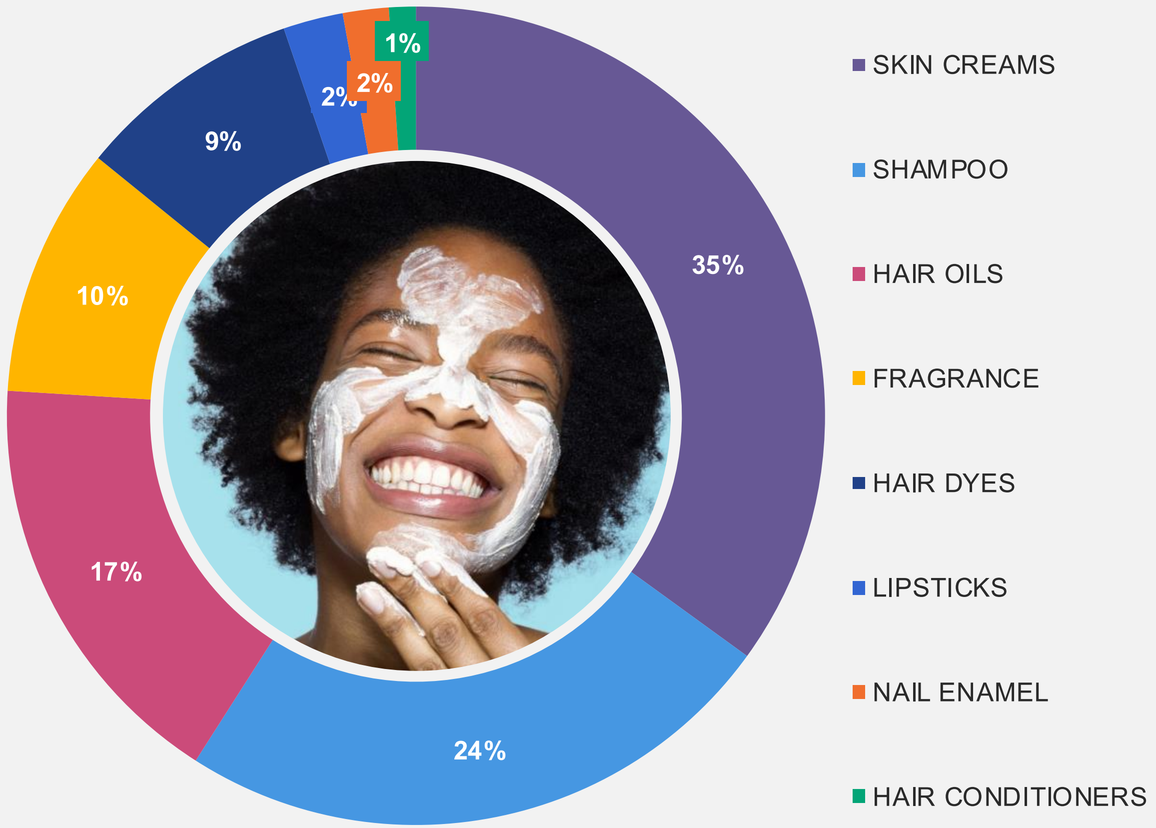
In its first 18–24 months of expansion, Lush and its partner aim to open stores in major cities such as New Delhi, Mumbai and Bengaluru. (Shutterstock)

While polarities exist, opportunity in premium+

Beauty by Price tiers
Sales Contribution by Price Tier



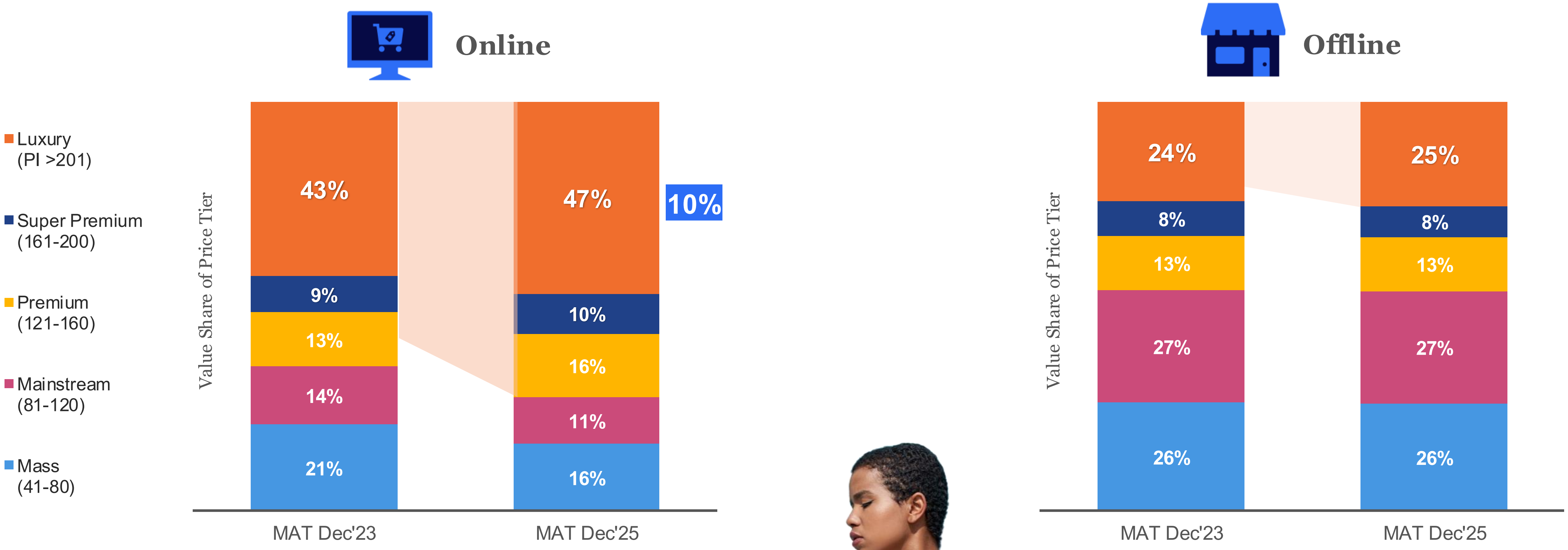
Premium+ Beauty Contribution: ~43%; Gr vs YA @12%



