

Global beauty trends and the path to future growth

CEW x NIQ

26th February 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



2025

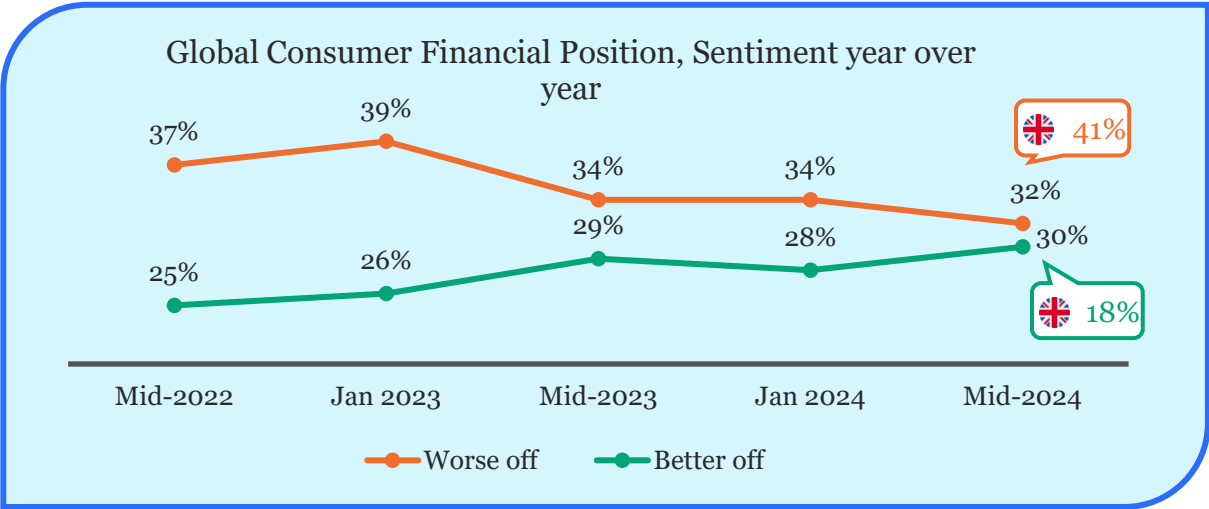
Seeking Balance



Global Beauty Performance



Consumers have a cautiously optimistic mindset entering 2025, but much on the horizon is unknown

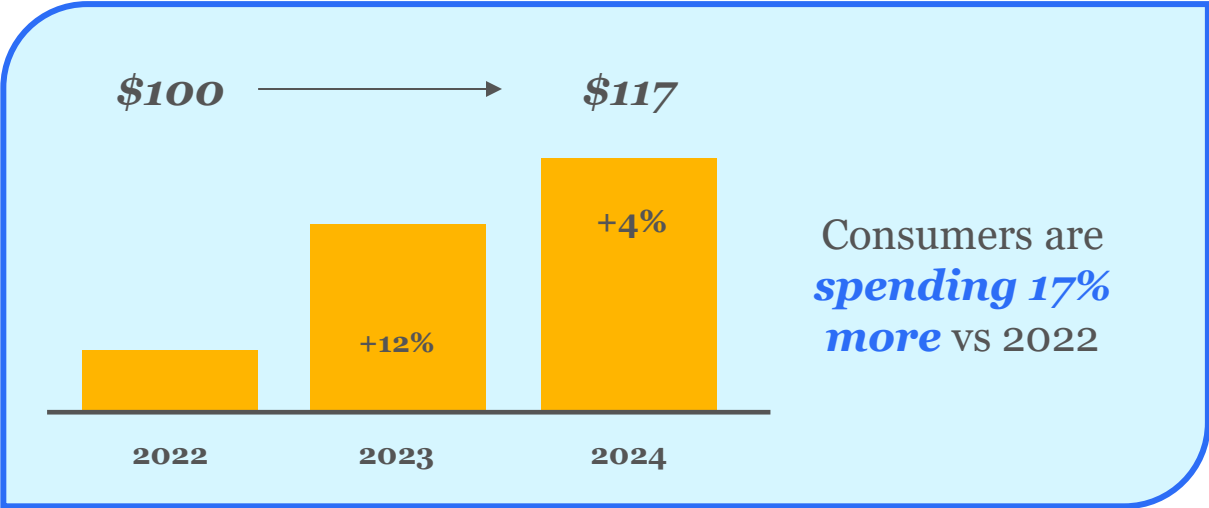




~~2023~~ Survive

~~2024~~ Revive

2025 Thrive?





#4 biggest concern

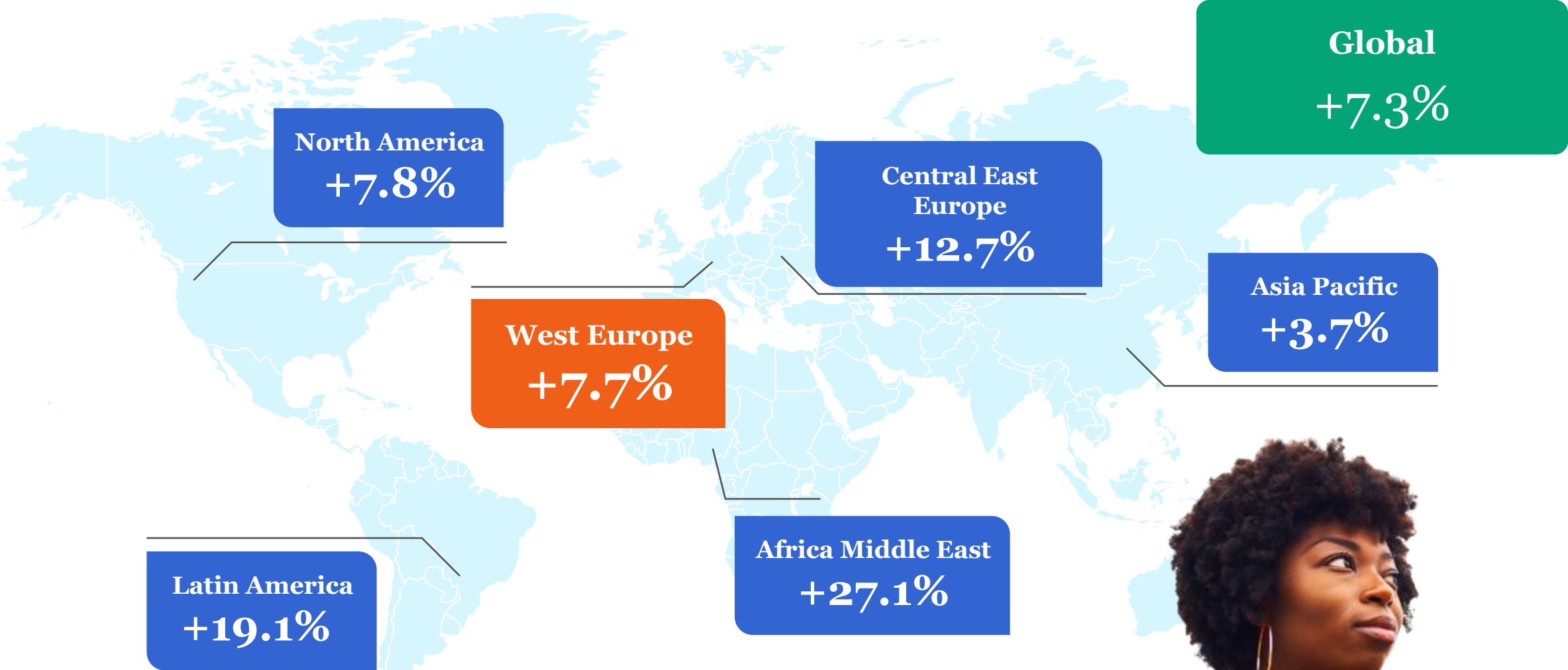
Global Warming/ Environment

Up from #5 in Jan 2024

Source: NIQ 2024 Mid-Year Consumer Outlook, Global, Q: Compared to a year ago, is your household better off or worse off financially?
Source: NIQ, Global Strategic Planner, 54 markets, Eq Vol Price % Change, L52we 6/16/2024 vs prior



