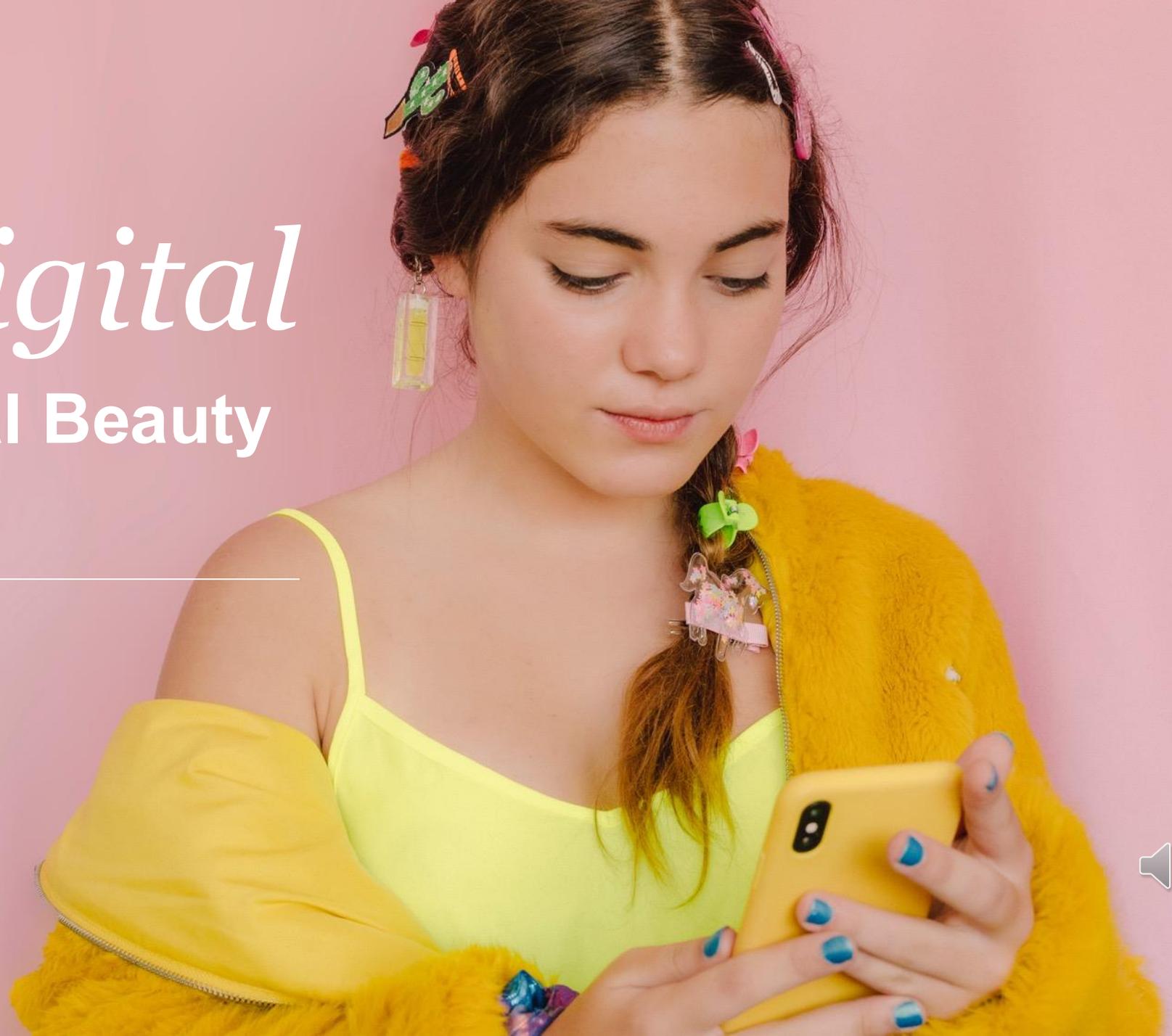


Beauty Goes Digital

**State of Global Beauty
in 2026**

February 2026

NielsenIQ



Your Guide to Global Beauty 2026



Tara James Taylor
NielsenIQ Global Beauty
Vertical Leader

Beauty is entering 2026 with its characteristic resilience, but also with a new level of complexity. Consumers are becoming more intentional in how they spend, balancing tighter budgets with a desire for small luxuries, simplicity, transparency, and products that genuinely work.

It's no secret that beauty sales are now dominated by ecommerce, and increasingly the winners are those who are able to crack the code on digital success. Brands have a new toolkit that drives their success, which includes being available, visible, and attractive.

As AI accelerates innovation, digital ecosystems transform the path to purchase, and global influences reshape expectations, the brands that adapt with clarity and conviction will define beauty's next chapter.

Prepare for 2026

The trends that will drive the market this year

Premiumization vs. Affordability

1



Beauty + Wellness Convergence

2



Global Meets Local

3



Social Commerce & Virality

4



AI and Digital First Beauty

5



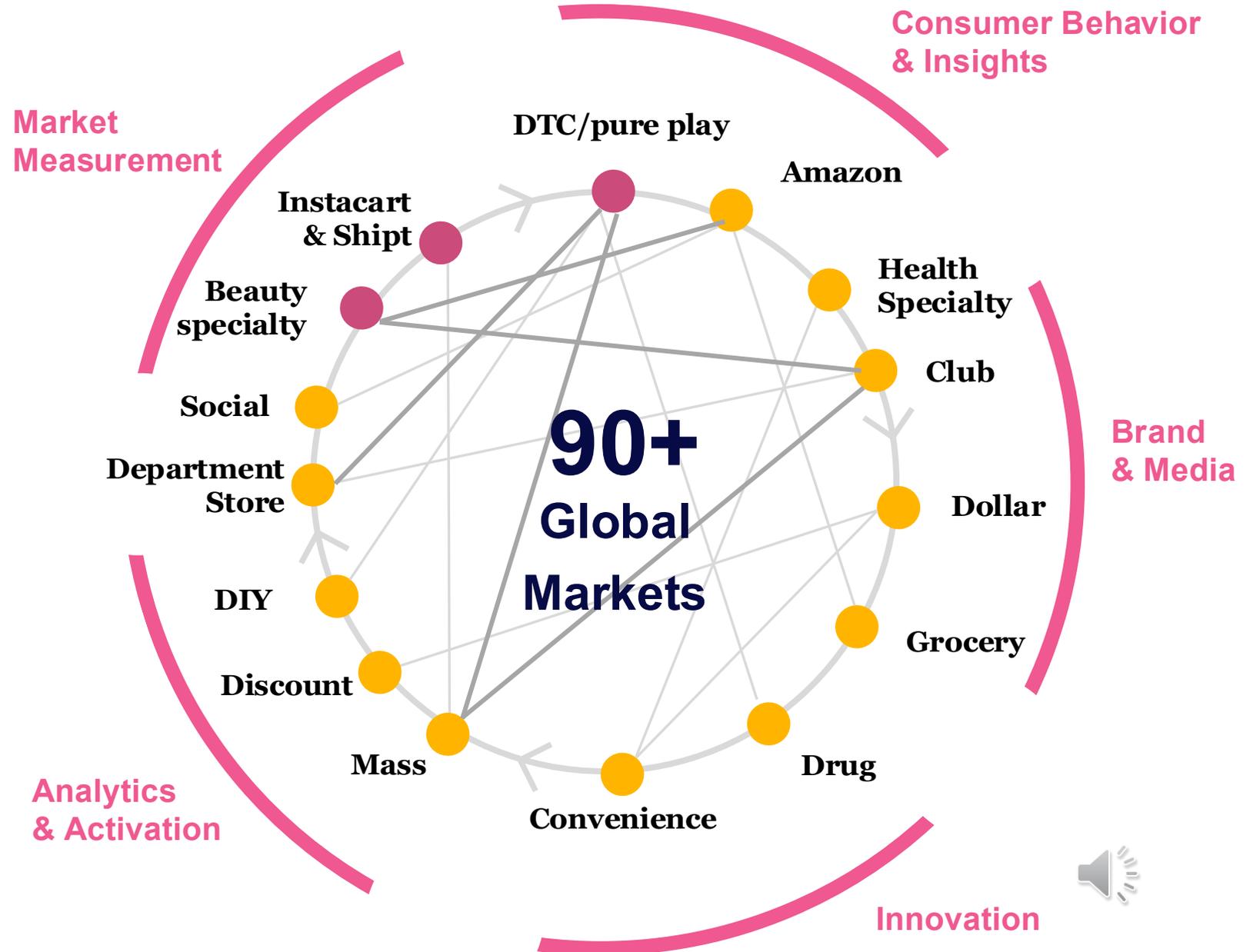
Fragrance Renaissance

6



NIQ delivers the *Full View* of beauty buying behavior

- NIQ delivers trustworthy, relevant data on every customer, channel, aisle, and click—plus advanced analytics and experts to help you apply it.
- Our solutions uncover the most granular details to inspire big-picture ideas and empower business leaders to take decisive action