Price tiers for sub brands have been tagged based on respective category ASP
Source: Nielsen IQ Retail Measurement Service Data | All India (U+R) | MAT Dec'25

Beauty = Skincare, Haircare & Make-up
Premium+ = RPI > 120

Premium++ is heavily concentrated online, driven by luxury



Market: All India Metro (52 Metros)
Mass = <80 RPI, Mainstream = 81-120 RPI
Premium++ = RPI > 120 | Premium = 121-160 RPI, Super Premium = 161-200 RPI, Luxury = >200 RPI
Price tiers for sub brands have been tagged based on respective category ASP

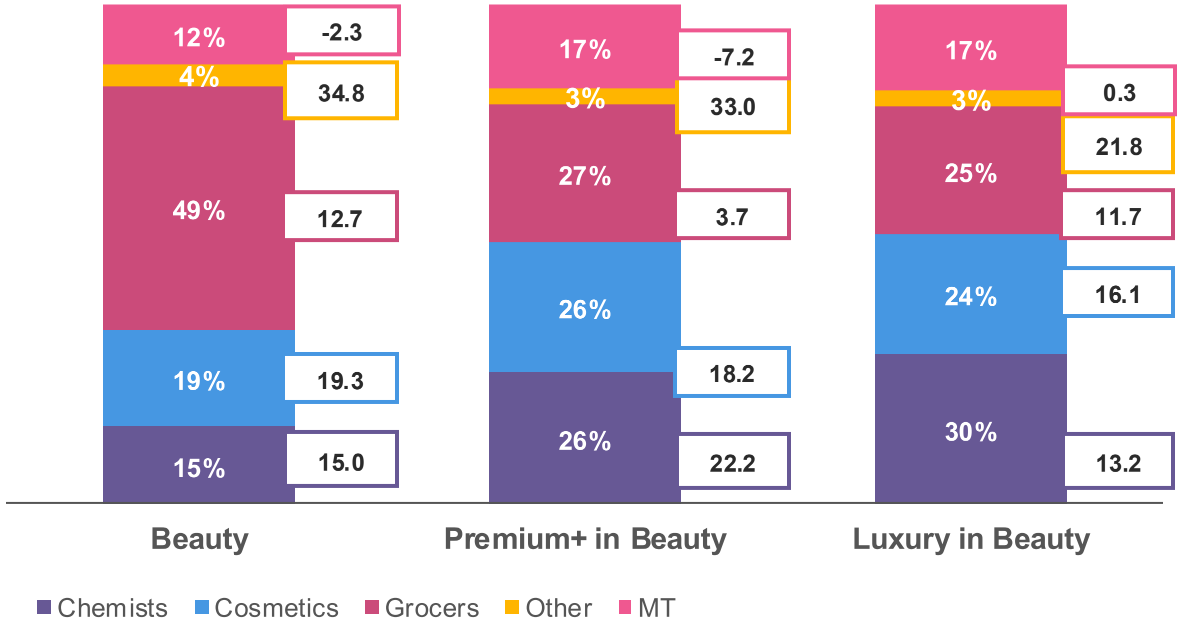
Strategize to win!

Specialist channels (Chemist, Cosmetic) hold half of luxury, E-commerce shines!

MAT Dec'25

Offline | All India

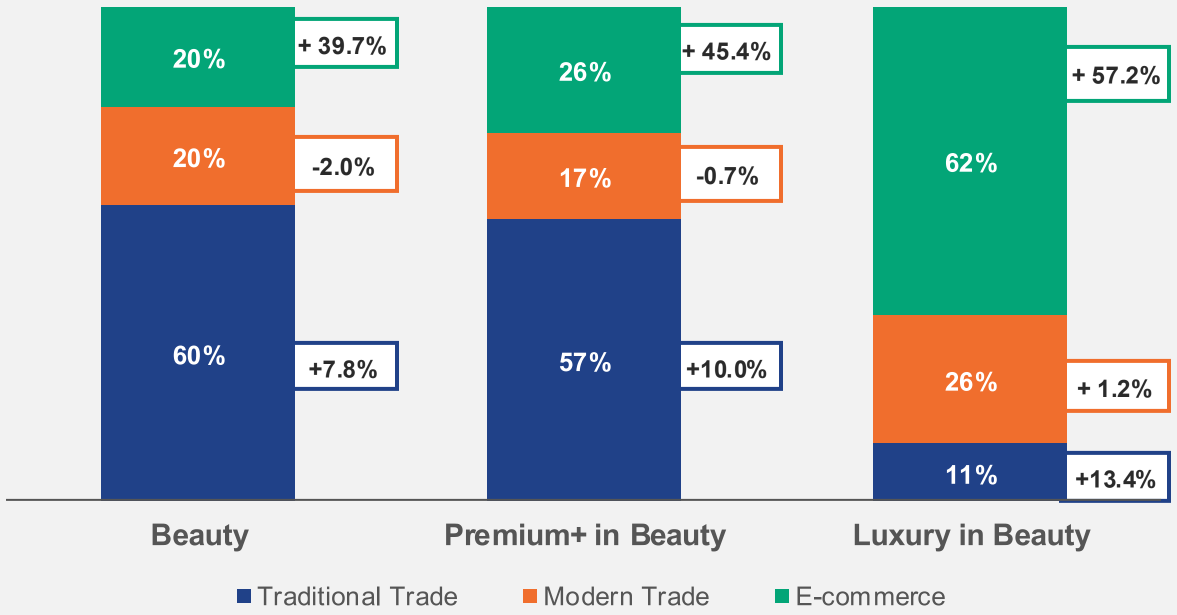
Val Contri% | Gr vs YA



MAT Dec'25

Metro

Val Contri% | Gr vs YA



Source: Nielsen IQ Retail Measurement Service Data, NIQ's E-commerce Measurement Solution (EMS)
Premium+ = RPI > 120 & Luxury = >200 RPI
Beauty = Skincare, Haircare & Make-up
MAT Dec'25| All India
Price tiers for sub brands have been tagged based on respective category ASP