Beauty Continues To Grow With West Europe In Line With Global Performance



Source: NielsenIQ QBN RMS Beauty MAT Q3 2024, 69 countries
*Fact: Value % growth vs YA (unweighted)
Beauty = Hair, Skin, Fragrance, Cosmetic & Nail
Additional sourcing: Omnisales (FR, DE, IT, ES), Omnishopper (US), incl TikTok (CN), incl ecom (KR)

● Regional Beauty value growth %



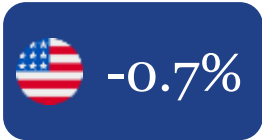
Fragrances top global growth while cosmetics lag behind

Cosmetics are performing ahead of the global benchmark in West Europe

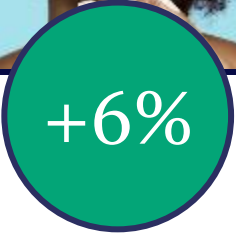
Category value growth %

MAT Q3 2024

Cosmetics



Skin Care



Hair Care



Fragrances



Source: NielsenIQ Global QBN Q3 2024, 66 countries
*Fact: Value % growth vs YA (unweighted)
Additional sourcing: Omnisales (FR, DE, IT, ES), Omnishopper (US), incl TikTok (CN), incl ecom (KR)

Global innovation themes

Sustained Trends

(Most developed & globally consistent trends)

Clean & Sustainable

Formulation
Packaging
Supply Chain



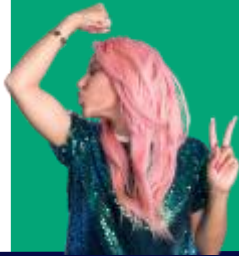
Ingredient Focus

Hyaluronic Acid
Niacinamide
Retinol



Trusted Advisor

Celebrities
Influencers
Dermatologists



Emerging Trends

(Strong trends - at different stages of cycle regionally)

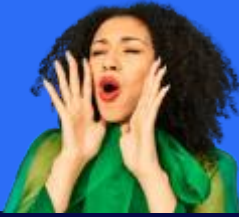
Personalization & Inclusivity

Individual Needs
Taboo Topics



Format Evolution

Fuss-Free Formulas
Easy Application



Wellness Focused

Functional Drinks
Stress Relief



Region Specific Trends

(Key trends in some markets but less relevant in others)

Convenience & Accessibility

Home treatments
Direct to Consumer



Luxury For All

Dupes
Quiet Luxury



Point in Time Trend

(Peak has passed but aftereffects continue)

Immunity & Health Support

COVID-19 legacy
Vitamin C

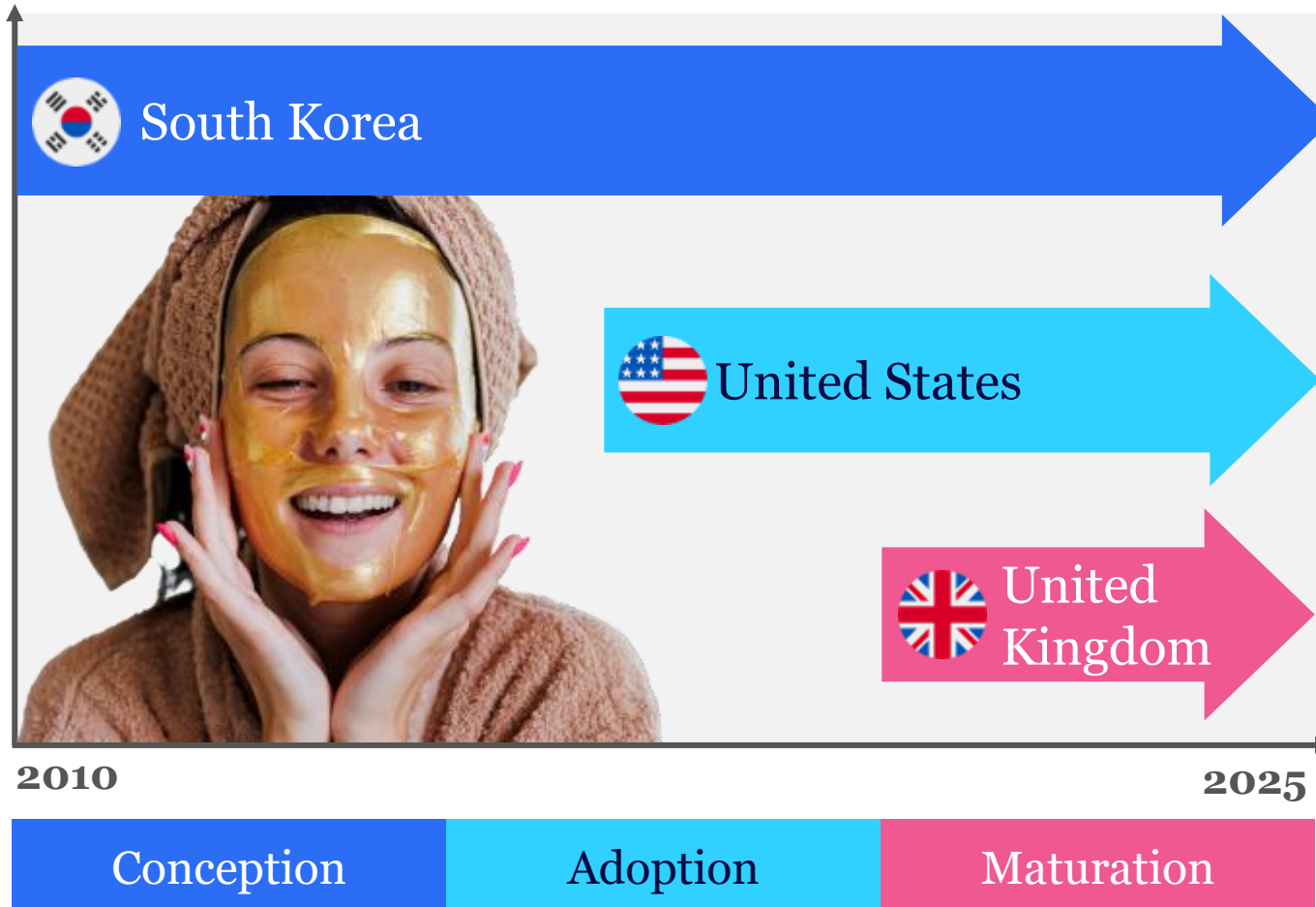


Source: Trend classifications are adjudged based on the expertise of local NIQ associates in highlighted markets. Based on 14 global markets.

