The Cost of Incomplete Measurement

What every beauty brand needs to know about the market moving beneath them

BEAUTY



NielsenIQ

The Full View™ of Beauty

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One beauty market. Too many disconnected views.

Beauty shoppers move between mass retail, specialty stores, Amazon and social commerce. But measurement remains fragmented, leaving brands to piece together reports that may miss where growth is happening.

Mass, Drug & Grocery	**Amazon 1P**	**Amazon 3P**
Beauty Specialty	**Department Stores**	**TikTok Shop & Social**

These five gaps show what incomplete measurement could mean for your performance, competitors and next decisions.

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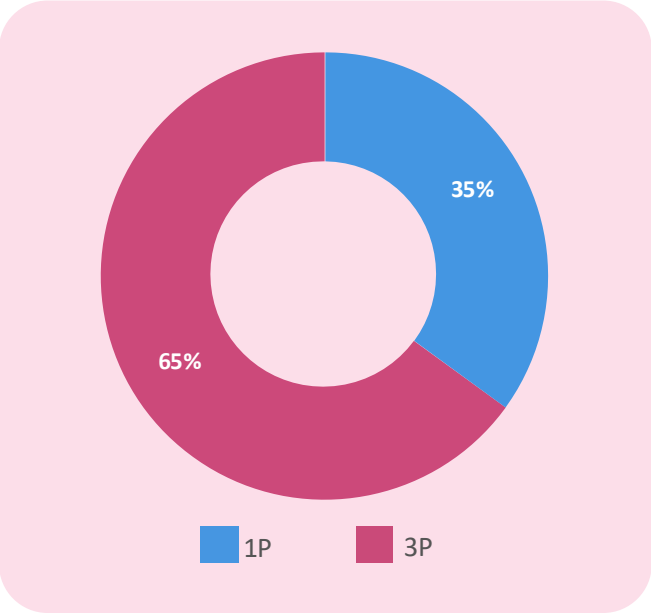
GAP 01

Amazon Is Not One Marketplace. It's Two.

Amazon has two marketplaces: first-party (1P) sales from Amazon and third-party (3P) sales from other sellers. A 1P-only view misses much of the activity.

Amazon 1P (Vendor Central)	Amazon 3P (Seller Central)
• Amazon buys inventory wholesale and resells it • Amazon sets retail price and controls replenishment • Brand sells via purchase orders; terms negotiated annually • Lower operational lift, less pricing control	• Brand sells directly to the consumer; Amazon takes a commission • Brand controls pricing, promotions, and assortment • Brand manages inventory, content, ads, and customer service • More control, more operational responsibility

Third-party sellers account for 65% of Amazon Health & Beauty sales. What does your Amazon reporting leave out?





Amazon 1P vs. 3P share of Health & Beauty sales. Source: NielsenIQ RMS, Amazon 1p and 3P, 52 we 09/19/2026.

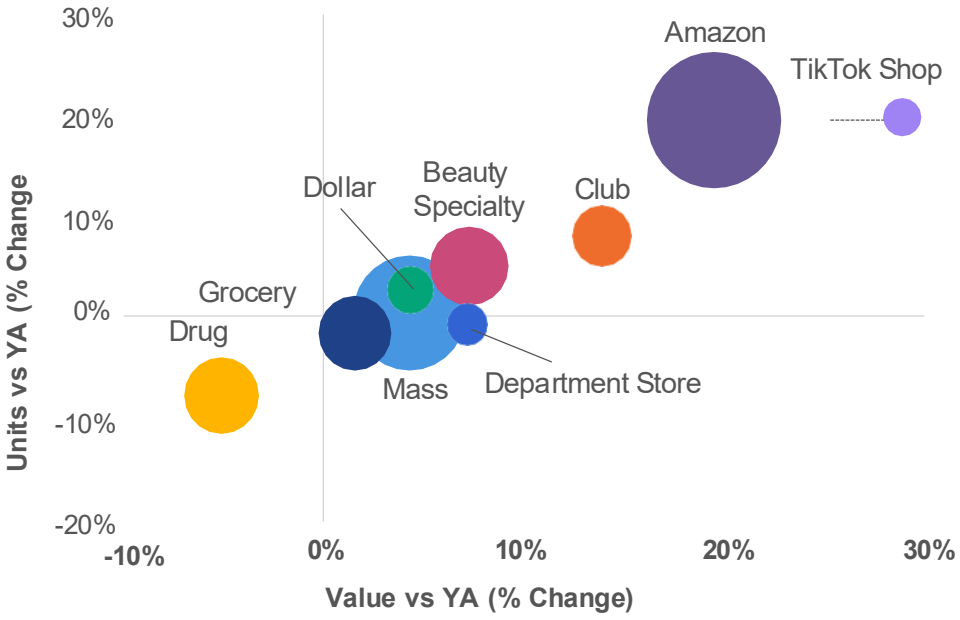
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GAP 02