Today's Presentation Methodology

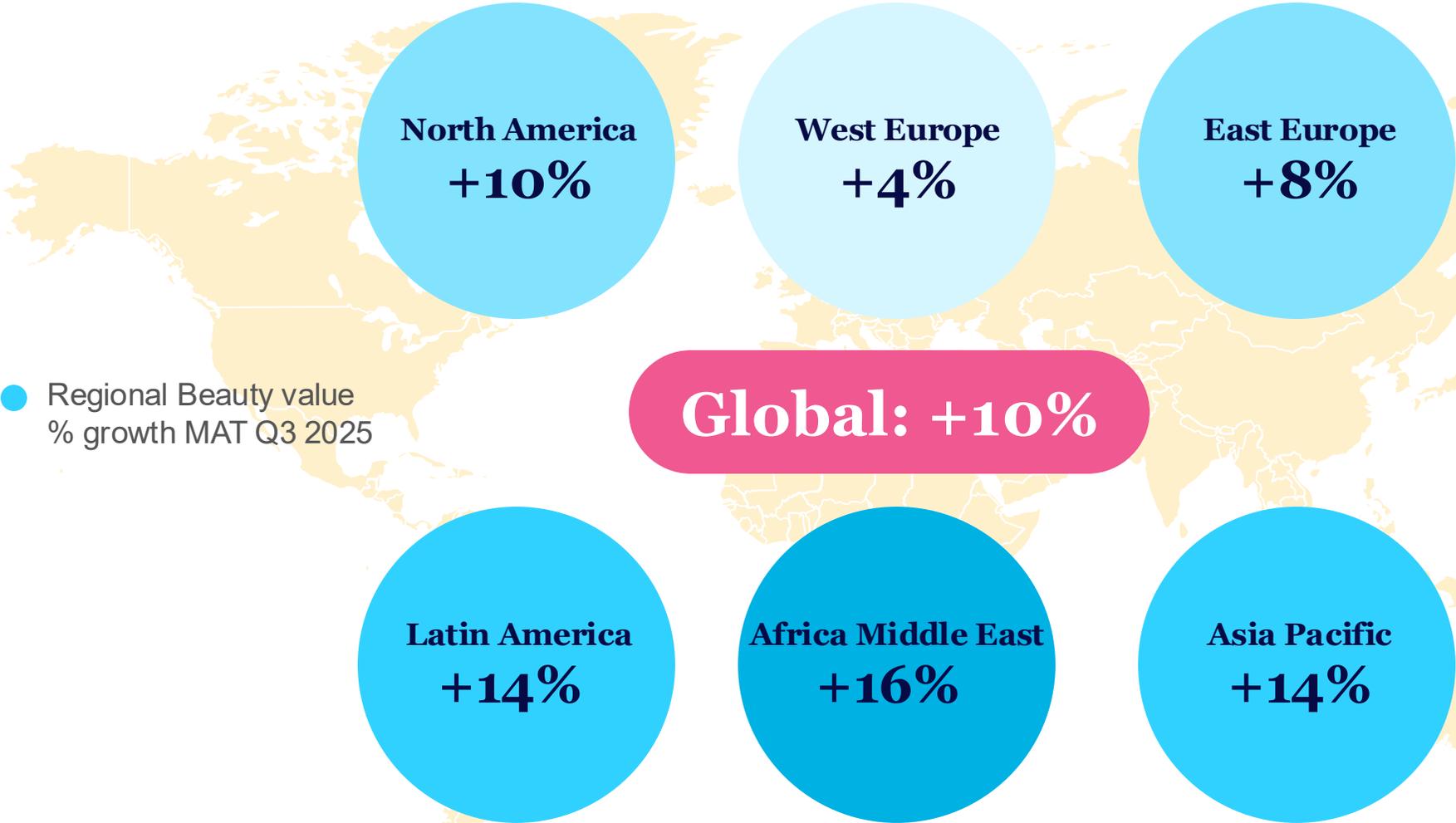


What's Trending in Beauty



Momentum Continues for Beauty Sales Growth

Developing markets drive global growth, while European momentum cools



Fact: Value % growth vs YA (unweighted)
Beauty = Hair, Skin, Fragrance, Cosmetic & Nail (per available coverage by market)
Sourcing: 52 markets - Omnisales (FR, DE, IT, ES, GB, AT, BE, CH, NL), Omnishopper (US, CA, AU), incl TikTok (CN), 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)

E-Commerce Continues to Drive Beauty's Global Growth

Regardless of maturity, digital channels outperform instore in all regions

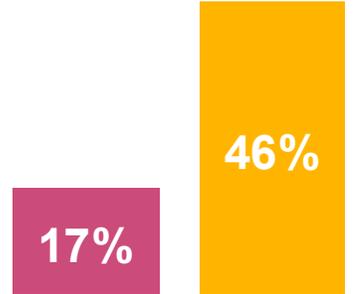


Beauty - % Change vs YA – Latest 52 Weeks (MAT Q3 2025)