South Korea as a beauty trend launch pad

Acne Patches and Snail Slime followed the East to West innovation pipeline

Acne Patches – Global Innovation Pipeline



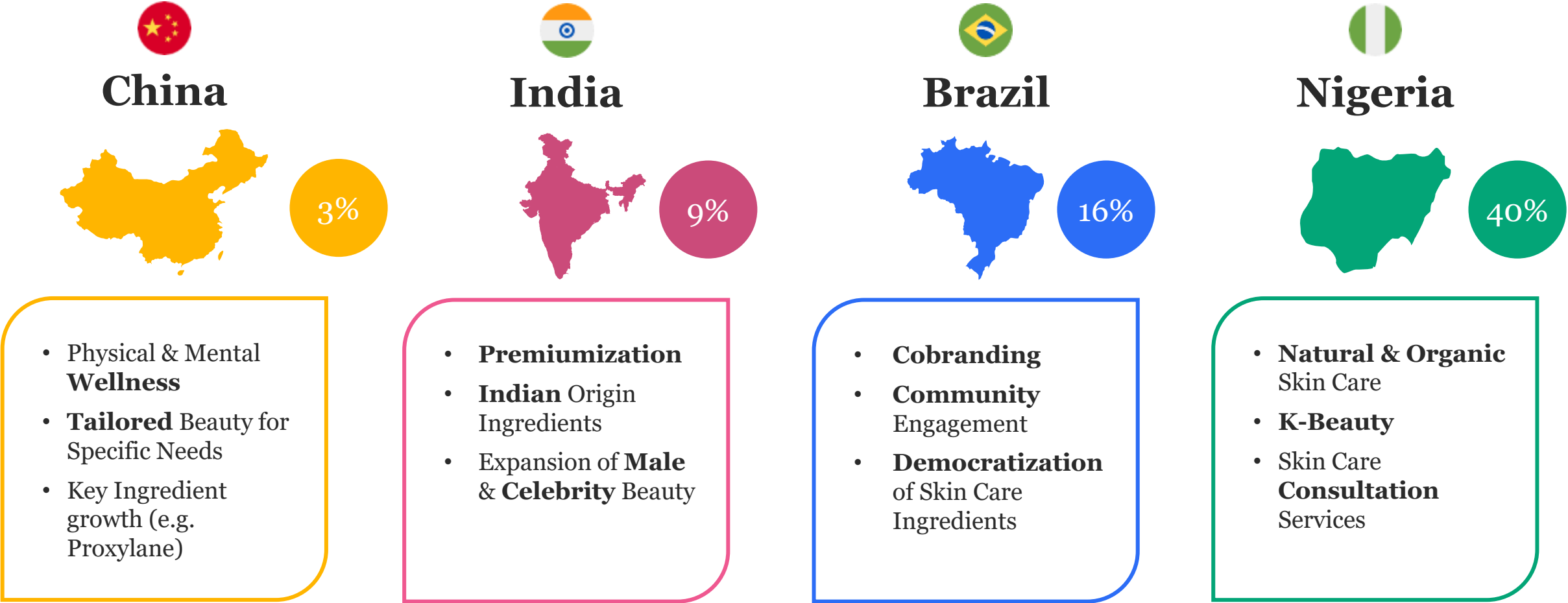
What's Next?



- **Bio-silk** for strengthening the skin barrier
- **CBG** for anti-inflammatory, antimicrobial, and antioxidant functions
- **Lactobionic acid** for exfoliating properties
- Clean beauty ingredients such as **skullcap**
- **Soil-based ingredients**
- **SPF sheet masks**

Spotlight on regional markets and trends of interest

Value % Chg vs YA – 3 key market trends observed locally



Retail (R)Evolution

2025 Trends to Watch

**Ecommerce
Acceleration**



**Amazon's
Rise**



**Social
Selling**



**Future
of AI**

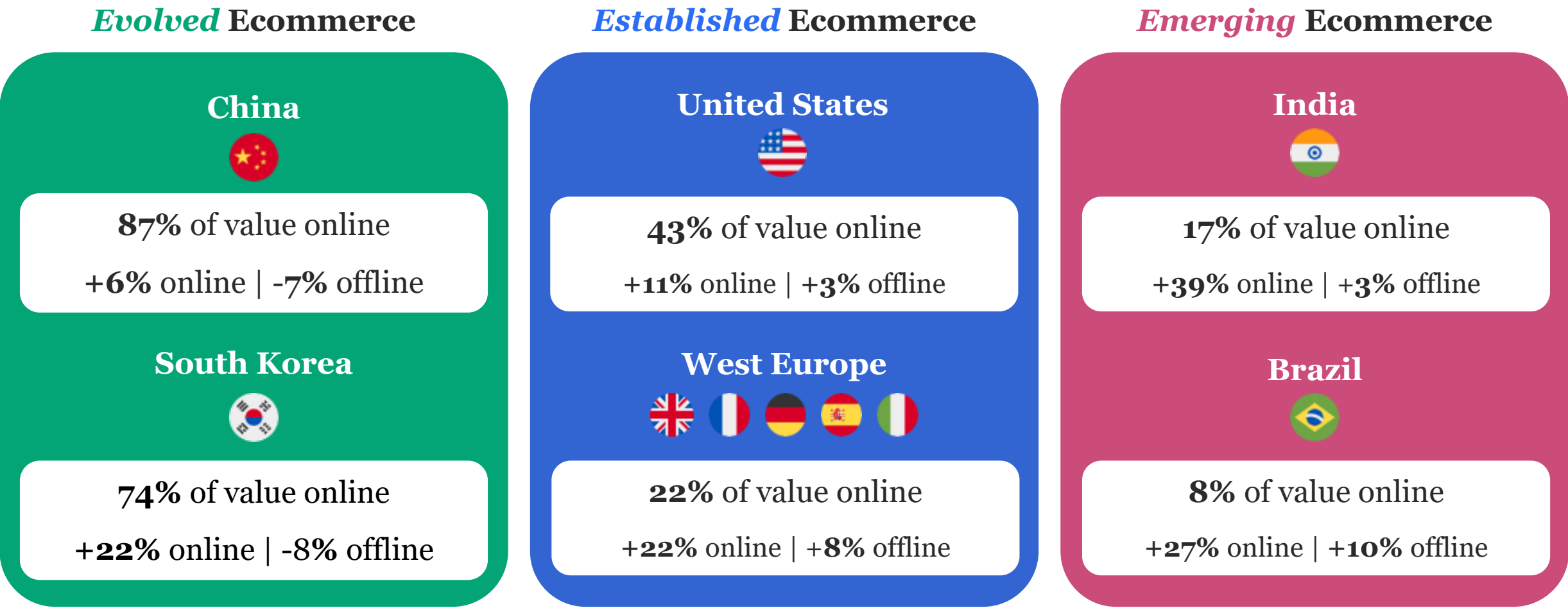


**Evolving
In Store
Experience**



Ecommerce Evolution Varies – But Growth is Consistent

The importance of ecommerce in West Europe is in an established phase, but markets in Asia Pacific highlight possible futures

