The State of Beauty

Across DTC, Amazon and TikTok Shop

Executive summary

Fospha's beauty playbook, **The State of Beauty**, explores how beauty brands are driving growth across DTC, Amazon and TikTok Shop, and what these shifts reveal about the future of modern commerce.

Drawing on Fospha's cross-channel data, the report examines where budgets are flowing, which platforms are delivering efficient acquisition, and how creative and commerce are converging to shape performance in 2026.

The analysis is powered by Fospha, a measurement company built to give brands a complete view of marketing effectiveness. At its foundation is **Core** — Fospha's always-on, ad-level model that quantifies the impact of every impression, view and click across all channels.

Building on Core are two complementary products:

- **Beam** – Forecasting that identifies where the next dollar will drive the highest incremental return.
- **Halo** – Unified measurement that captures the influence of paid media on marketplace sales across Amazon and TikTok Shop.

Together, these insights offer a forward-looking view of how beauty is setting the pace for full-funnel, data-led growth.

Contents

The state of beauty in 2025

2025 marked a pivotal year for the beauty industry, defined by rapid digital maturity, the rise of marketplace commerce, and a growing demand for proof of impact across every touchpoint.

1. A market that reached record scale
The US beauty and personal care eCommerce market surpassed $67B in 2025, with digital influencing nearly two-thirds of total category sales. While Amazon and Walmart continued to dominate personal care online, Sephora and Ulta expanded aggressively in eCommerce - creating a fragmented yet thriving ecosystem where brands had to manage performance across multiple retailers and DTC sites.

2. Digital and physical worlds converged
Beauty brands leaned into creator-led and visual storytelling to drive both online and offline demand. Live Shopping continued to gain momentum, becoming an increasingly influential driver of product discovery and conversion. In-store experiences became extensions of digital discovery, making the ability to measure online influence on retail sales a defining capability for leading brands.

3. Legacy measurement continued to fall short
Many marketers still rely on Last Click and MTA, which fails to capture the full impact of impression-led platforms like Meta, TikTok, YouTube, and Pinterest. As a result, upper-funnel investment remained undervalued - even as these channels played a critical role in driving growth across DTC and marketplaces. This has led many beauty brands to re-evaluate their reliance on legacy measurement.

This report explores the best strategies for beauty brands across DTC + Amazon + TikTok Shop. We feature insights from ICED Media, experts in advertising for the beauty industry.

Key takeaway

Beauty brands entered 2025 with record digital scale and growing channel complexity, forcing a shift toward integrated, full-funnel strategies that connect awareness to conversion.

Key takeaways

FOSPHA

1) Significant growth headroom remaining: beauty brands are driving strong results across Paid Social and Google - but with 60% cross-channel growth potential still untapped, there's clear room to scale profitably.

2) Evolve beyond legacy measurement: Last Click and siloed reporting miss the impact of impressions-lead channels and brand-building activity, leaving a blind spot of 83% of revenue.

3) Diversification builds resilience: balancing investment and sales presence across DTC + marketplaces expands reach, reduces risk, and improves blended performance.

4) Don't ignore halo effects: your DTC ads are driving impact everywhere, including on Amazon and TikTok Shop. Measuring this ensures investment reflects true performance.

5) Educate internally on measurement evolution: test full-funnel measurement outputs rigorously, and align your teams on what matters most: what is really driving sustainable growth?

Beauty on DTC

Which channels are beauty brands investing in?

Where are beauty brands spending?

Meta is the channel brands lean on most, comprising **>50%** of the average budget. Meta is a versatile full-funnel platform, suited both for generating and capturing demand. Beauty brands are also spending **>2X more in TikTok and Snapchat** than brands in other industries, indicating a preference for impressions-led platforms.