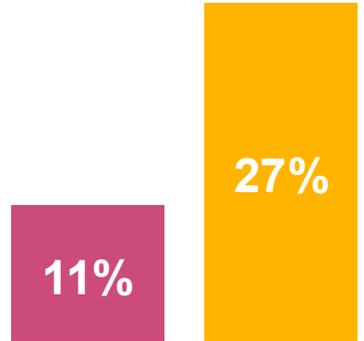
← Lowest Ecommerce Importance

→ Highest Ecommerce Importance

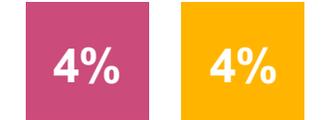
Africa Middle East



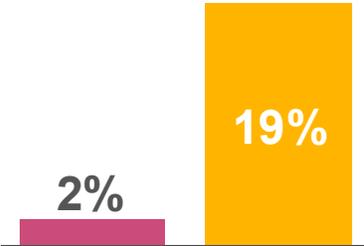
Latin America



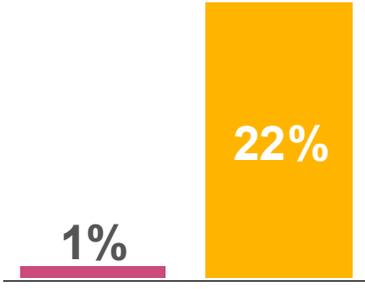
Europe



North America



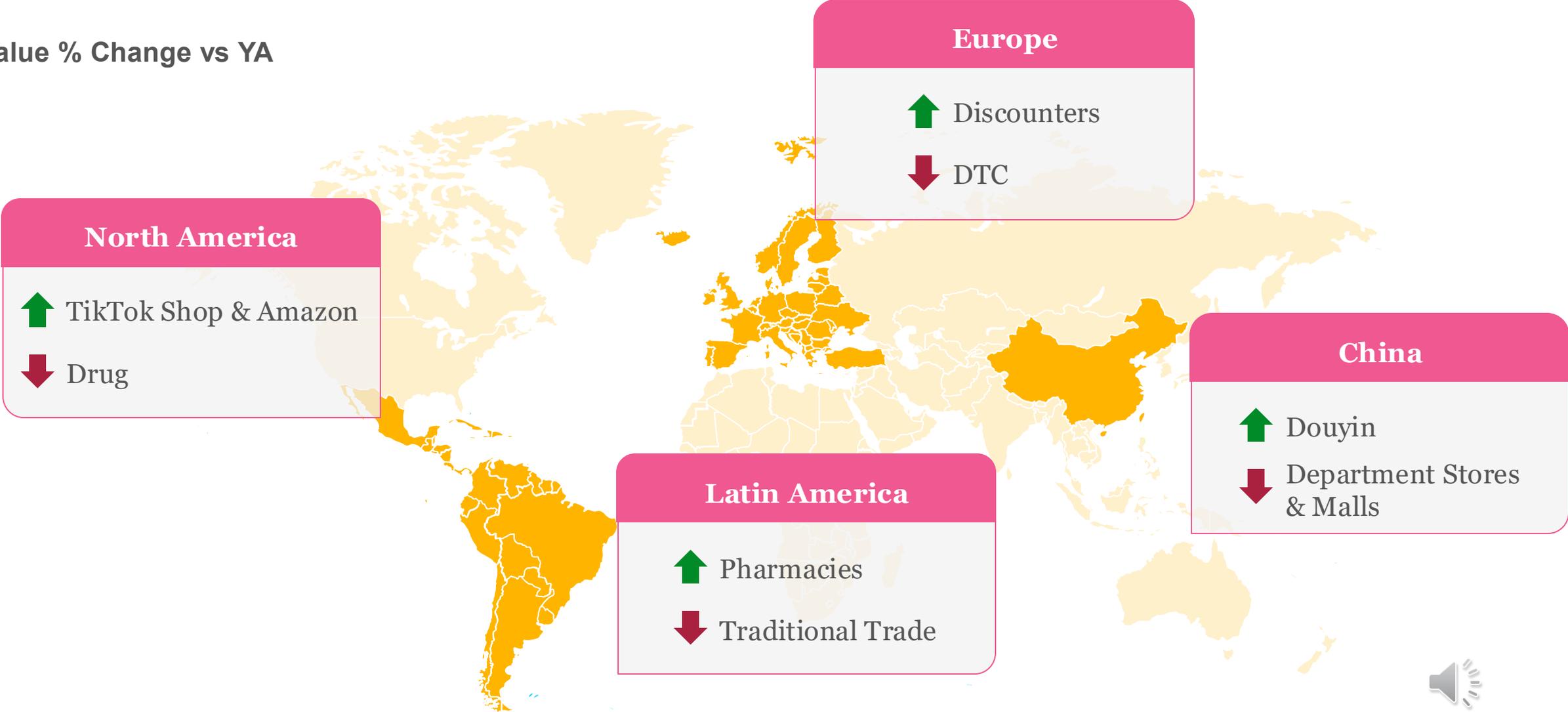
Asia Pacific



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

Global Channel Spotlight

Value % Change vs YA

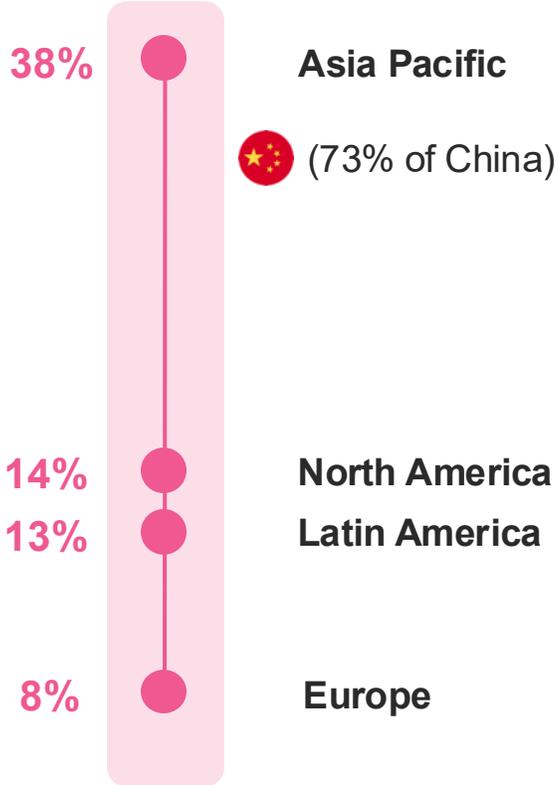


Source: NielsenIQ Omnisaales, RMS, SPG Monthly – MAT Nov 2025

The New Beauty Counter is Algorithmic – Viral moments convert to transactions

22% of global consumers say they have purchased a product **directly through TikTok Shop**

TikTok Shop ecommerce merchant rank – Q3 2025 – Beauty Categories (vs Q2)



Asia Pacific
 🇨🇳 (73% of China)



Ranking	Country
#2	🇬🇧 United Kingdom
#5	🇮🇪 Ireland 🇩🇪 Germany
#6	🇺🇸 USA
#7	🇪🇸 Spain
#9	🇮🇹 Italy
#19	🇫🇷 France

Source: NielsenIQ Digital Purchases data to Q3 2025

China's Livestream Selling – The Next Frontier of Social Commerce DTC?



\$26 Billion hair & skin care value sales through livestream sales on Douyin in the past 12 months
 (+47% vs YA)

卡诗KERASTASE
 粉丝: 119.0万
 旗舰店账号

直播中

在播宝贝

- ¥250
- ¥480
- ¥920

【官方正品】卡诗「黑钻」...

C咖官方旗舰店
 抖音爆款 4.40分 百万粉丝

进店

1号链接立减150元

- ¥169
- ¥299
- ¥399
- ¥299

与辉同行
 粉丝: 3790.3万
 与辉同行(北京)科技有...

关注

进入橱窗

直播中

温暖焕新

在播商品

- ¥309
- ¥189
- ¥189 已售226
- ¥27.8

【罗蒙】男士时尚休闲...

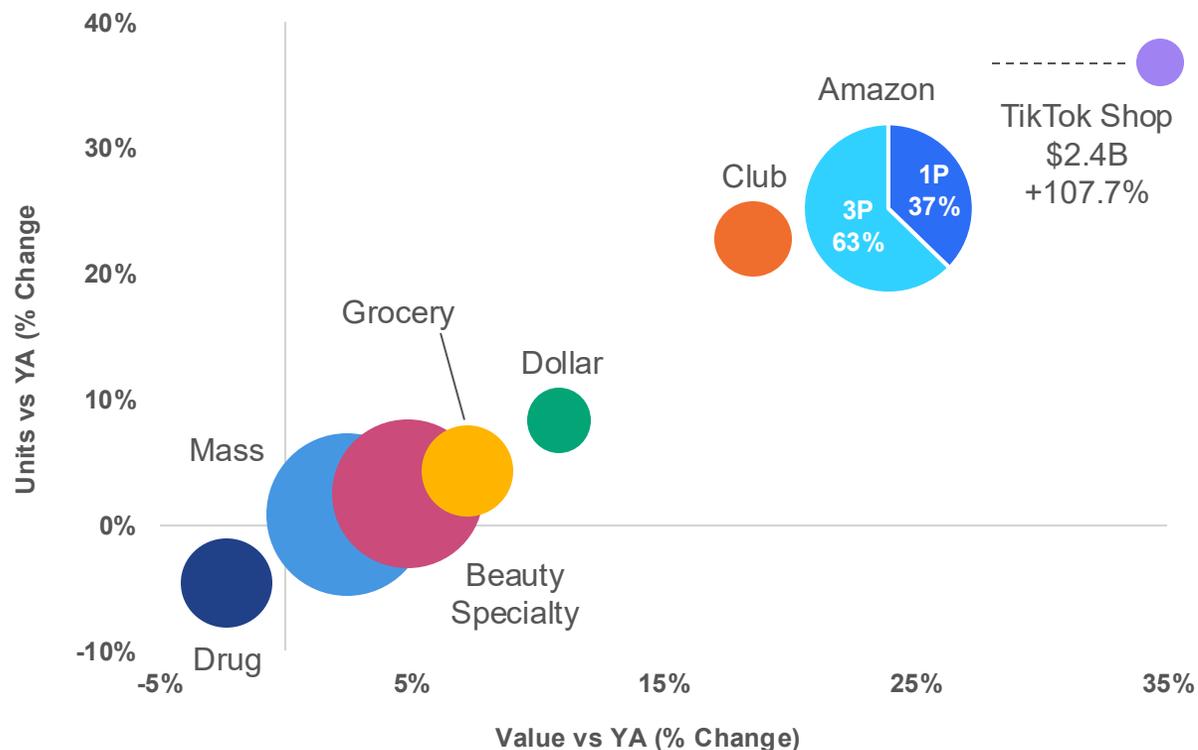


Source: NielsenIQ ecommerce measurement China – MAT Nov 2025 -



In the US, Amazon capturing both dollar and unit growth

Size and growth of key beauty channels (omnichannel view)

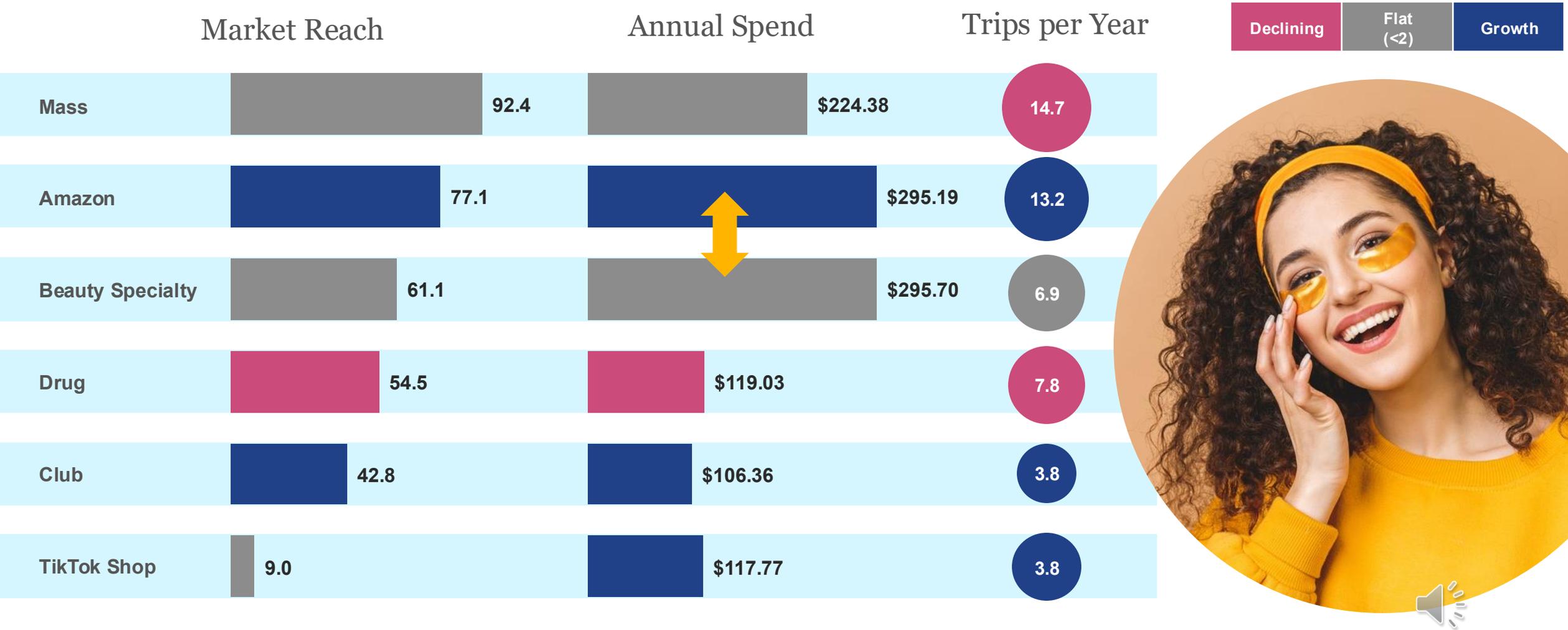


<i>Channel</i>	<i>\$ share</i>	<i>\$ % chg</i>	<i>Unit % chg</i>
Amazon	23.0	23.9%	25.2%
Mass	21.0	2.4%	0.8%
Beauty Specialty	18.3	4.8%	2.5%
Grocery	6.7	7.2%	4.4%
Drug	6.6	-2.4%	-4.6%
Club	4.6	18.5%	22.8%
Dollar	3.3	10.8%	8.3%
TikTok Shop	1.8	107.7%	45.3%
 Total Beauty and Personal Care		\$127.3B	
		+11.7%	



Source: NielsenIQ Omnishopper Panel Total US L52 week ending 12/27/2025 vs YA. Mass is defined as Total-Amazon. Rakuten Data 12 months w/e 12/31/25.