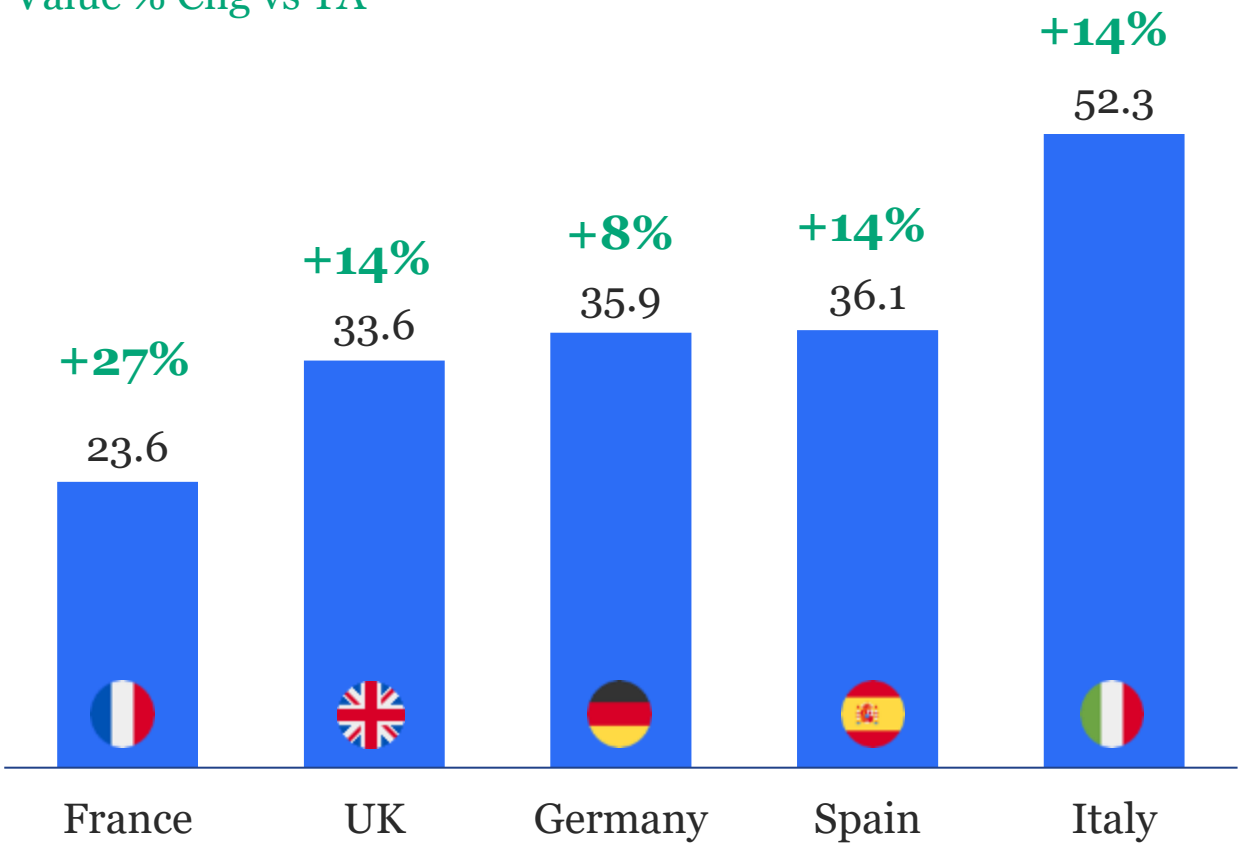


Source: NIQ Omnisaless MAT Jan 2025, NIQ Omnishopper Panel L52 week ending 11/30/2024, NIQ RMS incl ecommerce MAT Q3 2024

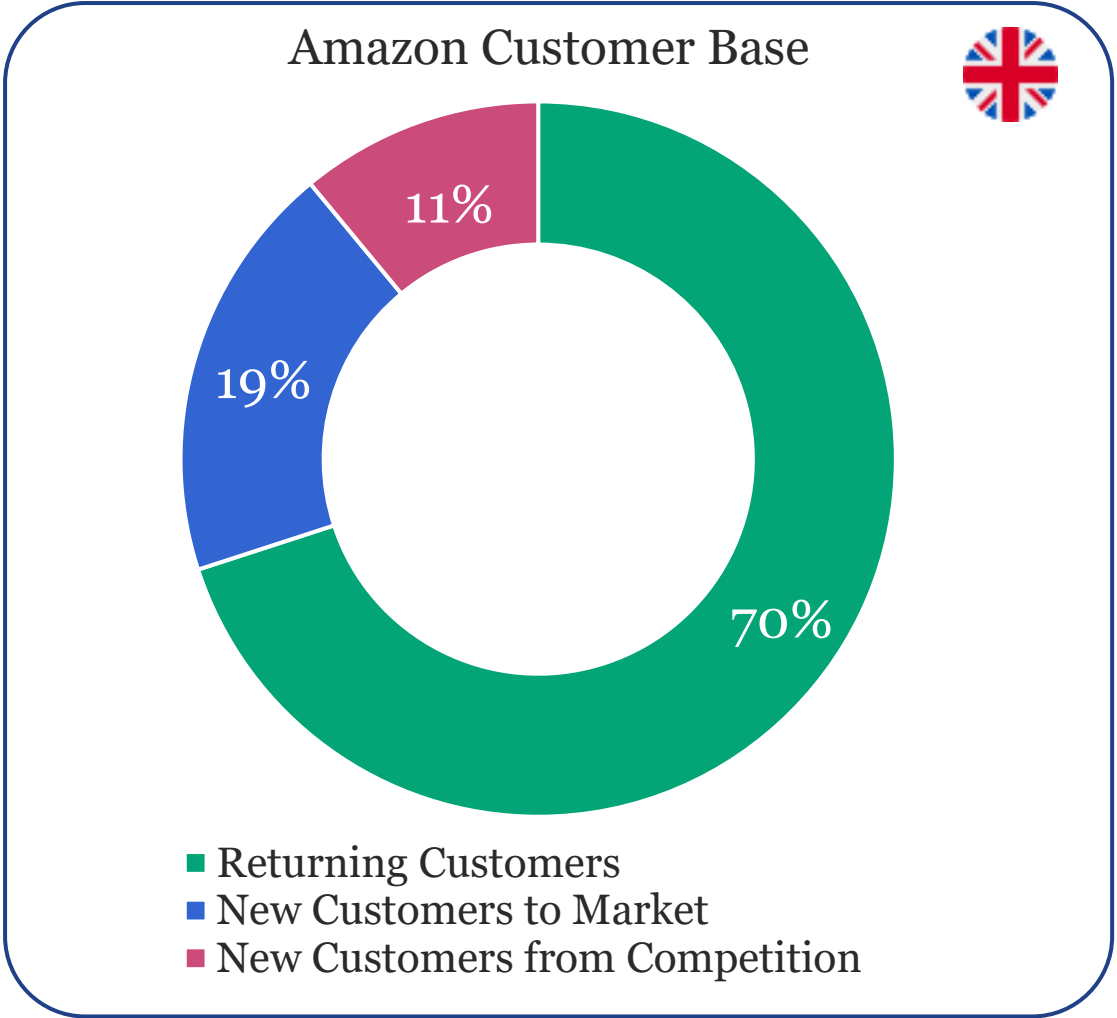
Amazon dominates ecommerce sales in West Europe

In the US, Amazon has shown its ambitions in the luxury beauty market

Amazon Share of Ecommerce Value – Beauty
Value % Chg vs YA



Source: NielsenIQ Digital Shelf
Source: NielsenIQ Panel on Demand Omnishopper, Amazon, Total Beauty, Latest 52 weeks ending 11/30/2024 vs YA



Social Commerce Goes Global

Consumers across the world are embracing social commerce as TikTok Shop leads the charge

Ecommerce Merchant Rank



#1

Hair and Skin Care



#2

Total Beauty



#7

Health & Beauty Care



Who is the TikTok Shop beauty buyer?



