

Diverse Opportunities in Hair Care

*Non-white and Hispanic consumers are key to Hair Care sales and growth. Is your brand **relevant to an increasingly diverse buyer base?***

Total Hispanic dollars in Hair Care are up

+9.4%

from YA—over **4x** faster than non-Hispanic growth

Asian buyers spend

\$130

per year on Hair Care on average—up 12% vs YA

Average spend from Black consumers is down

-5.7%

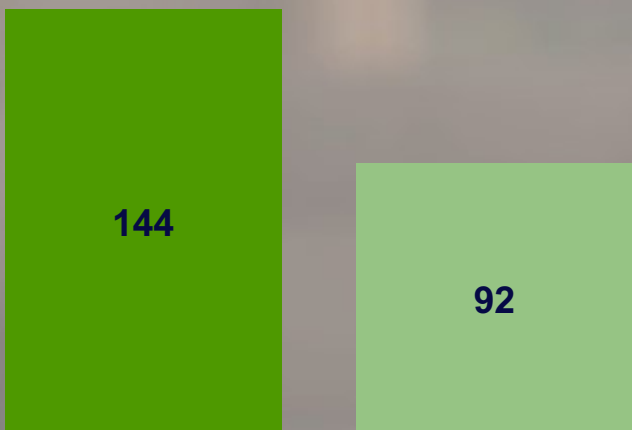
and dropped faster online, led by Shampoo, Conditioner, and Styling products

Hispanic buyers contribute 44% more Hair Care dollars than expected

Black consumers are potentially underserved—opportunity to cater to the nuances of Black Hair Care to *reverse dollar declines*

Total Hair Care: Contribution Index by Ethnicity

■ Hispanic ■ Non Hispanic

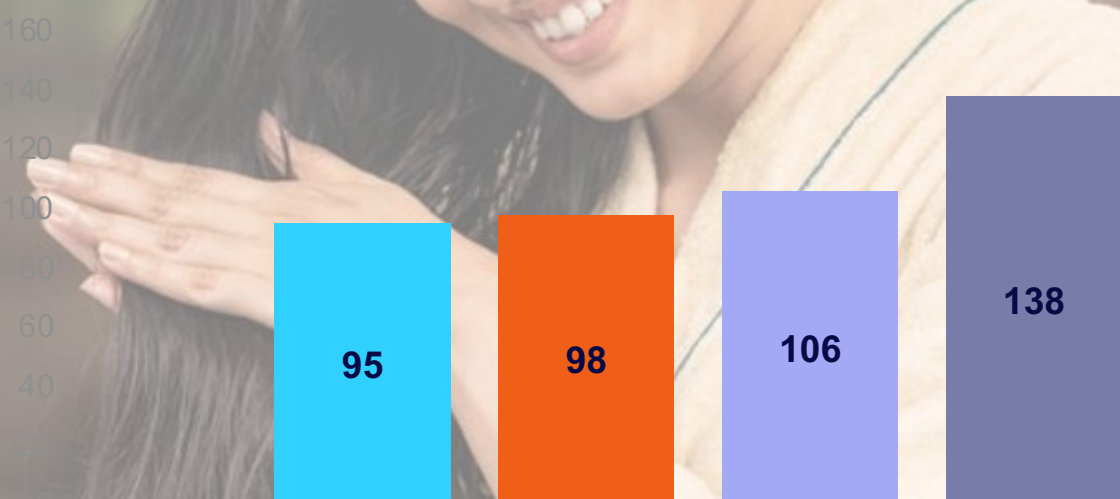


\$ Contribution Index (% of total dollars/% of buyer base)

\$ per Buyer	\$174	\$111
% per Buyer %CYA	+2.6%	+2.7%

Total Hair Care: Contribution Index by Race

■ White ■ Black ■ Asian ■ Other Race



\$ Contribution Index (% of total dollars/% of buyer base)