Consumer purchase dynamics showcase Amazon head to head with Beauty Speciality

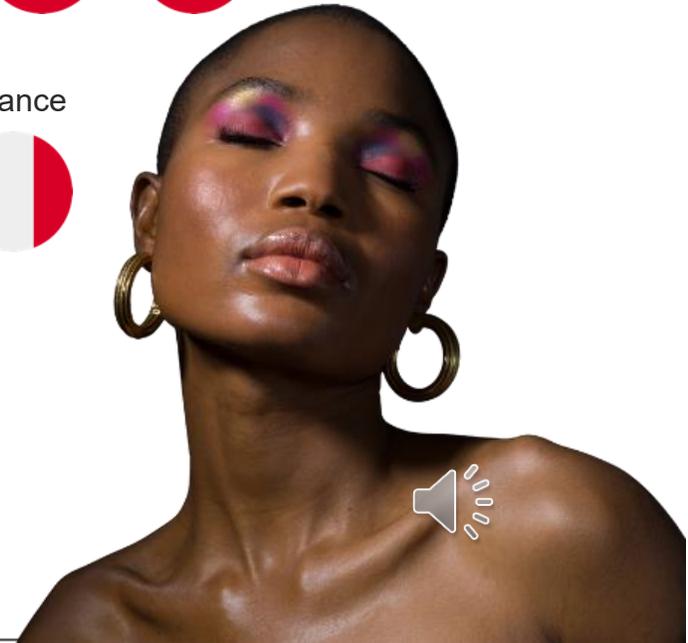
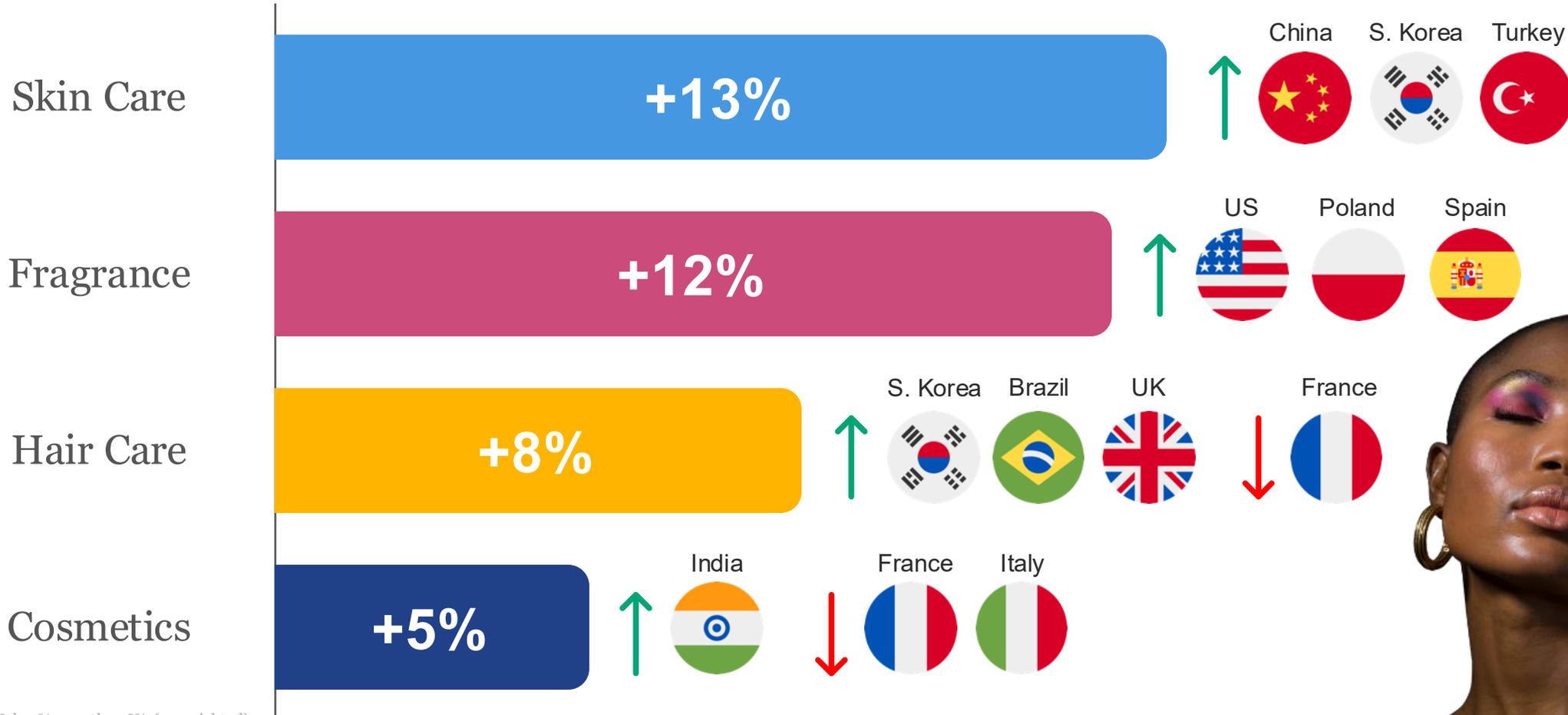


Source: NielsenIQ Omnishopper Panel Total US L52 week ending 12/27/2025 vs YA. Mass is defined as Total-Amazon. NielsenIQ Rakuten Data 12 months w/e 12/31/25.

Skin & Scent Drive Industry Growth

Momentum shifts to skin care as consumer prioritise efficacy in their daily routine

\$ Value % Change vs YA - Global



*Fact: Value % growth vs YA (unweighted)

Sourcing: 52 markets - Omnisales (FR, DE, IT, ES, GB, AT, BE, CH, NL), Omnishopper (US, CA, AU), ind TikTok (CN), ind ecom (KR), NIQ QBN 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

Key Trends to Watch



Mexico

- +26% ecommerce growth
- Multifunctional Products
- Clean Brands
- Drugstore Expansion



Great Britain

- K-Beauty: 8% \$ share of skincare online
- TikTok Shop
- Routine Simplification



Saudi Arabia

- +65% ecommerce
- Clean & Conscious Beauty
- Empowerment & Inclusivity
- Climate-Specific Formulas



India

- +13% \$ growth
- Natural + Conscious Beauty
- K-Beauty Influence (Localized)
- Self-Expression Micro-Categories