**Spent £64
more on beauty**

than the average
ecommerce beauty
buyer in the past year



**Made 3.5
more orders**

than the average
ecommerce beauty
buyer in the past year



**36% are
Millennials**

(Contributing 39%
of beauty spending)

Are *your* customers purchasing on TikTok Shop?



36% of online Beauty Specialist consumers have
purchased FMCG on TikTok Shop in the past year
(27% shopped *beauty on TikTok Shop*)

Source: NielsenIQ Personal Care Online Total (Traditional EC+TikTok) - ChinaQ3 2024
Source: NielsenIQ Digital Shelf E-receipt Consumer Panel, Full Year 2024 (Personal Care) - TikTok Shop Customer base ending Latest 12 months ending 09/02/25
Source: NielsenIQ Total US E-commerce Measurement Powered by Rakuten Intelligence | 52wks ending 11/30/24 vs LY Health & Beauty Care

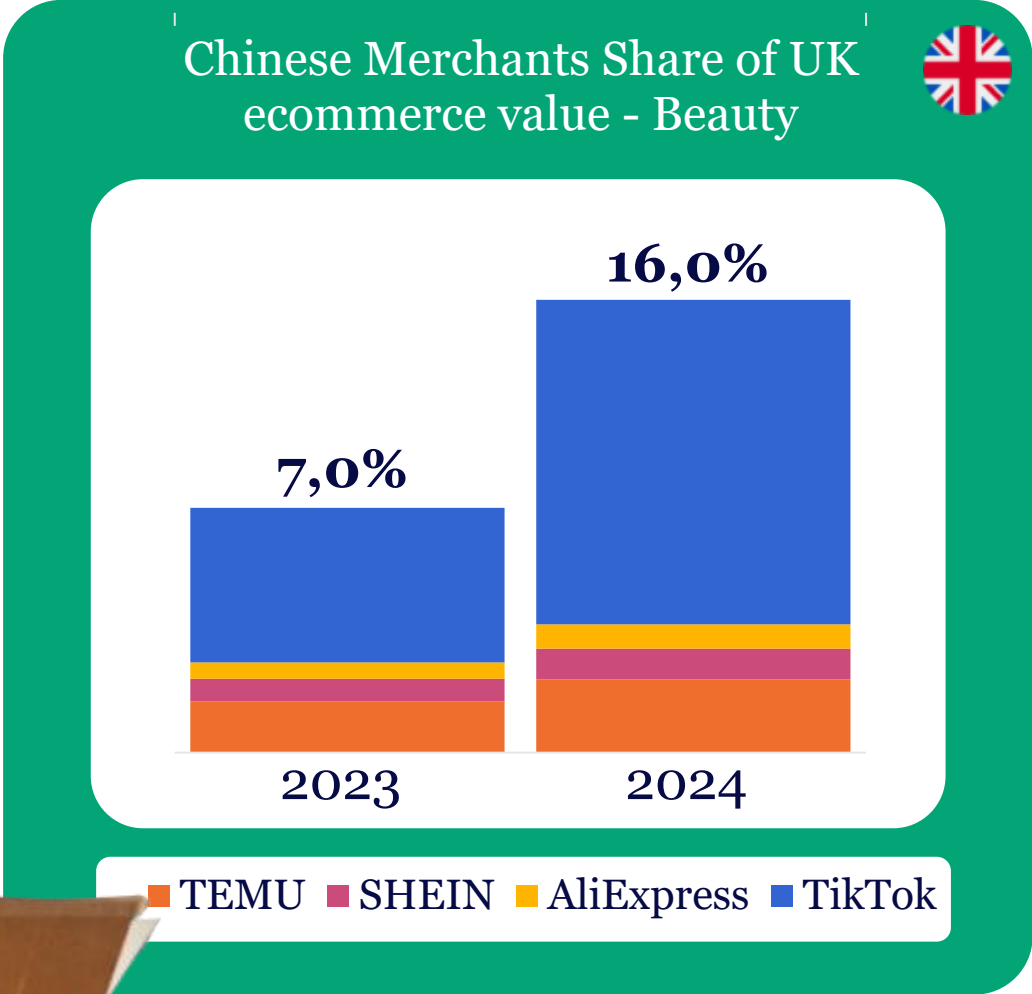
The Global Expansion of Chinese Ecommerce Merchants Continues at Pace

TikTok and TEMU lead the charge for the new model of ecommerce merchants – and Amazon have taken note

Ecommerce merchant rank – Beauty / Cosmetics – Latest 12 months

	 #1 
	 #3 
	 #4 
	 #7 
	 NEW 

 **NEW**
  



Source: NIQ Digital Shelf – Latest 12 months ending 12th Jan 2025

AR and AI is Poised to Reshape in the Beauty Retail Space

Adoption may be slower in the UK with consumer excitement about AI lower compared to consumers in the East

40% of consumers are likely to accept a product recommendation from your own AI assistant

➡

49% APAC

➡

25% UK



Virtual Try on Services

Sephora Virtual Artist



Amorepacific Wanna-Beauty AI



AI Beauty Tech

Samsung MICRO LED Beauty Mirror



L'Oreal Mood Mirror



AI Skin Analysis

MySkin by Cetaphil



PerfectGPT



Source: NIQ Mid Year Consumer Outlook 2024

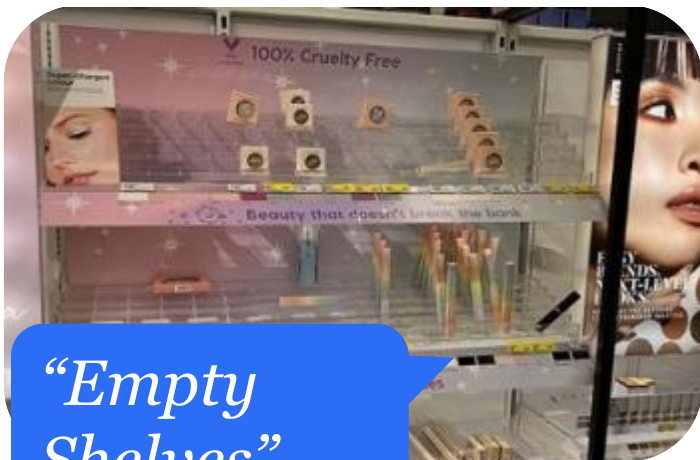


Has the in-store experience been tainted?