Beauty = Skincare, Haircare (Hair Oil, Shampoo, Hair Conditioner, Hair Dye), Make-Up (Lipstick, Nail Enamel, Fragrance, Eye Makeup)
MAT Dec'25 vs. YA
All India Metro – TT, MT & E-comm

Estee Lauder strategizes market entry with affordable minis and full ownership of Forest Essentials

mint Premium | NEWS

With smaller packs and wider reach, Estée Lauder eyeing middle class in India, its key emerging market

Suneera Tandon | 5 min read | 08 Oct 2025, 06:33 pm IST

Stéphane de La Faverie, global president and CEO of The Estée Lauder Companies. The group seeks to ride the fast-growing premium beauty market in India to tap its big growth potential.

Estee Lauder buys Forest Essentials, takes full ownership of the brand following first minority investment in 2008

TNN / Mar 06, 2026, 09:00 IST

Preferred on G | Comments | Share | AA

MUMBAI: The Estee Lauder Companies has bought Indian skincare brand Forest Essentials, taking full ownership of the firm it had first invested in 2008 as the American company looks to bolster its bets on the local prestige beauty market. Estee Lauder did not disclose the size of the deal but said that the transaction is expected to close in the second half of 2026. The

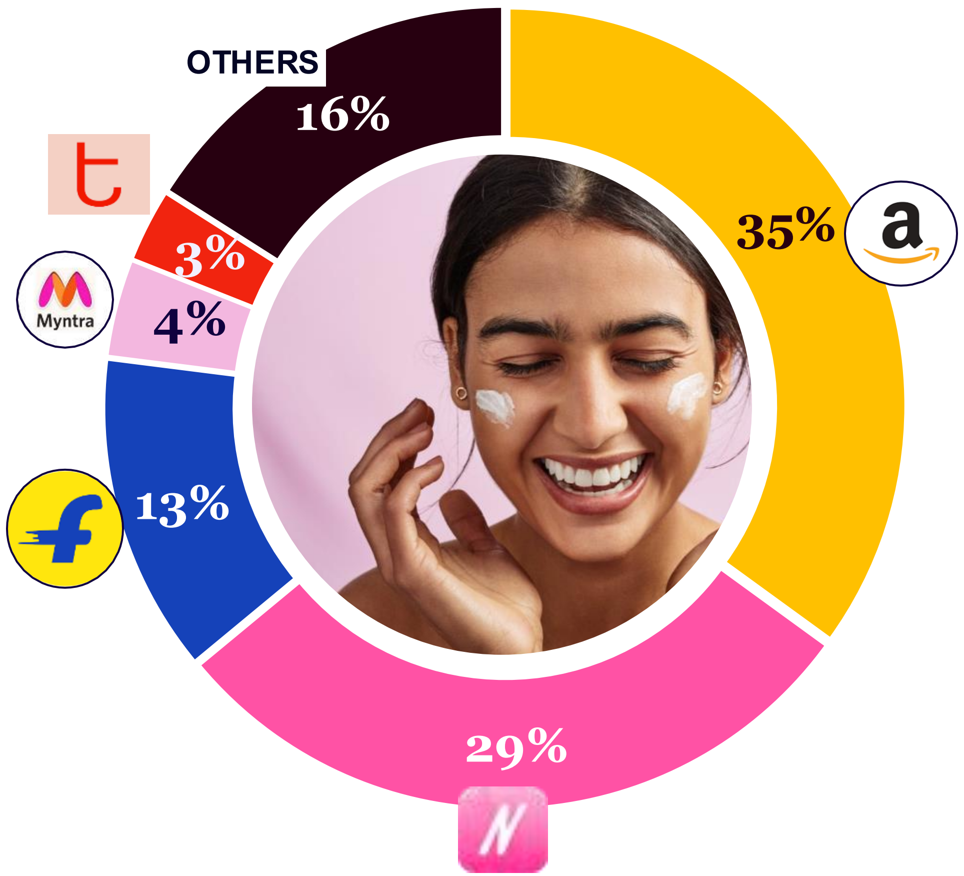
Skincare wins Premium++ penetration; Makeup drives Affordable reach