China

- +44% Douyin
- Ingredient upgrade
- Professionalism
- Multifunctional products



Looking Ahead: Leading Global Trends for 2026

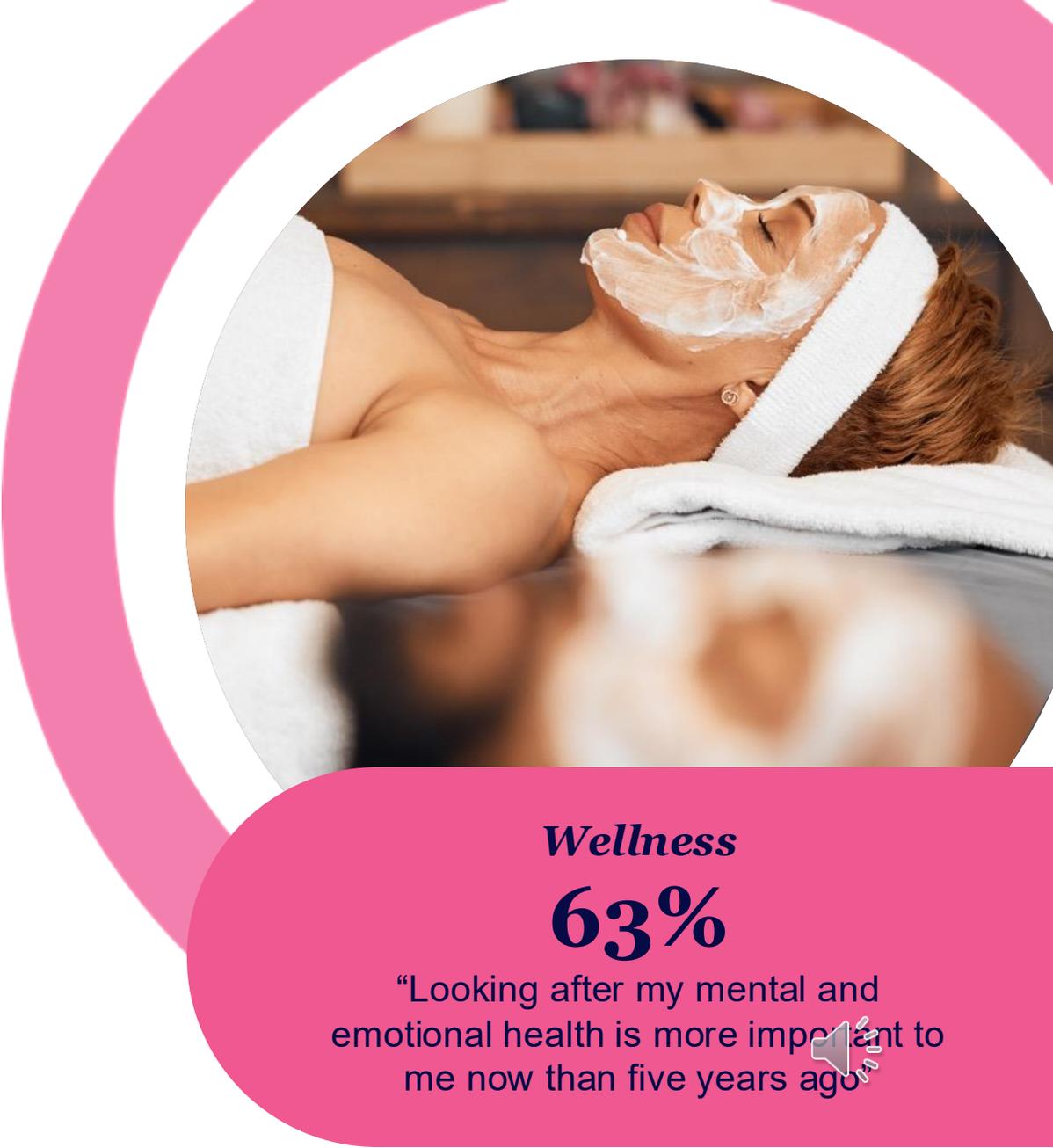


Transparency

Simplicity

49%
of consumers are willing to pay more for products claiming a 'Local Country or Community Origin'

52%
of global consumers are willing to pay more for products that make tasks easier / less time consuming



Wellness
63%
“Looking after my mental and emotional health is more important to me now than five years ago”

Source: 58 Markets - NIQ Omnisales, Omnishopper panel, Strategic Planner Global – Latest 52 Weeks October 2025
Source: NielsenIQ Consumer Outlook 2025; NIQ 2025 Global Health & Wellness survey

Transparency and Ingredient Scrutiny Drives Innovation

Clinically backed formulas build trust in an era of skepticism



Specialized ingredients drive growth

- 🇬🇧 UK **Peptides** Hair Care +82%
- 🇩🇪 Germany **Collagen** Skin Care +33%
- 🇺🇸 US **Argan Oil** Body Care +51%

50%

of consumers are willing to pay more for 'Ingredient / Supply Chain Transparency'

49%

of global consumers are willing to pay more for products with **elevated ingredients/formulations**



Source: NielsenIQ Consumer Outlook 2025

Sources: NielsenIQ Retail Measurement + NielsenIQ Product Insights Germany & Great Britain – Full year 2025 vs YA

Simplicity

Simplicity returns as we search for products that help save time

Overconsumption concerns and bloated beauty routines lead a drive towards multifunctional products and timesaving winners



39%

of US Consumers report feeling more **time crunched** in the last 6 months



- Liquid Foundation
- Double Retinol
 - Hyaluronic Acid
 - SPF50, UVA+++



*Gntl is a celebration of radical simplicity—a gentle reminder that **all you need is less.***



33%

of global consumers say that the last few years have made them realize “**less is more**”



Wellness & Beauty Converge Brings New Opportunities

Expanding the beauty \$ opportunity by 64%

Top priorities – sleep, muscle tone, supplements, menopause



Source: NielsenIQ Omnishopper Panel Total US Latest 52 Weeks Ending 11/1/2025 ; 58 Markets - NIQ Omnisaless, Omnishopper panel, Strategic Planner Global –Latest 52 Weeks October 2025, NIQ 2025 Global Health & Wellness survey.

Winning combinations

The Blueprint for Standout Performance

Winning brands combine trust, efficacy and accessible premium positioning



- Global Influence
- Affordability
- Social Savvy
- Wellness
- Innovation & Science



Source: Global - NielsenIQ Omnisaales, Omnishopper panel, RMS data, SPG Weekly – Latest 52 weeks 5th October 2025 – top 250 brands by value size

*Impact to
Beauty:
Price value
equation*



Beauty pricing increases in 2025 are a global phenomenon

+10%

\$ Value growth vs YA



Inflation Outliers

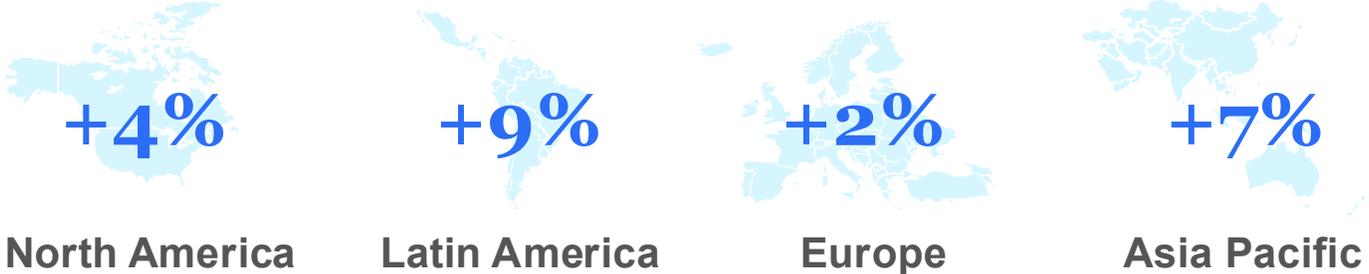


+5%

Unit growth vs YA



Price per Unit % Chg vs YA



+5%

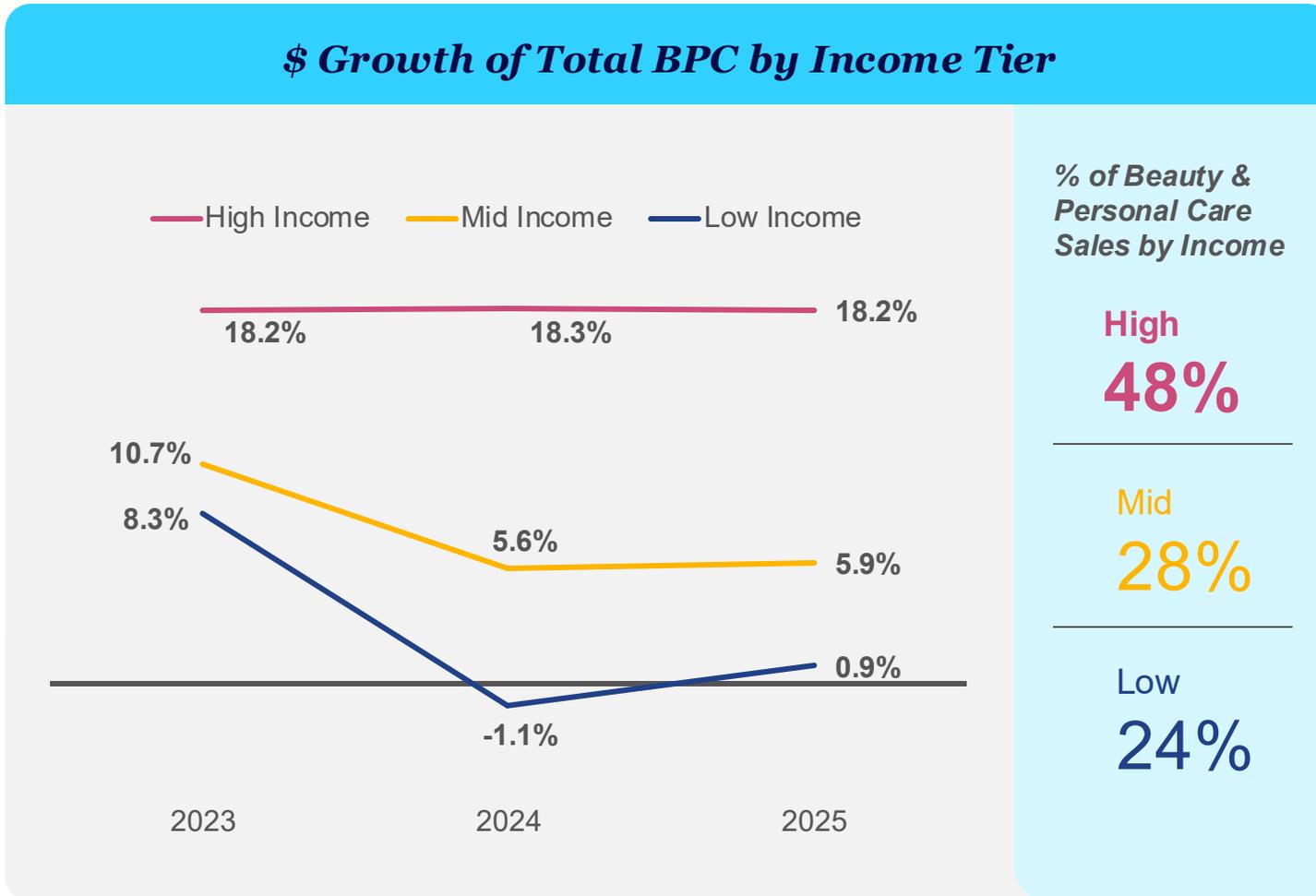
Price per unit growth vs YA



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)