Anti-theft measures, out of stocks and messy product testers have featured in customer complains of the instore experience – pushing them online



“Product Lockups”



“Empty Shelves”



“Messy Testers”

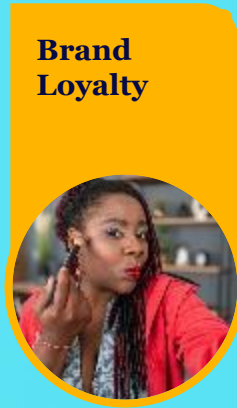
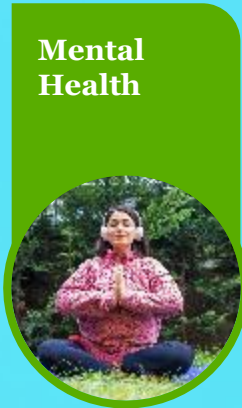
How to theft prevention measures impact sales?



Source: NIQ BASES Theft Prevention Study, November 2024, n=1000

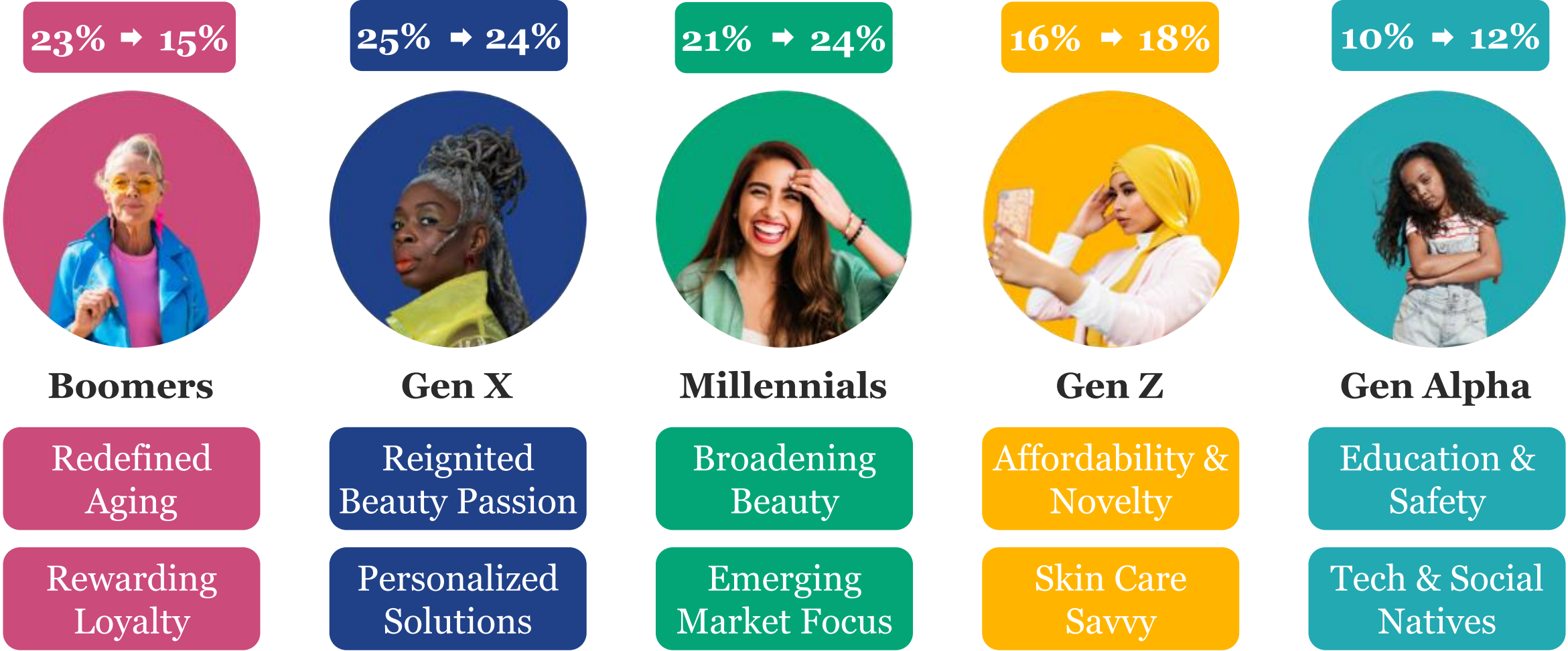
Consumer Mindset Shift

2025 Trends to Watch



Catering to the full generational puzzle- what do we need to do to attract these generations?

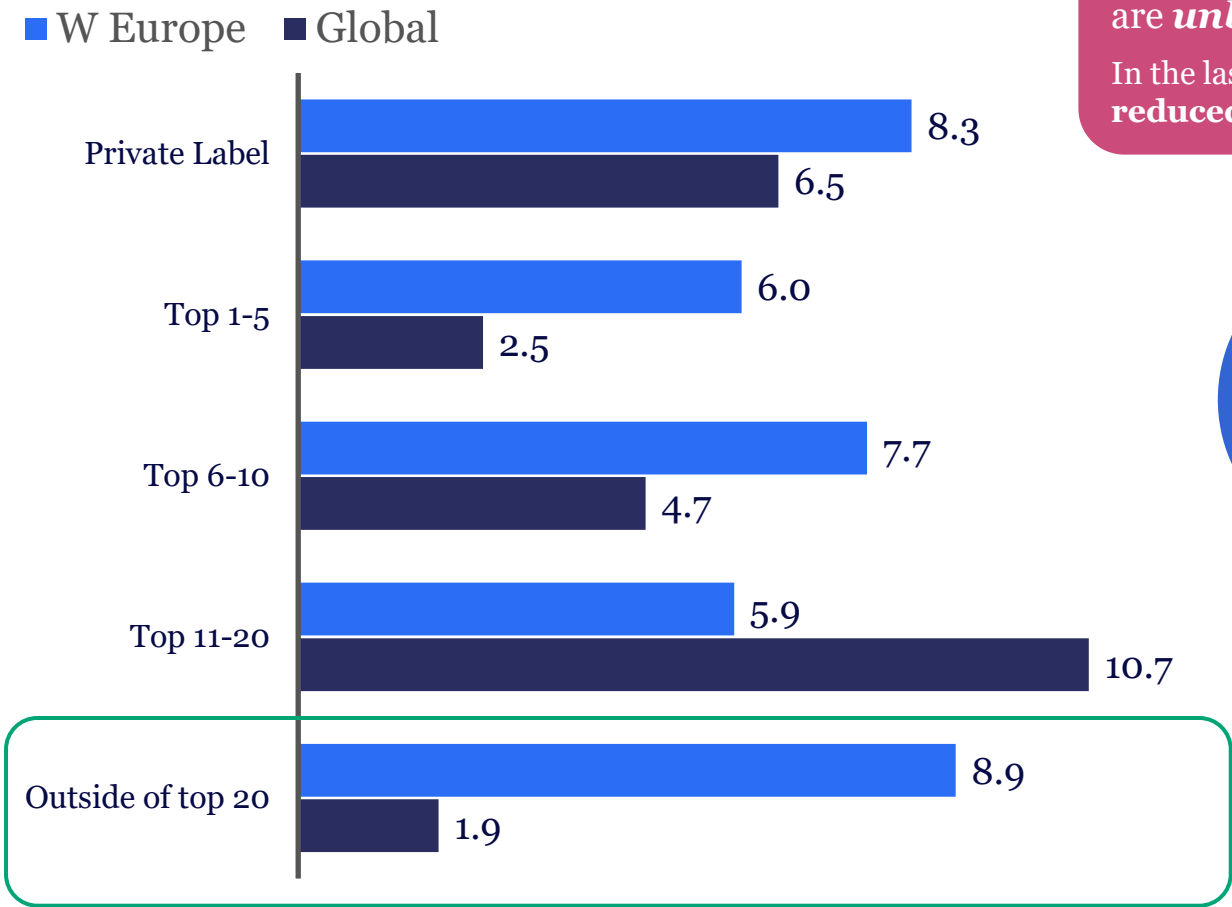
Contribution to Global Beauty Spending – 2024 vs 2023



Source: World Data Lab – Spending Contribution to Total Beauty Spending 2024 (Products & Services)

Brand Loyalty at Risk? Consumers Turn to Indies for Innovation & PL for Value

Global Growth by Brand Size - Beauty



90% of *cpg* searches on amazon are **unbranded** – Digital Shelf management is critical
In the last two years, average beauty brand **loyalty** has **reduced 20%**.