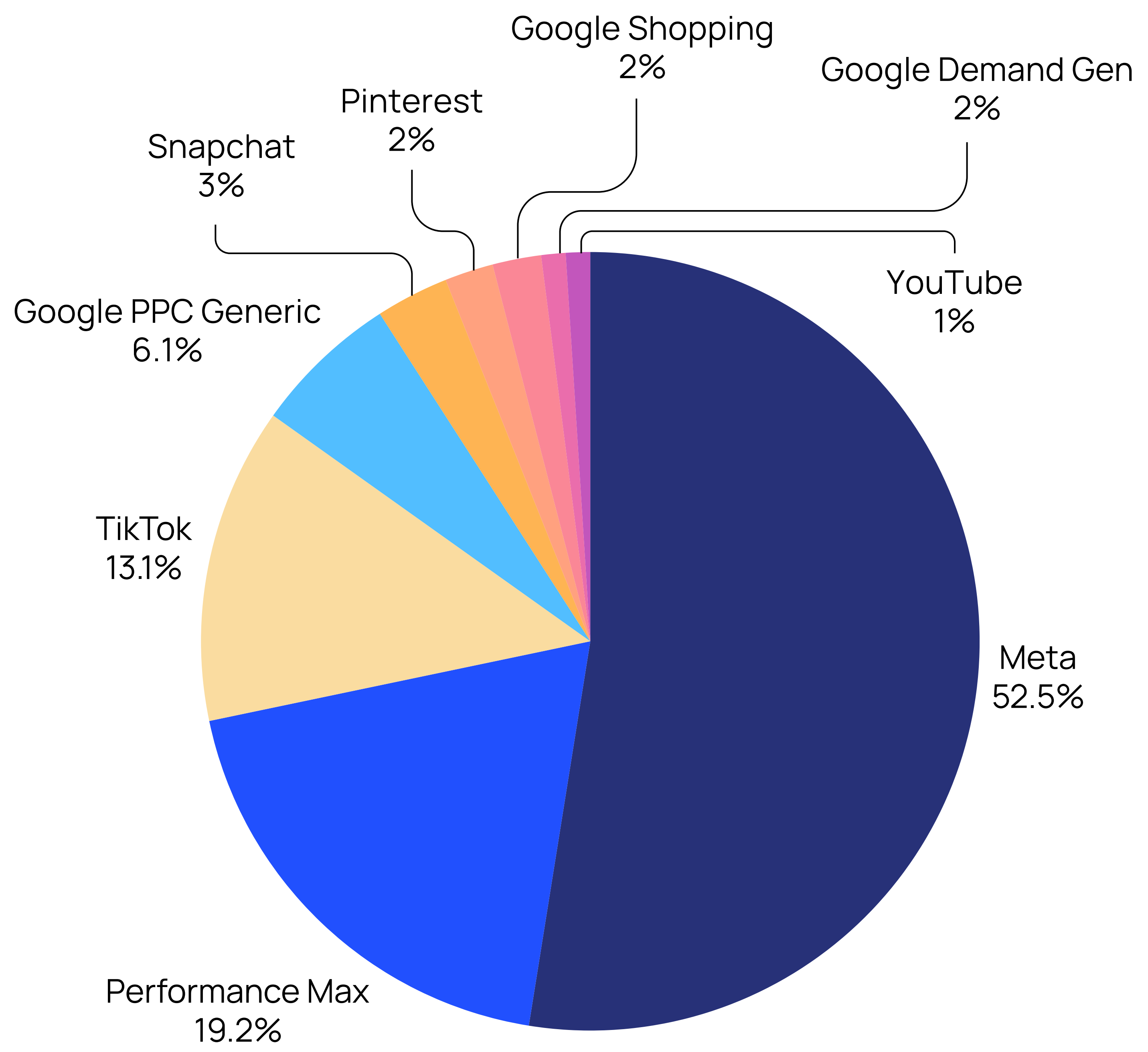
Where are beauty brands generating conversions?

TikTok is emerging as a conversion driver, not just a discovery platform. The platform generates **21% of overall conversions** for beauty brands, compared to 7% for other industries.

Snapchat also contributes **2X as many conversions** for beauty brands than other industries. Beauty buyers are highly influenced by creators and social trends, so the platforms driving discovery are now directly driving conversions too.

Key takeaway
Beauty brands are doubling down on social-first, full-funnel platforms like Meta and TikTok.

The average channel mix for beauty brands, led by Meta, Performance Max & TikTok



TikTok is the most efficient new customer acquisition channel for beauty brands

We set out to identify which channels are most effective for beauty brands focused on new customer acquisition (CAC). Understanding where brands can acquire incremental customers most efficiently is key to sustainable growth.