K-Shaped Economy has an uneven impact on beauty growth



↑ **Fragrance** has opportunity for momentum among **high income** consumers

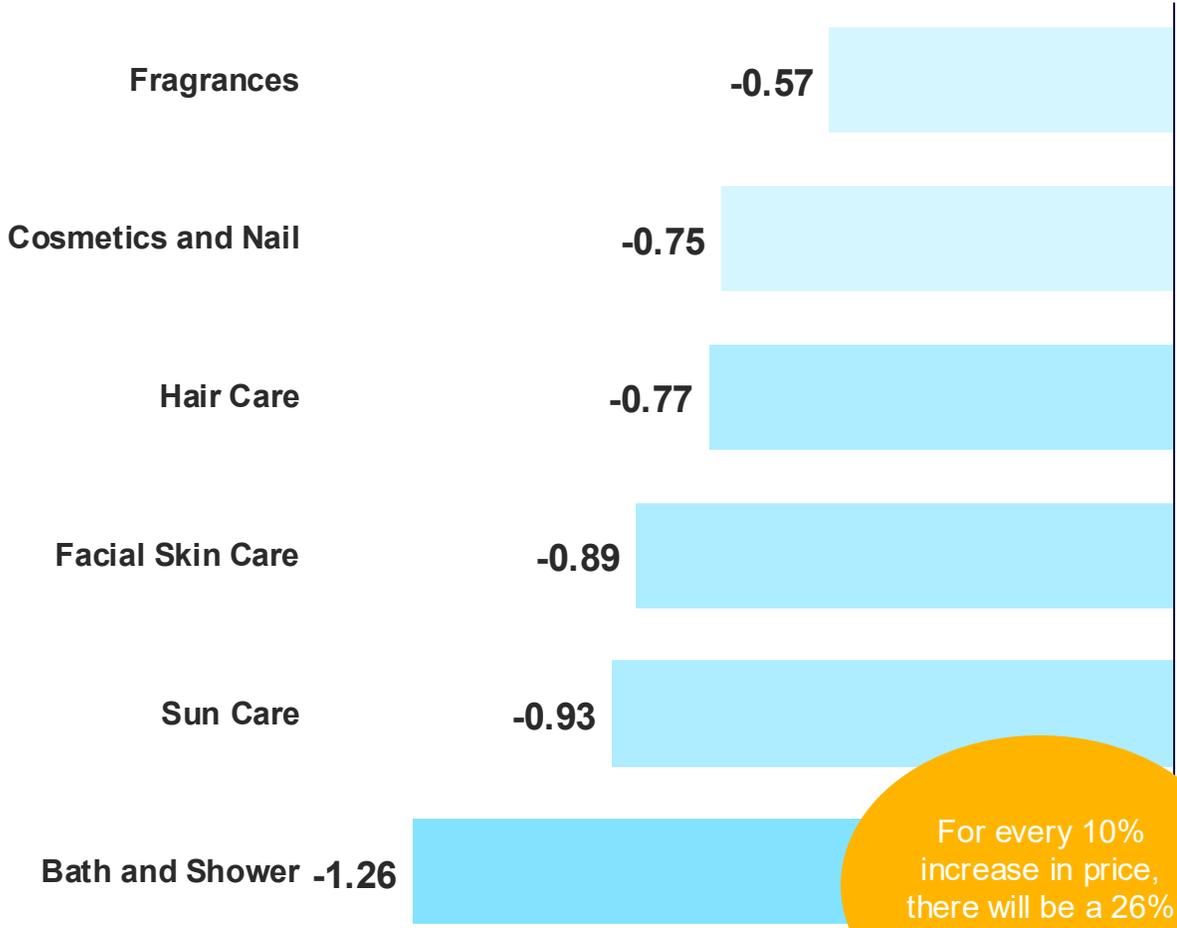
↓ **Hair Care and Cosmetics** are at risk for contraction among **low income** consumers



Source: NielsenIQ Omnishopper Panel Total US Latest 52 weeks ending 11/1/2025. Low Income: less than \$50K, Mid Income: \$50K-\$99,999 High Income: \$100K+

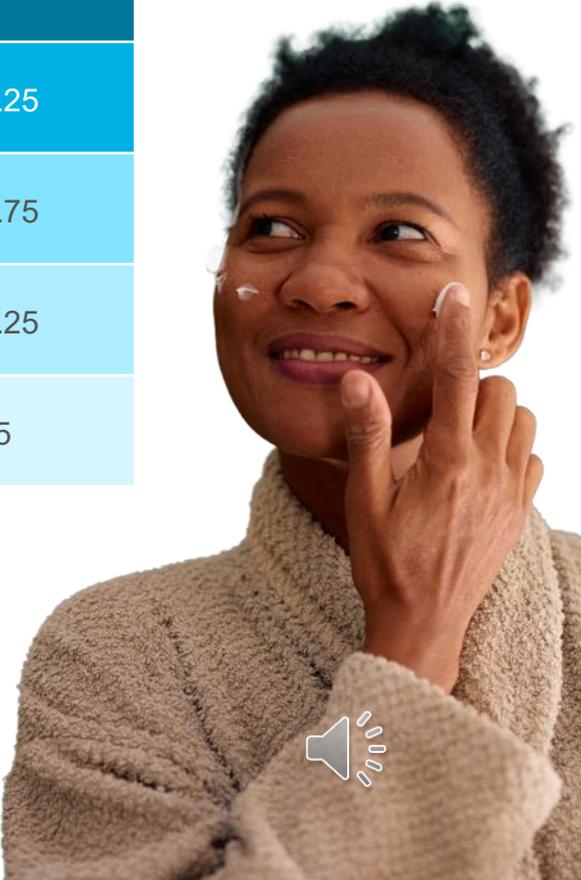


Beauty benefits from low price elasticities, insulating the impact of price increases



For every 10% increase in price, there will be a 26% decline in unit sales

How to Interpret Price Elasticity	
Very High	-2.26 and Above
High	-1.76 to -2.25
Moderate	-1.26 to -1.75
Low	-0.76 to -1.25
Very Low	0 to -0.75

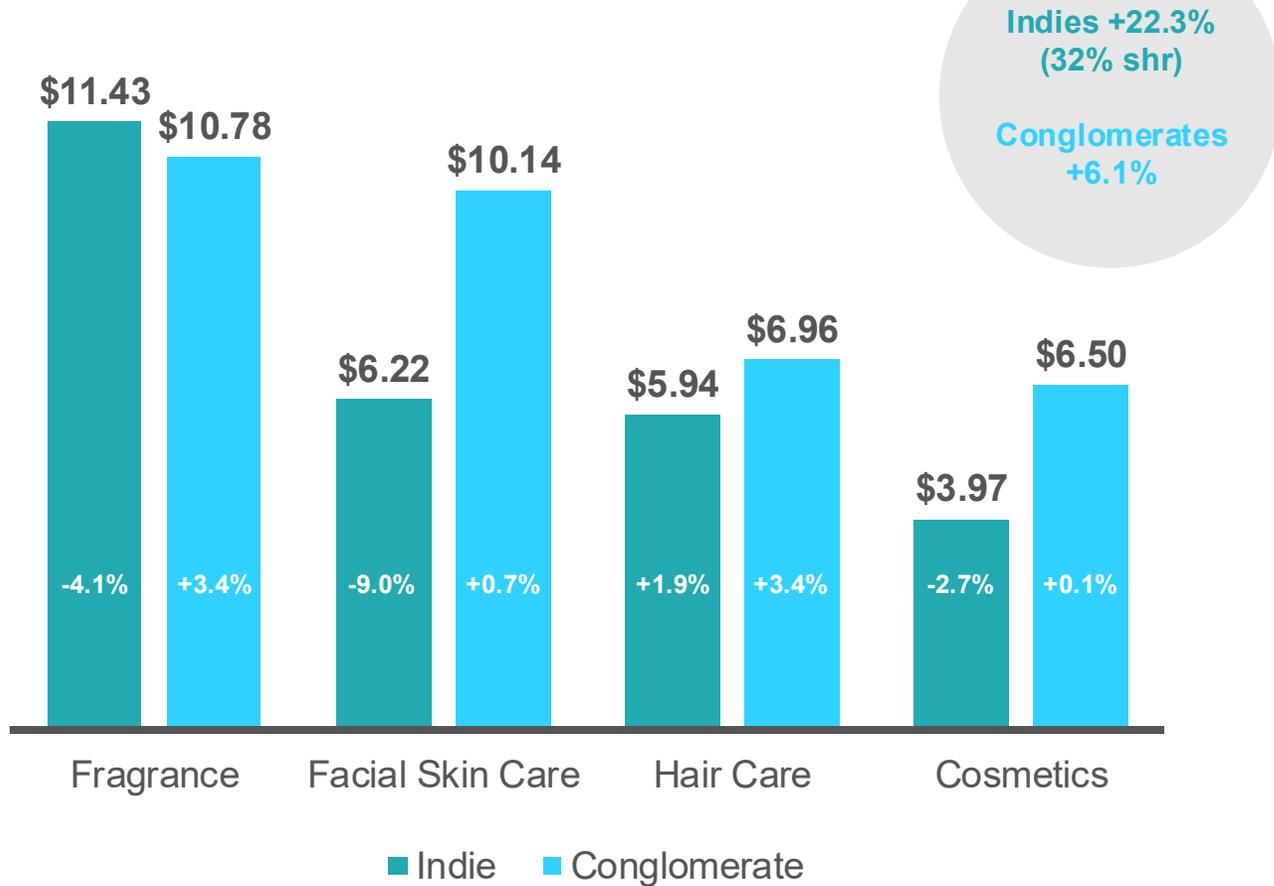


Source: NielsenIQ RMS, XAOC, Total US, Q2 2025

In mass market retail, prices are rising faster for Conglomerate brands vs Indie brands