+31% Value growth brands ranked **5-10** in UK ecommerce

+23% value growth from brands **outside the top 100** in UK ecommerce

Source: NielsenIQ Omnisaales Germany, France, Spain, Italy, Great Britain – Latest MAT - Beauty

French consumers have embraced second-hand beauty

Consumers in the UK are starting to adopt a trend more established across the pond— finding deals by shopping second-hand

Second-hand Fragrances

France



11% of online fragrance buyers
have bought second-hand



Second-hand represents **8%**
of fragrance value sold online

United Kingdom



5% of online fragrance buyers
have bought second-hand

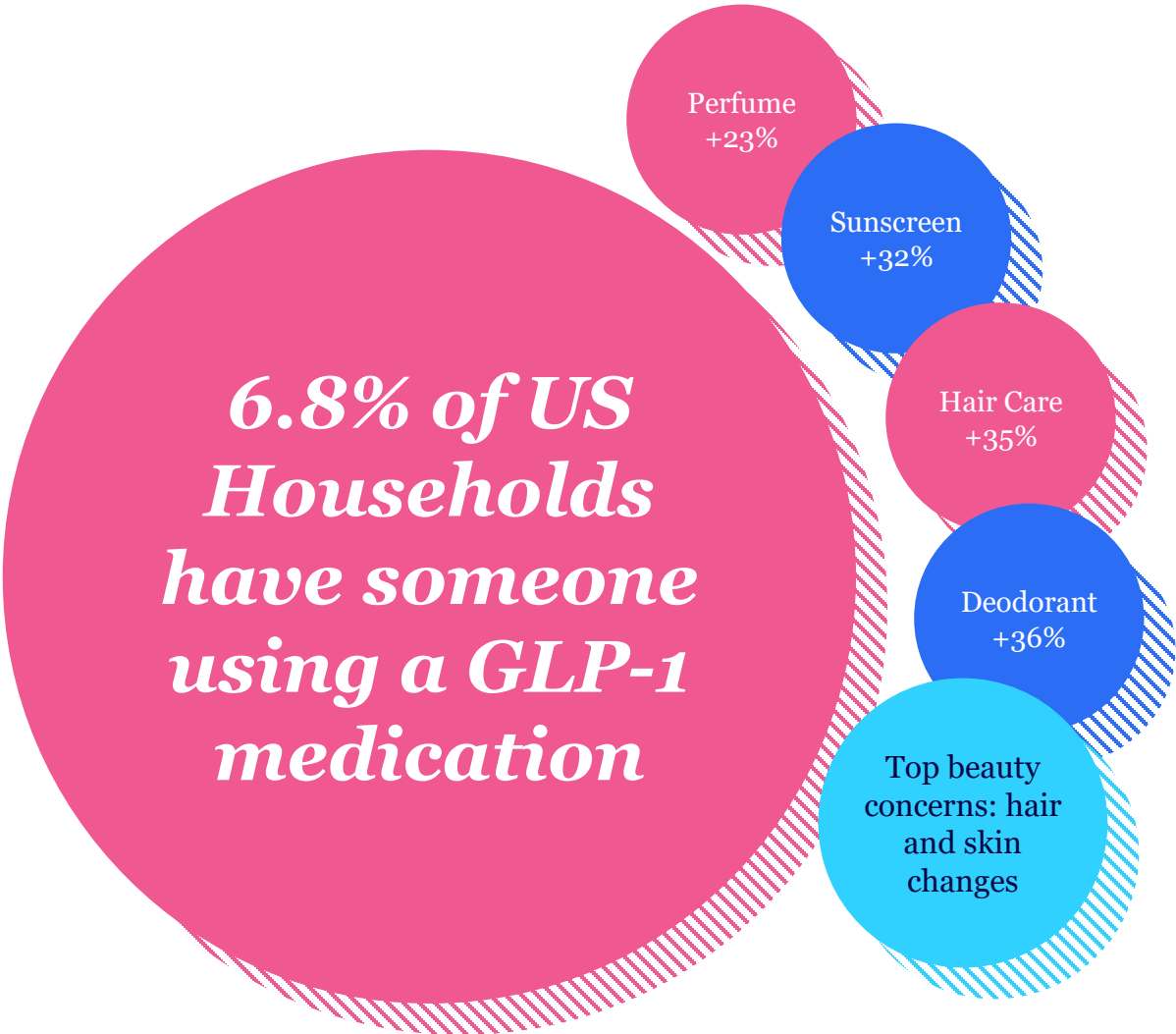


Second-hand represents **3%** of
fragrance value sold online



Source: NIQ Digital Shelf – Latest 52 weeks ending 02.02.25

GLP-1 Medications could impact shopping habits across the entire store



24% of UK consumers say they would be likely to use a medication or drug to support my weight loss (e.g. GLP-1 agonists like Ozempic)