\$ per Buyer	\$115	\$118	\$130	\$168
% per Buyer %CYA	+3.9%	-5.2%	+12.0%	+2.9%

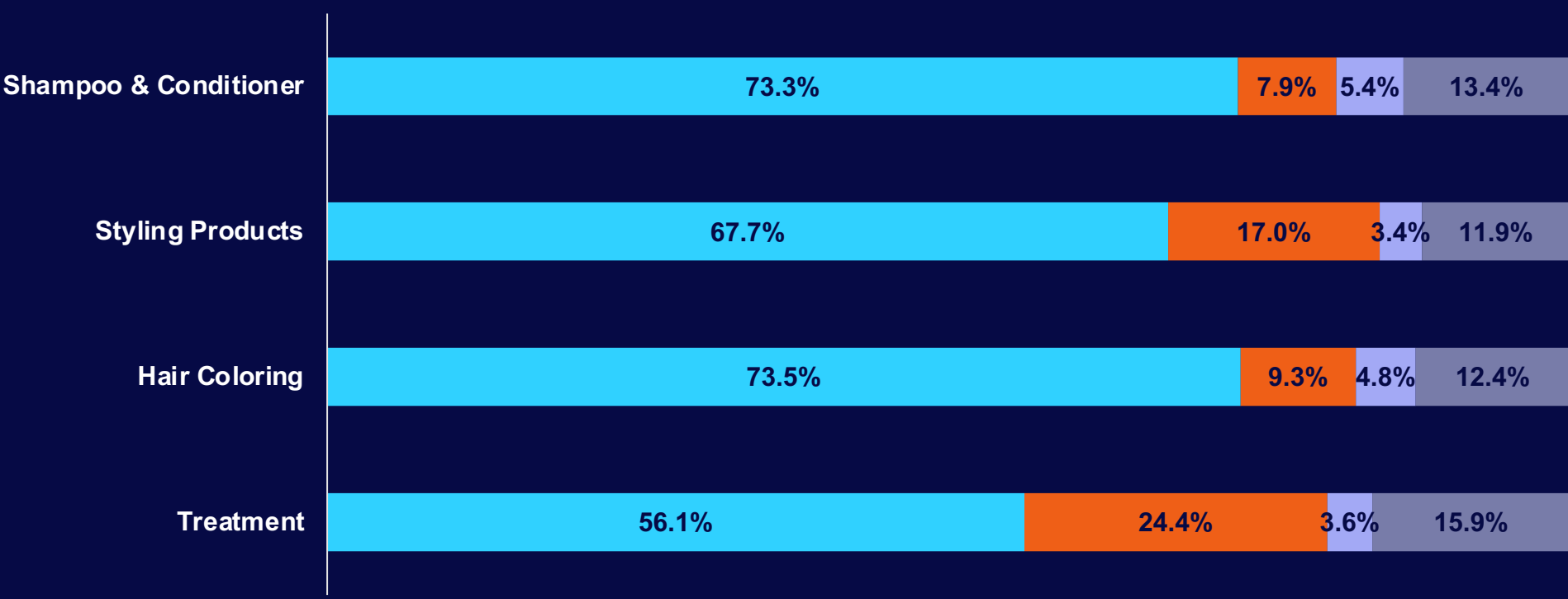
Source: NielsenIQ Omnishopper Panel, Total U.S. All Outlets, 52 w/e 5/18/2024 vs YA. Omnishopper includes purchases made in store and online.

Styling, Color and Treatment sales rely on a more diverse buyer base

In-store gains are partly inflationary, but ecommerce offers true upside for organic growth

Omnichannel Spend: % of Dollars by Race

■ White ■ Black ■ Asian ■ Other Race



Omnisales \$ % CYA	
In Store	Online

Total Hair Care

+5.0% **+14.7%**

+5.0% **+14.7%**

+5.8% **+20.9%**

-0.9% **+23.7%**

+2.5% **+21.3%**

Source: NielsenIQ Omnishopper Panel, Total U.S. All Outlets, 52 w/e 5/18/24 vs YA. NIQ Omnisales Total U.S. In Store + Online, 52 w/e 4/27/24 vs YA.

Key Takeaways

- Though annual Hispanic spend in Hair Care is 57% higher than for non-Hispanics, the rapid rise in Hispanic contribution is due mainly to an influx of new buyers to the marketplace. Do you understand the impact of demographic shifts to your brand, and are you prepared to meet the needs of the increasingly valuable and diverse Gen Z population?
- The steep decline in Hair Care dollars from Black consumers suggests this important segment is potentially underserved by the most widely available offerings. Brands should seek to understand the attitudinal drivers of this decline and tailor their portfolio to address unmet needs, especially in Shampoo, Styling, and Treatments, which are losing the most.
- Asian consumers are an attractive segment for Hair Care brands given their larger spend. However, volume gains from Asian buyers are evident only in brick & mortar transactions, with online units stagnating and online dollars *on the decline*. Diagnose and remove any online barriers to purchase and ensure product availability and relevance in ecomm outlets.

Reach out to your NIQ representative for help maximizing your growth in Hair Care with NIQ’s Full View™.



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