Average Unit Price, Mass Market Beauty



Source: NielsenIQ RMS Total US xAOC L52 week ending 11/01/2025. Conglomerate defined as top 20 Manufacturer
 Source: NielsenIQ Omnishopper Panel Total US Latest 52 Weeks Ending 11/01/2025

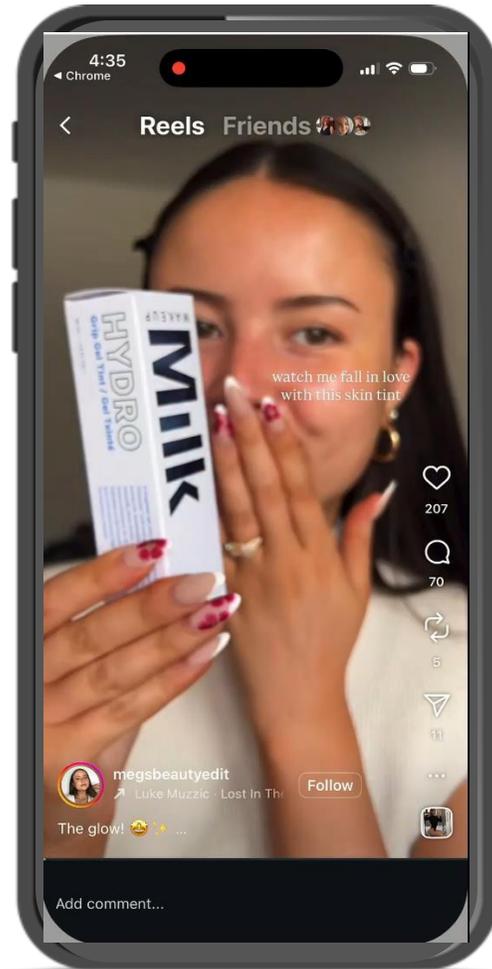
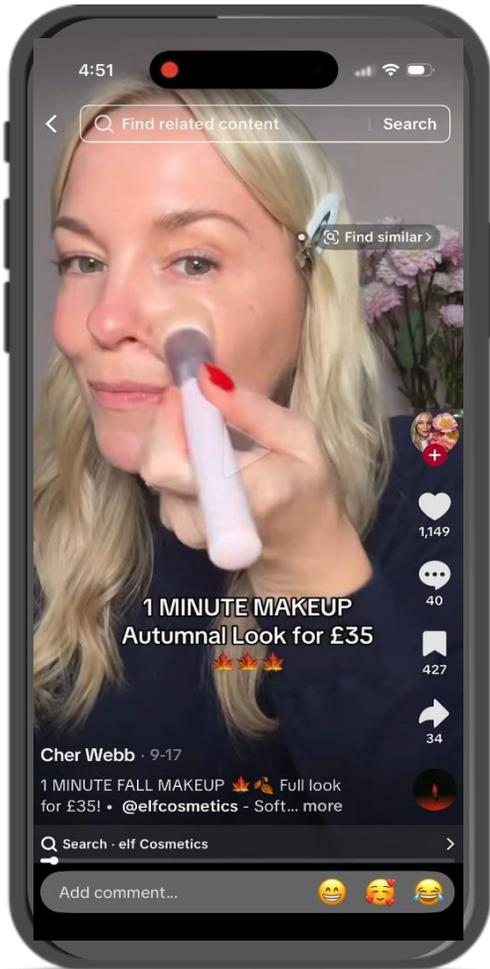
Opportunities to win in digital

- 1 Effective Influencer Partnerships*
- 2 Availability and supply chain management*
- 3 Visibility in media and search*
- 4 Attractiveness through competitive prices and promotions*
- 5 Optimizing for AI Search*



1 Effective Influencer Partnerships

Neuroscience proves that influencer content wins by creating emotional connections



Simple: Content that straightforward and simple is easy to understand appeals to the brain

Realistic: Watching influencers demo beauty products activates the mirror neuron network, making viewers feel as if they were using the product themselves

Authentic: The authenticity of a real person shot in close up, triggers motivators that nudge viewers more quickly towards a purchase

What doesn't work:



- Too many cuts
- Excess artistic execution
- Negative qualifiers (i.e. no parabens)
- Negative digs at competitors

To master shelf optimization you must focus on 3 key tenants to perform in today's digital environment

Availability



Inventory

Supply Chain

Assortment

- Distribution
- Hero SKUs

Visibility



Traffic

Media

Search

- Organic
- Paid

Attractiveness



Conversion

Content

Ratings & Reviews

Price & Promotion

80% of in-basket products appear in the top 10 results generated by a keyword search

Source: NielsenIQ Digital shelf



2 Availability

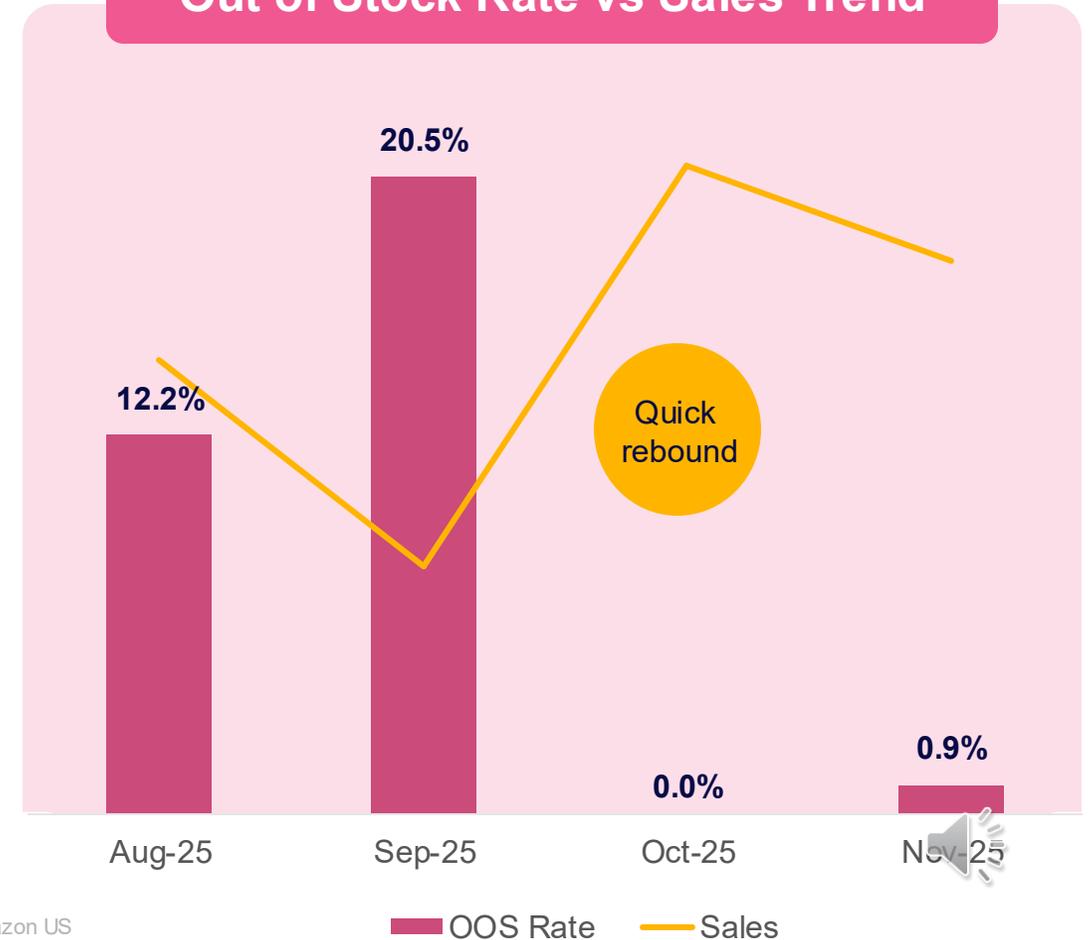
Case Study – Proactive and Reactive to manage Amazon supply after a hair styling product goes viral on TikTok?



Manage a viral moment - LIVE

1. HOW daily Pulse of OOS and alerts
2. ALERT - 20% of sales were lost due to lack of availability
3. IMPACT - Amazon ranking dropped reducing visibility
4. ACT FAST – The brand was able to re-stock quickly
5. IMPACT - 43% increase in sales once availability was back to 100%

Out of Stock Rate vs Sales Trend



Source: NielsenIQ Digital Purchases, Avg. 1P Sales and OOS rate for select Hair Gloss SKU in the Hair Care & Styling Category at Amazon US
\$, Aug – November 2025, US

3 Visibility

Keep pulse of organic and paid visibility to course correct and optimize search rankings and sales – Key words are critical



Search term:
Glass Hair

The screenshot shows a grid of six Amazon product listings for hair care products. The top row features three sponsored items from L'ANGE HAIR, including an Anti-Frizz spray, a 2-in-1 Korean hair perfume, and a thermal blowout primer. The bottom row features three 'Overall Pick' items from Garnier, L'Oréal Paris, and Drybar. Each listing includes a product image, title, price, and an 'Add to cart' button.