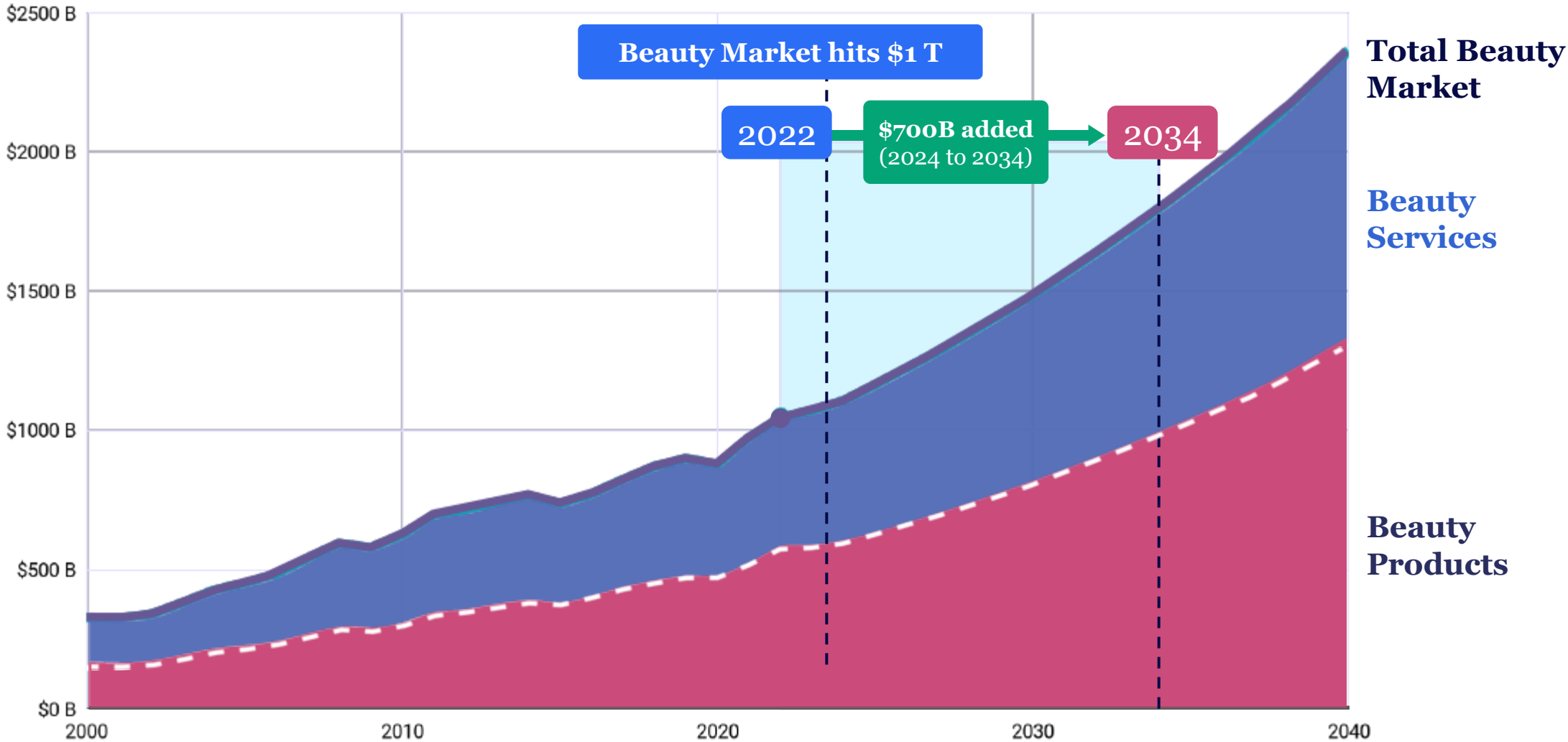
Source: NielsenIQ GLP-1 Homescan Panel Survey, Total US, 52 we 09/28/2024
Image: www.tctmd.com

What's Next?



Global Future Forecast

The beauty market has grown to more than a trillion and continues to accelerate

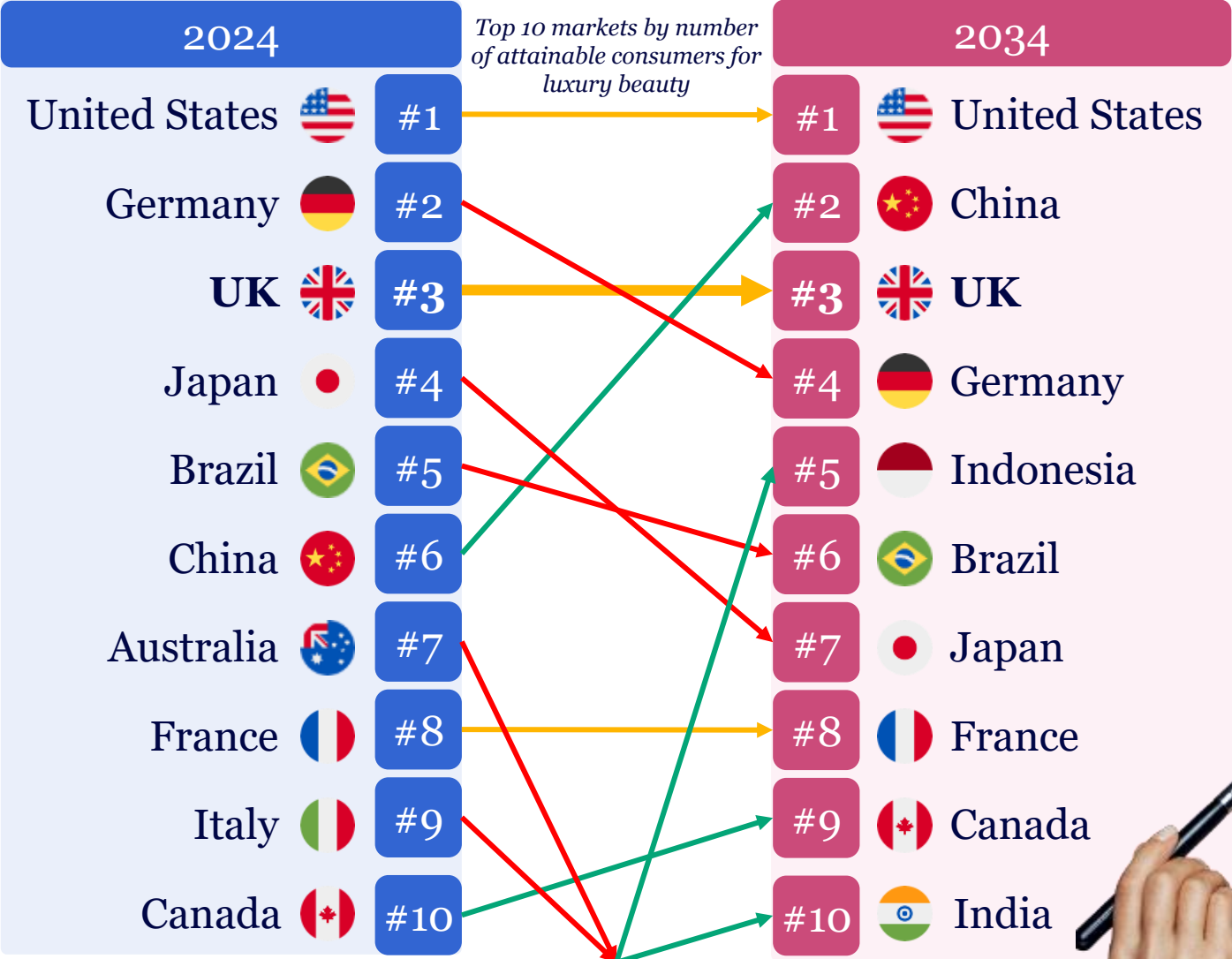


Source: World Data Lab (Nominal USD)

Luxury Beauty's Big Opportunities: Today and Tomorrow

Two countries will join the Top 20 in the next 10 years: India and Saudi Arabia

Total 2024
Luxury
Beauty's
'Attainable
Consumer'
Spending
\$522 bn



2034 new top 20 luxury markets

**India**
#10 (+16)

**Saudi Arabia**
#20 (+2)



Source: World Data Lab - All generations (Nominal USD) | Attainable Consumers = individuals spend at least \$120/day in in these markets.

Unlock the Full View of the Consumer



Mastering the art of balance to thrive and shape the future of beauty

- ❑ The in-store experience is at risk, but when done right, it becomes a powerful asset—blend digital and physical retail to create seamless, impactful shopping journeys.
- ❑ Master the digital shelf across assortment, managing supply to searchability
- ❑ Growth thrives on innovation - draw inspiration from the global beauty landscape to spark the next breakthrough while maintaining what sets your business apart.
- ❑ Cater to generational preferences while ensuring inclusivity and representation
- ❑ Be bold, innovate rooted in authenticity and trust

Thank You!

For more information, get in touch!

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