Affordable = RPI <120
Premium++ = RPI > 120
Market: All India Urban

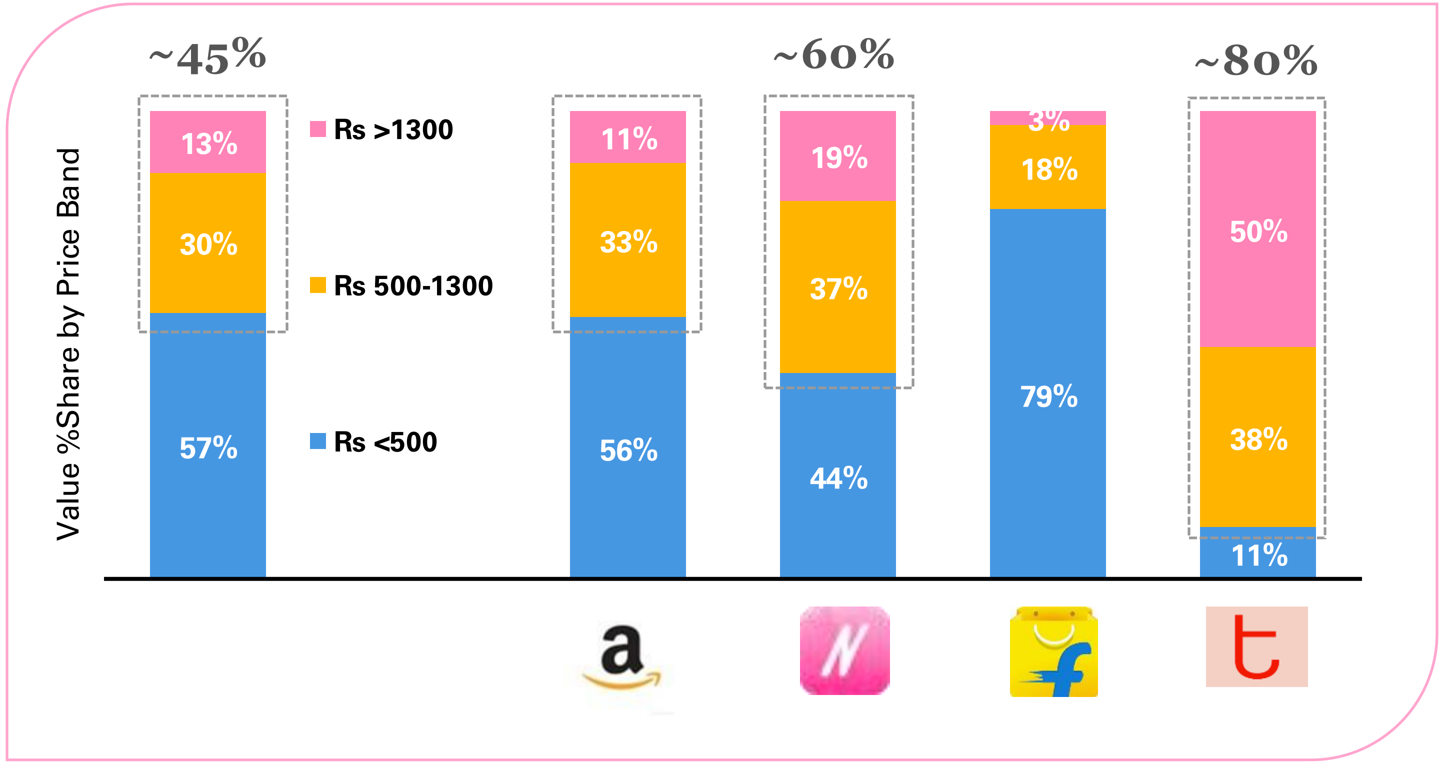
Does not include Blinkit, Zepto, Meesho & any other platforms that do not share E-mail receipts

While Amazon and Nykaa capture 64% of Beauty market, clear price driven platform differentiation exists

Retailers' Value Share for Beauty - 2025



Value Share by Price Band



Market: All India Urban

Beauty: Skin Creams, Fragrance, Shampoo, Hair conditioner, Hair oils, Hair Dyes, Eye Makeup, Face Makeup, Lipsticks, Nail Enamel

Ranking is based on sales value share within each platform

Rise of 'Glocal' Beauty

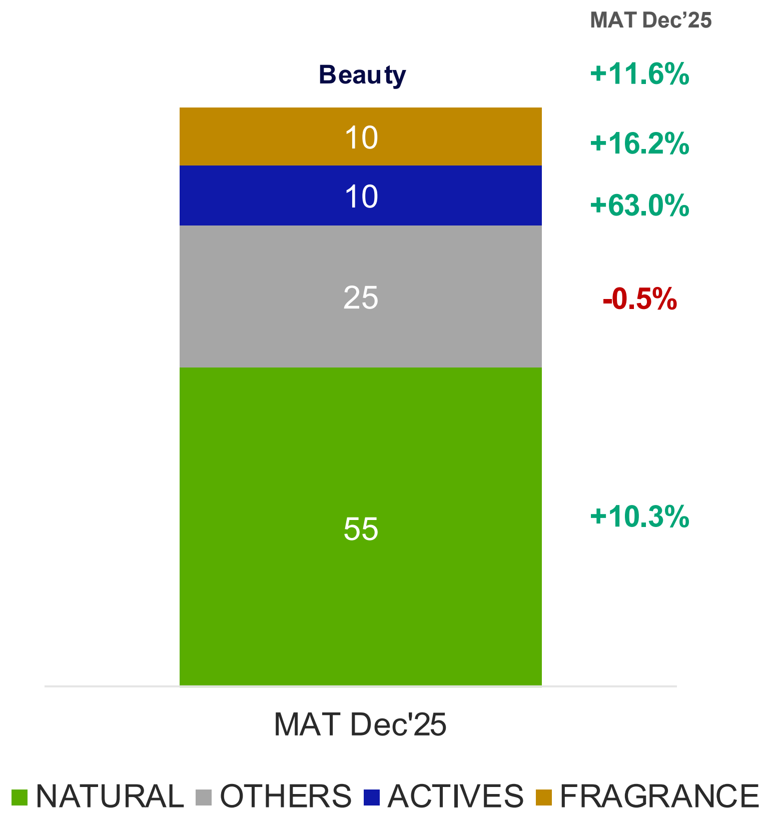
49%
willing to pay more for products with elevated ingredients/formulations