Your Blind Spot Goes Beyond Amazon

Beauty growth spans Amazon, specialty retail and emerging channels such as TikTok Shop. If your reports cover only some of them, you may misread where your category is gaining or losing ground.

Size and growth of key beauty channels (omnichannel view)





Channel	*$ share*	*$ % chg*	*Unit % chg*
Amazon	**30.2**	**19.5%**	**19.5%**
Mass	21.5	4.3%	0.4%
Beauty Specialty	10.4	7.3%	5.1%
Drug	9.2	-5.1%	-7.7%
Grocery	8.8	1.6%	-1.5%
Club	6.0	13.9%	8.0%
Dollar	3.4	4.4%	2.8%
Department Store	2.9	7.2%	-0.7%
TikTok Shop	**2.4**	**59.1%**	**21.0%**

Source: NielsenIQ Omnishopper Panel Total US L52 week ending 9/5/2026 vs YA. Mass is defined as Total ex Amazon. Omnisales+ Tiktok Shop Latest 52 weeks ending 8/22/2026

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GAP 03

Different Channels. Different Shopping Behaviors.

Online represents 44% of Beauty and Personal Care sales, growing 18.4% versus 1.5% in-store. Yet digital channels serve different shopper needs.

80%
of Amazon beauty purchases are planned, routine buys





68%
of TikTok Shop beauty purchases happen on impulse

Amazon often supports planned replenishment; TikTok Shop often drives discovery. Combining both into one online figure can hide why shoppers buy.

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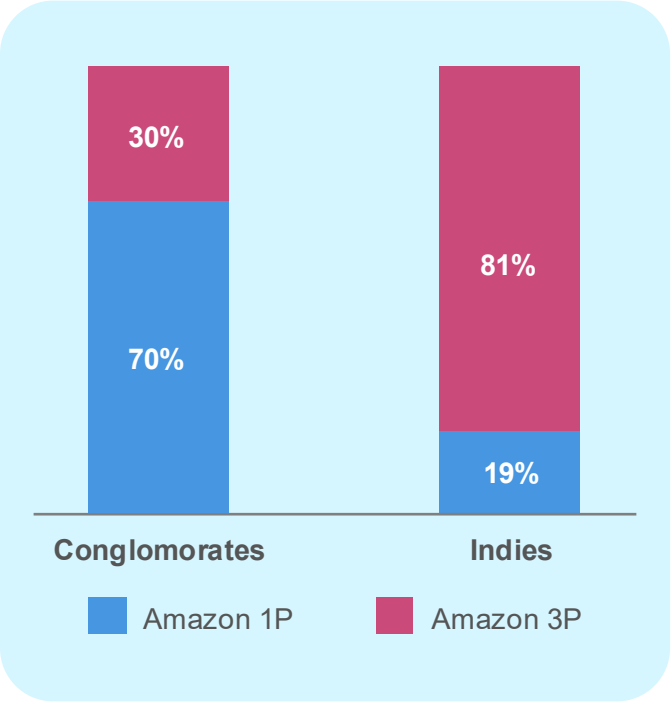
GAP 04

Which Beauty Competitors Are You Missing?

Amazon 1P favors established brands. On 3P, independent brands represent 81% of sales, exposing a very different competitive landscape.