Real time pulse

#1-10 in search = **9x** the click through rate

Diagnose and adjust

#1 Product = 18% of clicks
#10 Product = 2% of clicks

Know the search key words

#10 in search vs #13 = **66% growth** in revenue

Agility with optimization tools

Reviews, return rates, in-stock levels, promotions, content, and more **all play a role**

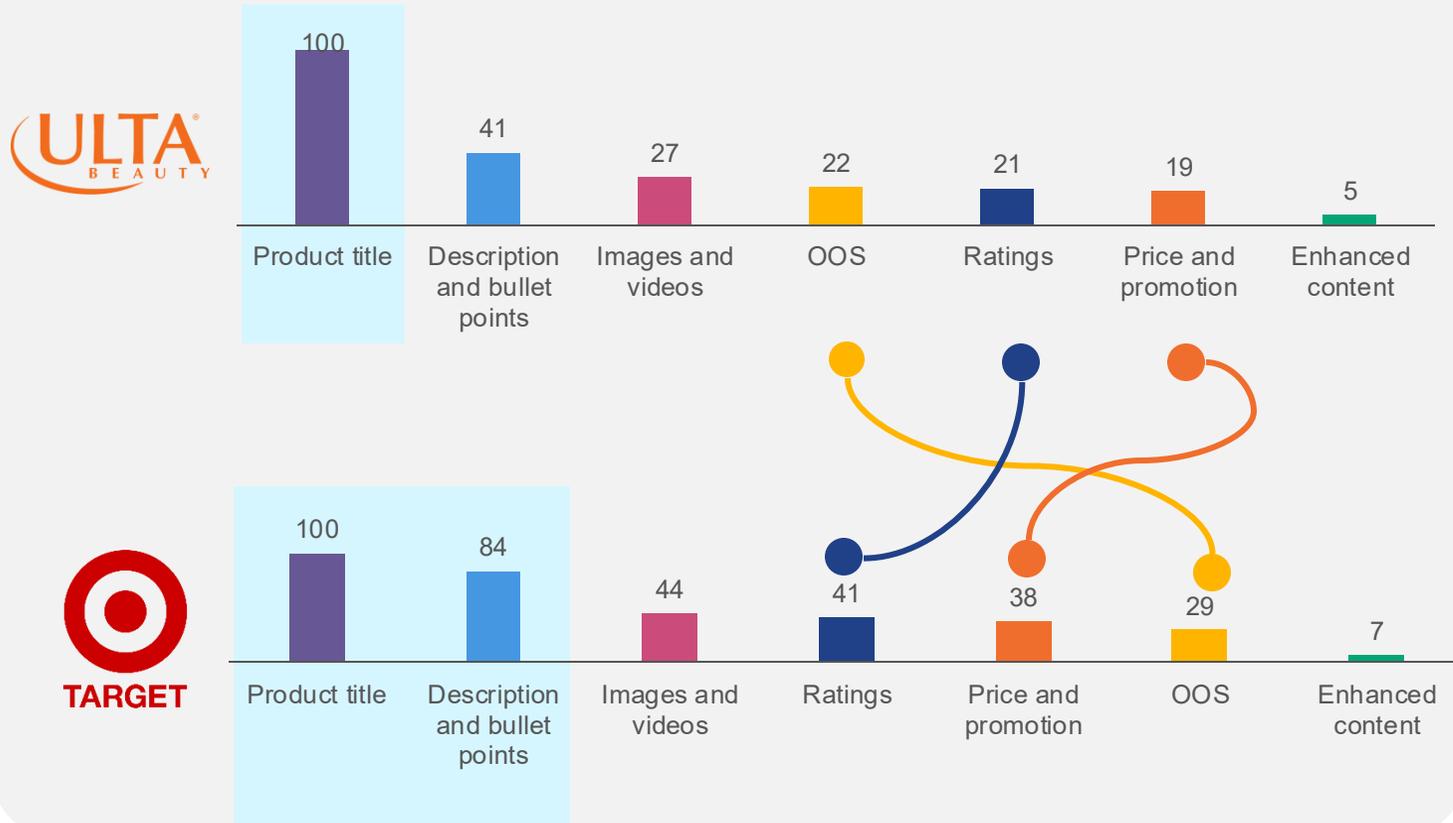


%, \$MM, Week 26 to Week 29 2025, Amazon US

4 Attractiveness

Optimize content to improve organic search fit for retailer SEO

Digital Shelf Levers Driving Organic Search



Content Values - Top Organic Search

color shampoo 



Lever	Keyword Order in Title	Keyword Density in Title	Keyword Position in Title	Exact Keyword in Title
Product Titles	Yes	10% - 30%	In the middle	1 time
				

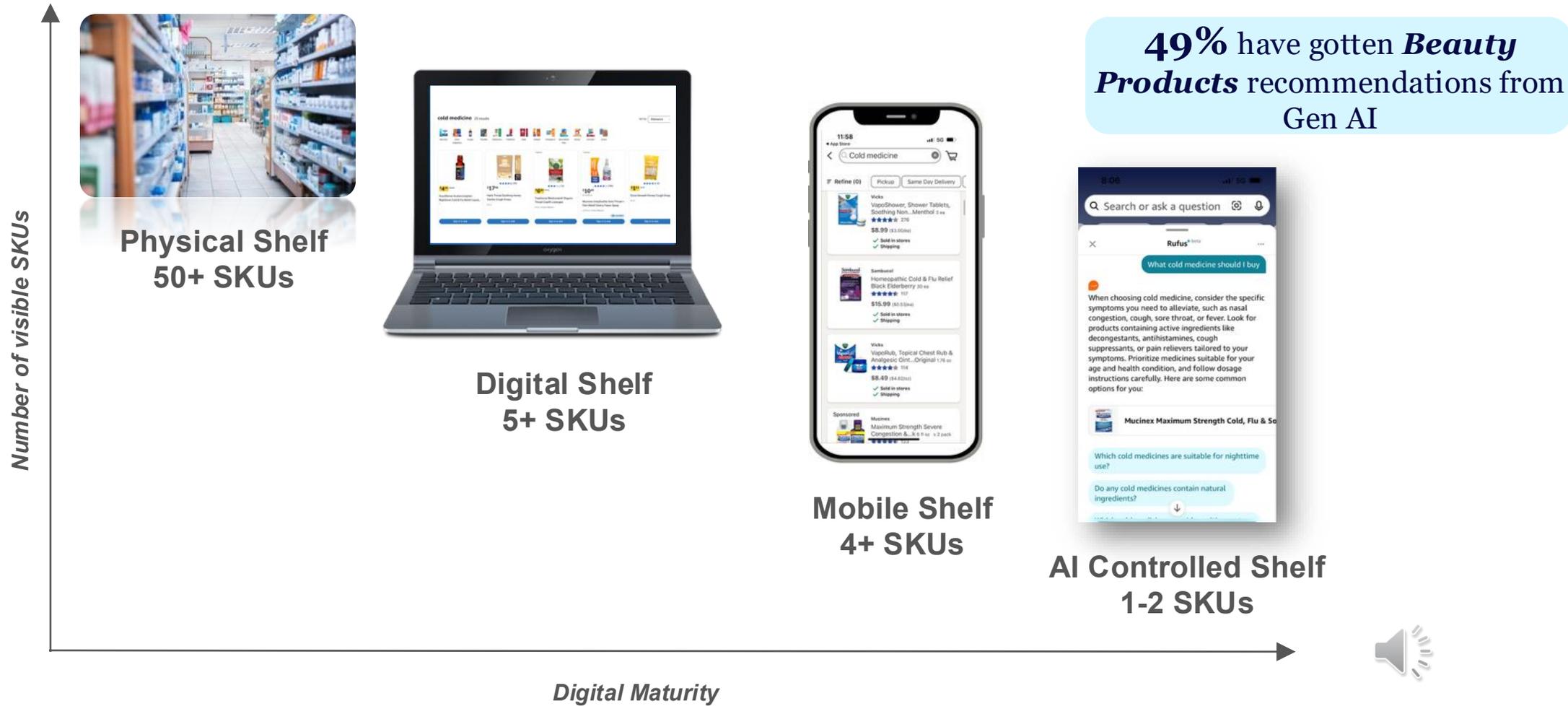
↓

Actions

- Share guidelines with content teams
- Update retailer's website
- Measure impact 

Source: Digital Shelf Solutions January 2025, US, Hair Care Index

5 AI will transform shelf strategy challenging product visibility



Source: NIQ Digital Shelf, NielsenIQ LLM Survey US, Oct 2025 – Base: 1021

Win by executing the basics while embracing a digital first global industry

1

Beauty has more pricing power than you think, drive the value equation with price balancing simplicity and multi-benefits

2

Be open to global expansion and non traditional retail distribution to unlock new growth

3

Those who master the essentials of digital commerce and AI will dominate the next wave of beauty – Availability – Visibility - Attractiveness