Source: NielsenIQ Consumer Outlook 2025

NIQ

Beauty finds momentum as Actives rise

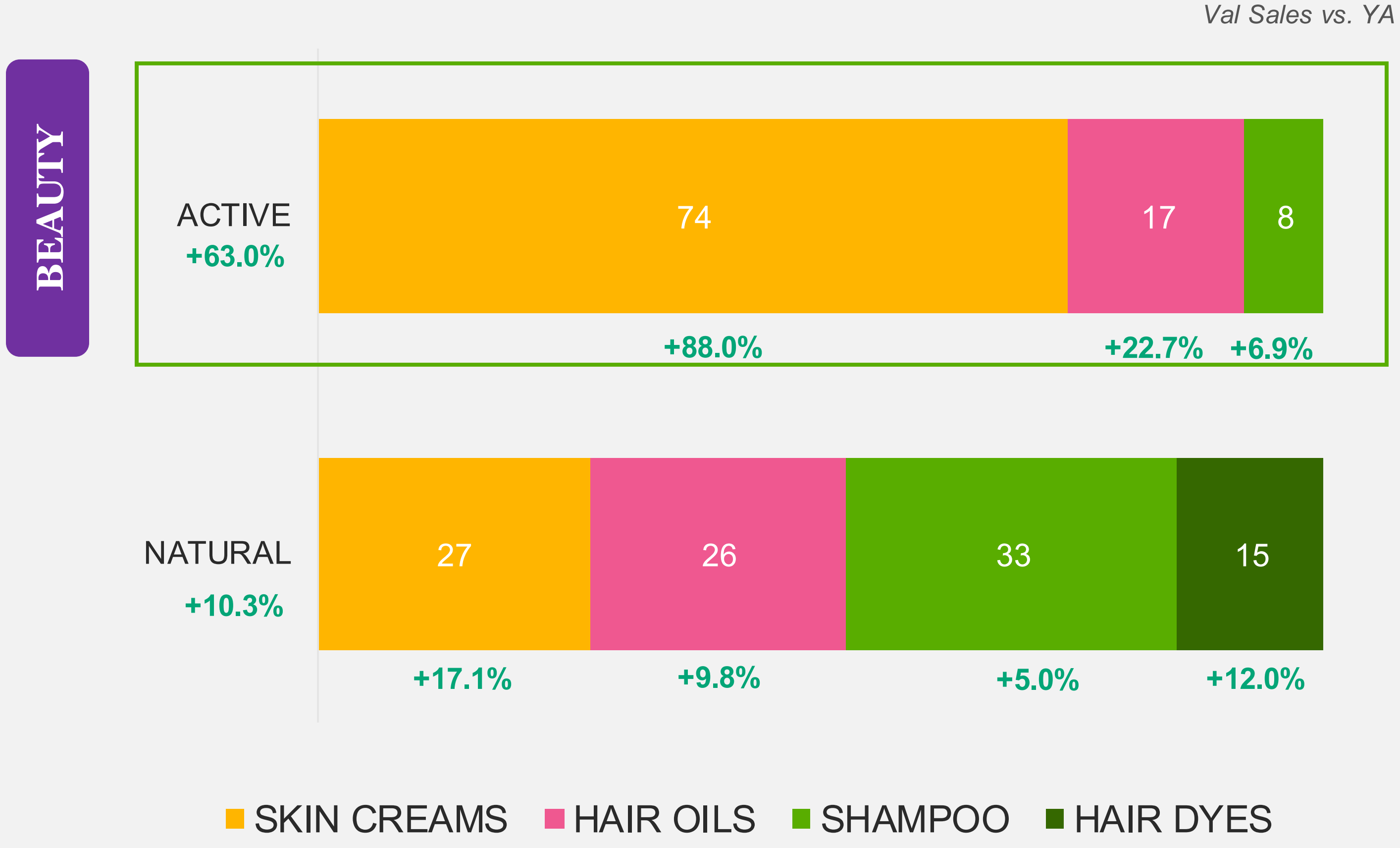
Beauty | Val Contr% | All India



Skin Creams & Hair Oils power a two-track growth story

Driven by accelerated adoption of Actives and renewed love for Naturals, these categories drive industry expansion

Active & Natural x Category | All India | MAT Dec'25

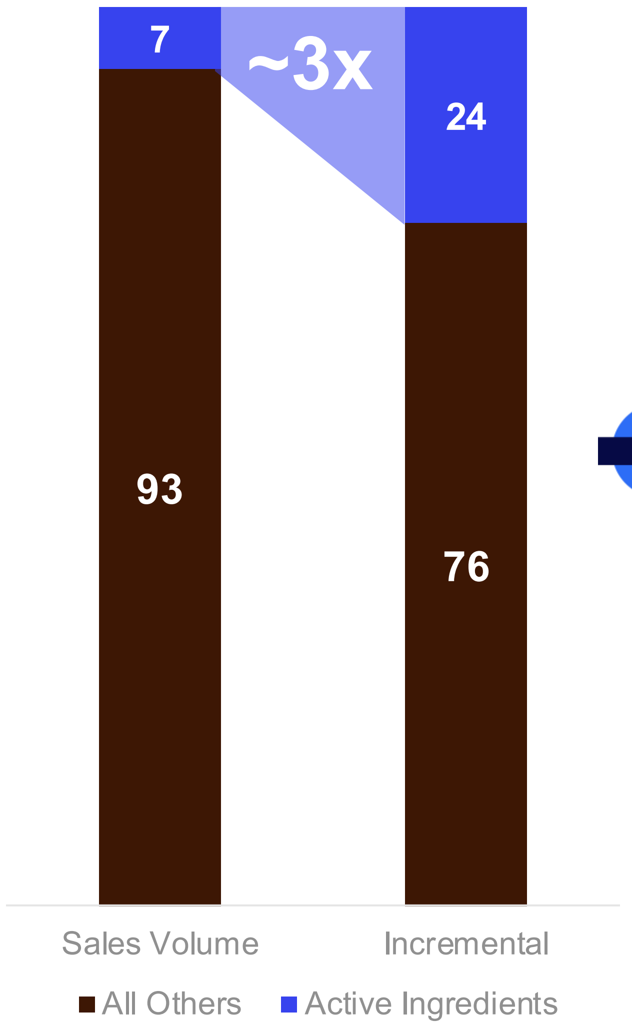


Beauty Others :
Godrej Expert Rich Cream, Streax Insta Shampoo Hair Color, Indica Easy Mini