% of Sales by Conglomerate vs Indie Brands





Source: NielsenIQ Omnisales+ Amazon 1P vs 3P Latest 52 weeks ending 8/22/2026

2,958
beauty brands clear $1M+ in sales on Amazon 3P

636
beauty brands clear $1M+ in sales on Amazon 1P

If you track only 1P, you may miss fast-growing challengers and early shifts in category share.

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GAP 05

One Blind Spot Can Affect Many Decisions

When your view is incomplete, the effects can reach beyond reporting:

- Spot trends too late
- Miss fast-growing marketplace competitors
- Misread shifts between channels
- Invest behind the wrong growth opportunities
- Make plans using an incomplete category view

The consequences may surface later, in missed opportunities or investments aimed at the wrong part of the market.



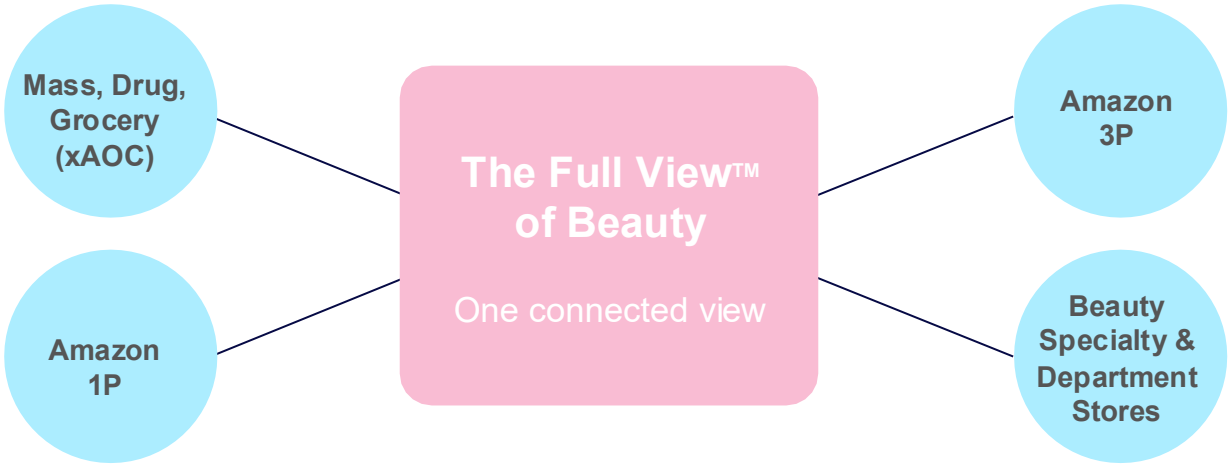
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THE RESOLUTION

Why NIQ Is Building the Beauty Channel

Your beauty category crosses mass, prestige, specialty and digital marketplaces. No single-channel report can explain how it all moves.

NIQ's upcoming Beauty Channel is designed to connect Amazon 1P and 3P with mass, drug, grocery and beauty specialty measurement, giving you a more connected view for decisions.



- Connect beauty performance across key retail channels in one view.
- See Amazon first- and third-party activity together.
- Compare category performance with broader visibility and context.
- Spot emerging competitors and shifts in shopper behavior.
- Turn clearer measurement into more confident decisions.

NIQ's Health & Beauty Care measurement is expected to cover $244 billion in sales, representing 95% of the category once the Beauty Channel is complete. See what a more connected view could reveal for your business.

See where your blind spots are

Explore how NIQ is connecting Amazon 1P and 3P with mass, prestige and specialty retail measurement.

Explore the Beauty Channel →

Watch the Webinar Recap →

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About NIQ

NielsenIQ (NYSE: NIQ) is a leading consumer intelligence company, delivering the most complete and trusted understanding of consumer buying behavior and revealing new pathways to growth. By combining an unmatched global data footprint and granular consumer and retail measurement with decades of AI modeling expertise, NIQ builds decision systems that help companies turn complex data into confident action.

With operations in more than 90 countries, NIQ covers approximately 82% of the world's population and more than $7.4 trillion in global consumer spend. Through cloud-based platforms, advanced analytics and AI-driven insights, NIQ delivers The Full View™—helping brands and retailers understand what consumers buy, why they buy it, and what to do next.

For more information, please visit www.niq.com.

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