Actives ingredients emerge as growth engines

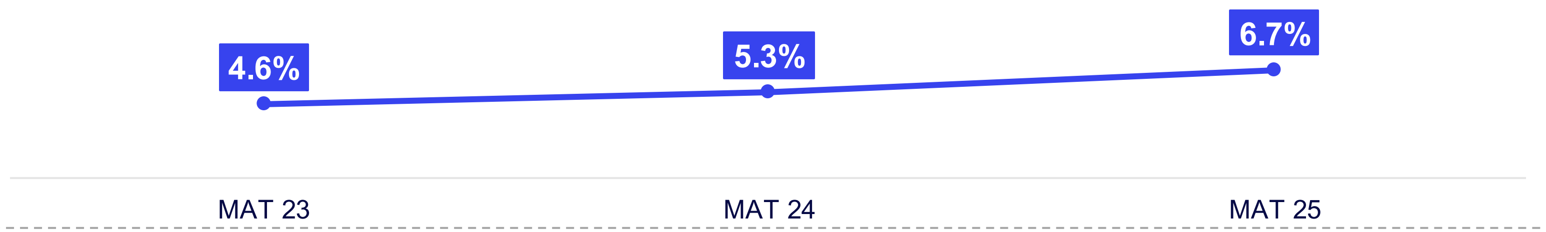
Vitamin E dominates while Hyaluronic & Niacinamide acid grow the fastest!

Sales contribution to Beauty



ACTIVE INGREDIENTS

Active Ingredients- Saliency Increase



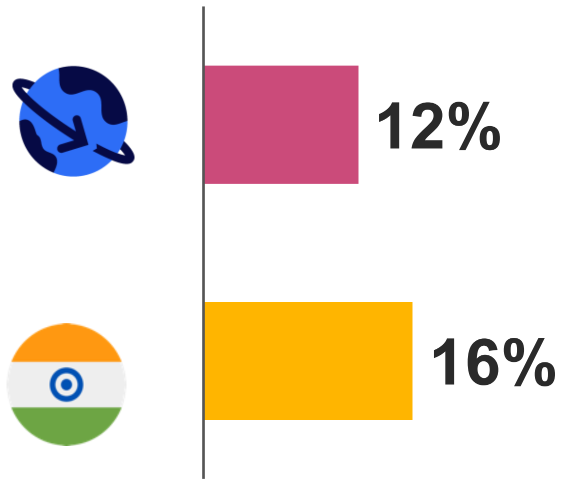
MAT TY	Ingredient Contr	CAGR
Active Ingr	**100%**	**28.0**
Vitamin E	50%	16.0
Vitamin B3	13%	36.6
Keratin	10%	4.0
Multi Vitamin	6%	>100
Vitamin C	4%	52.2
Vitamin B	4%	
Charcoal	4%	17.9
Hyaluronic Acid	4%	>100
Ceramide	2%	53.3

Source : NielsenIQ Retail Index
,Period : MAT Dec'25

The Fragrance Renaissance

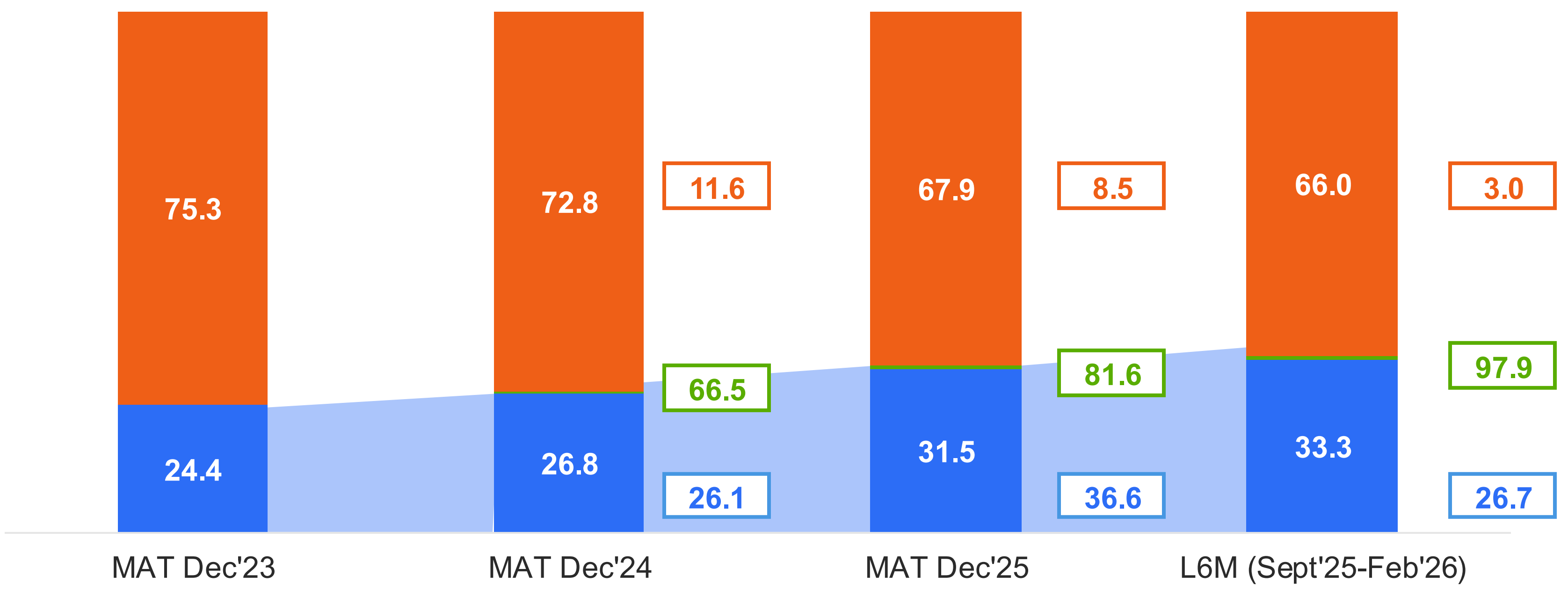
Fragrance surge powers FMCG in India, races 1.3X ahead of Global!

Gr Val YA



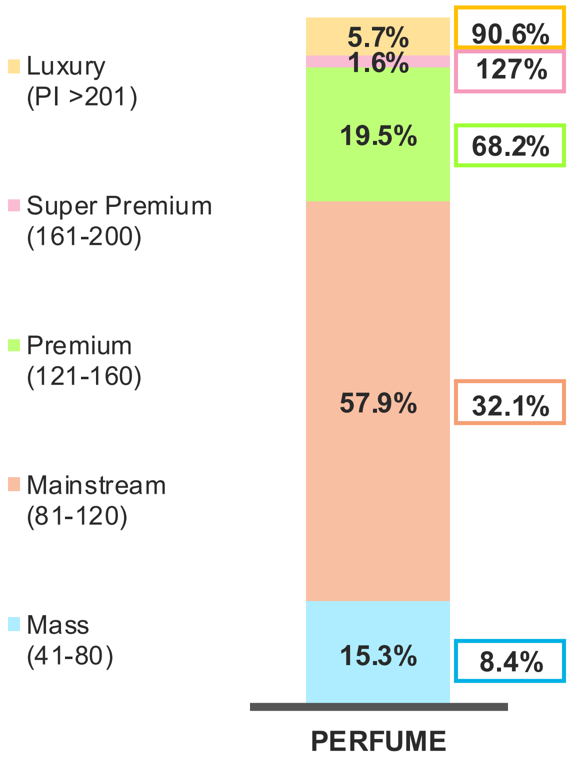
All India U+R | MAT Dec'25

Perfume takes the centre stage!



	PERFUME	COLOGNE	DEODORANT
API	237	157	79

Perfume growth spans the spectrum!



All India U+R | MAT Dec'25

What is shaping the future of Perfumes?

Format evolution: from classic to cutting-edge
Solid perfumes redefine convenience and innovation

Science meets routine: actives power daily care
Brands bring skincare science to roll-ons

Empowering choice: consumers create their own signature
MYOP enables consumers to craft unique scents by blending ingredients

Affordable Luxury: The rise of Luxe for less
With modern blends at competitive prices, young India embraces value-driven luxury

The 'Attar' Comeback: India's aromatic rise
Indian attars ascend, blending timeless tradition with contemporary appeal

Rise of high-end dupes
Expands fragrance adoption among younger and value-seeking consumers

Creators & AI

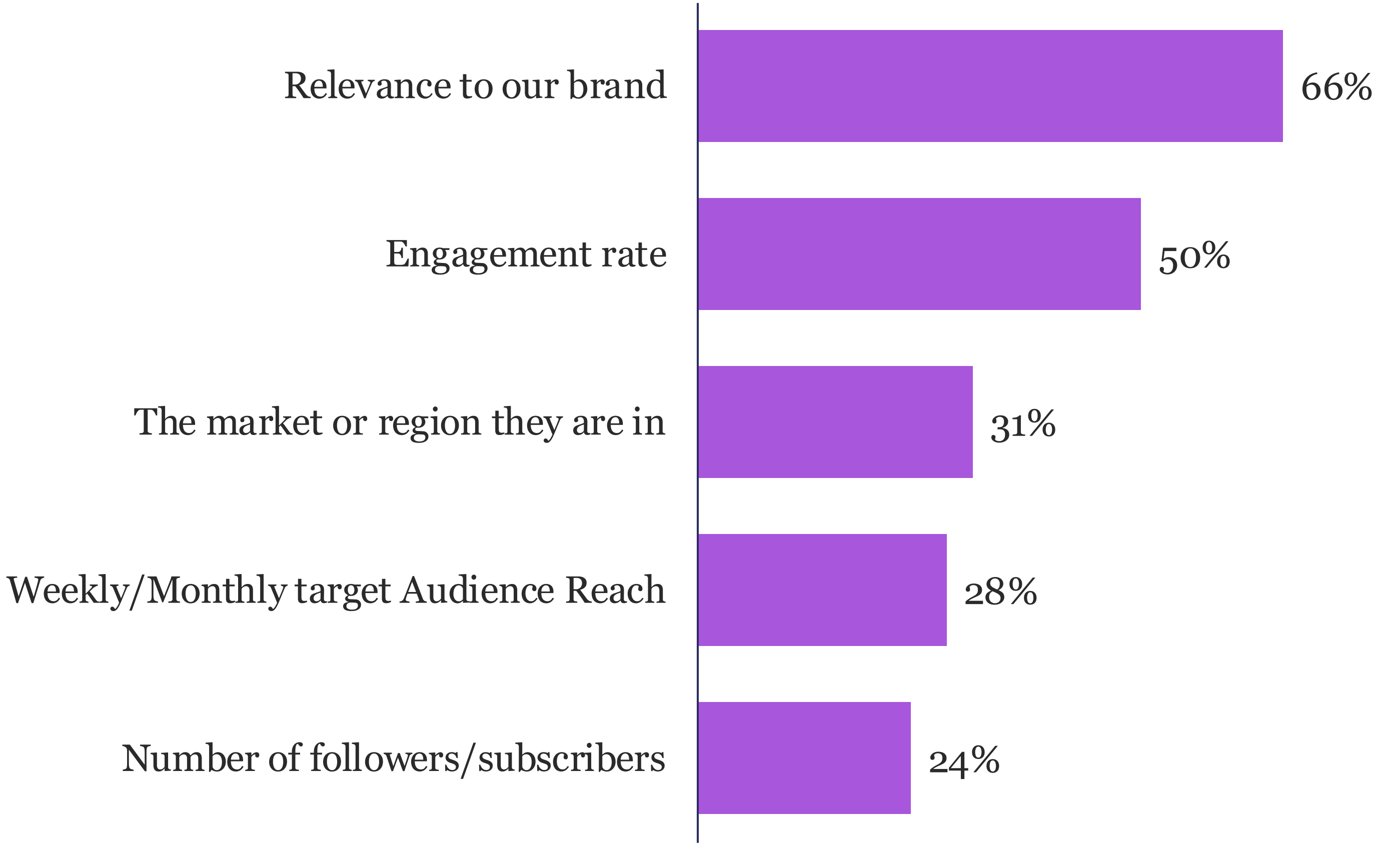
Building confidence in a noisy market

The Creator Economy is driving Beauty

Brands balance reach with credibility, community and cultural relevance

Content creator selection criteria

(% citing as first or second most important)



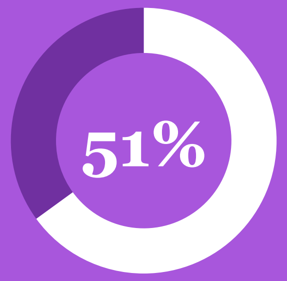
Source: NIQ 2025 CMO Outlook survey

Aligning GenAI Value across Consumers and Brands

Readiness, usage and decision boundaries in AI-enabled commerce

Consumers Lens

AI acceptance



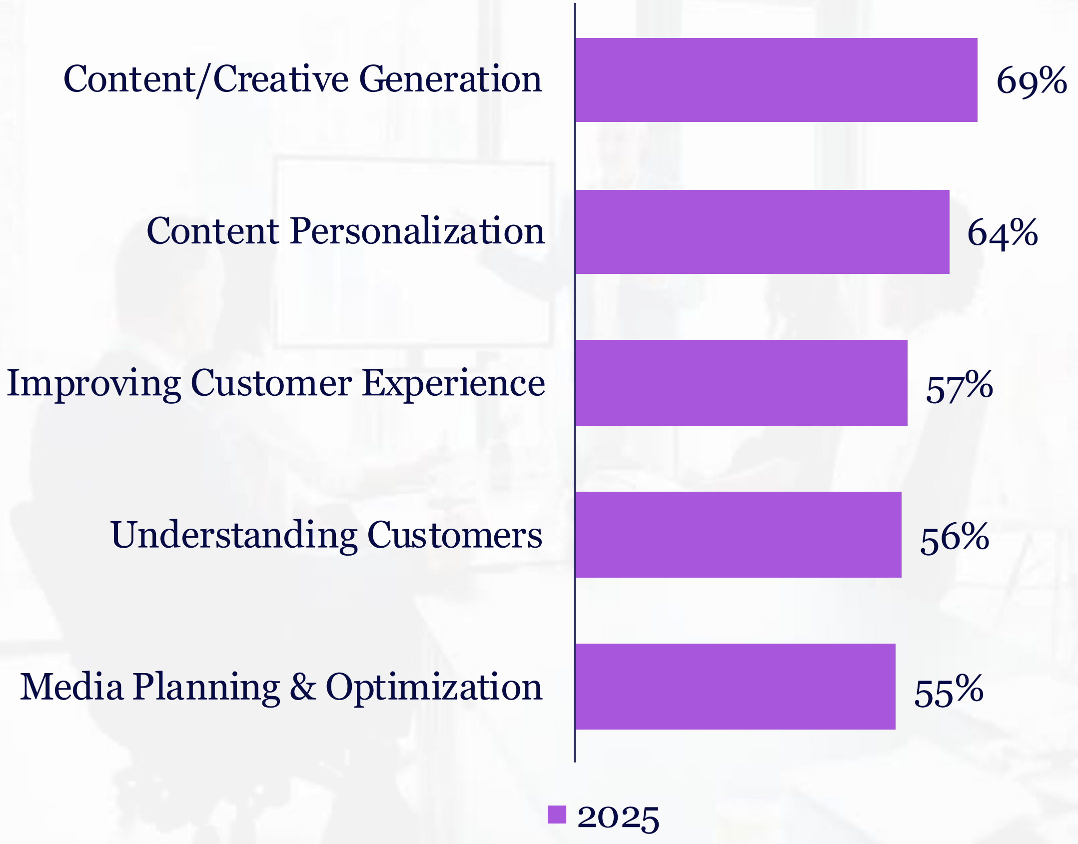
of consumers would be **interested in using AI powered tools** (e.g. Virtual Assistants, Smart Carts) to help manage household shopping in the future

49%
have gotten Beauty Products recommendations from Gen AI

Source: NIQ 2025 CMO Outlook survey

Brands Lens

Where are CMOs putting GenAI to work



Summing up for Beauty players in India

India is a growth engine — unevenly

Value has been redefined

Omnichannel is about roles

Premium+ must be engineered

Actives are expanding Beauty

Clarity builds trust

THANK YOU

NielsenIQ