What the data indicates

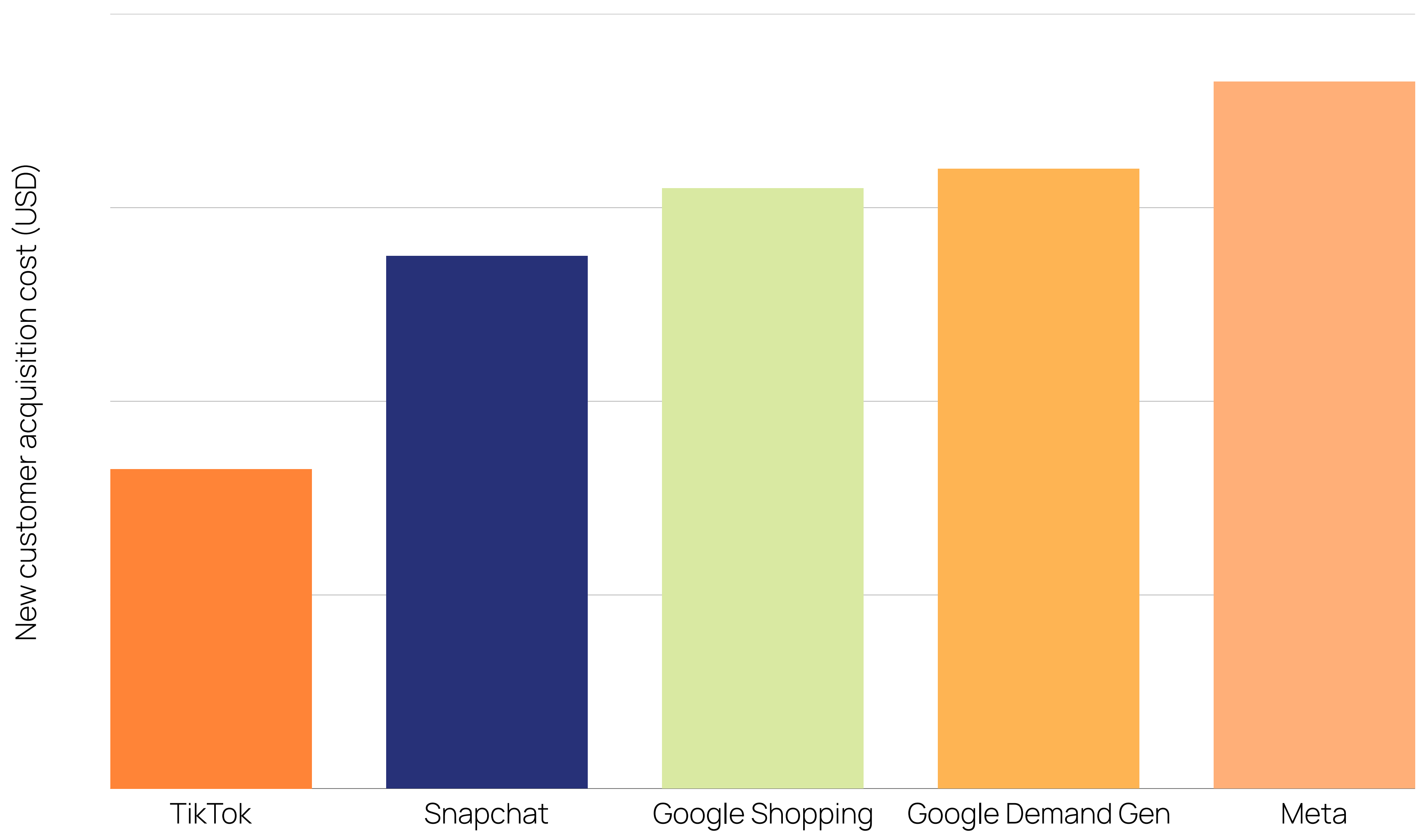
The data shows that **TikTok delivers the lowest CAC** of any major channel for beauty brands - a remarkable feat given it's already their third-largest channel by spend.

Meanwhile, Meta, which commands more than half of the average wallet, also ranks among the top five channels for CAC, demonstrating strong performance even at significant scale. Snapchat and Google Demand Gen also show competitive efficiency, proving their role in capturing new audiences.

Key takeaway

The most efficient new customer acquisition comes from social-led and visually rich channels.

The most effective channels for new customer acquisition (CAC) in beauty: led by TikTok, Snapchat & Google Shopping



Google Demand Gen is beauty brands' best bet for ROAS highs

Google Demand Gen is the top-performer of the growth channels (<5% of spend)

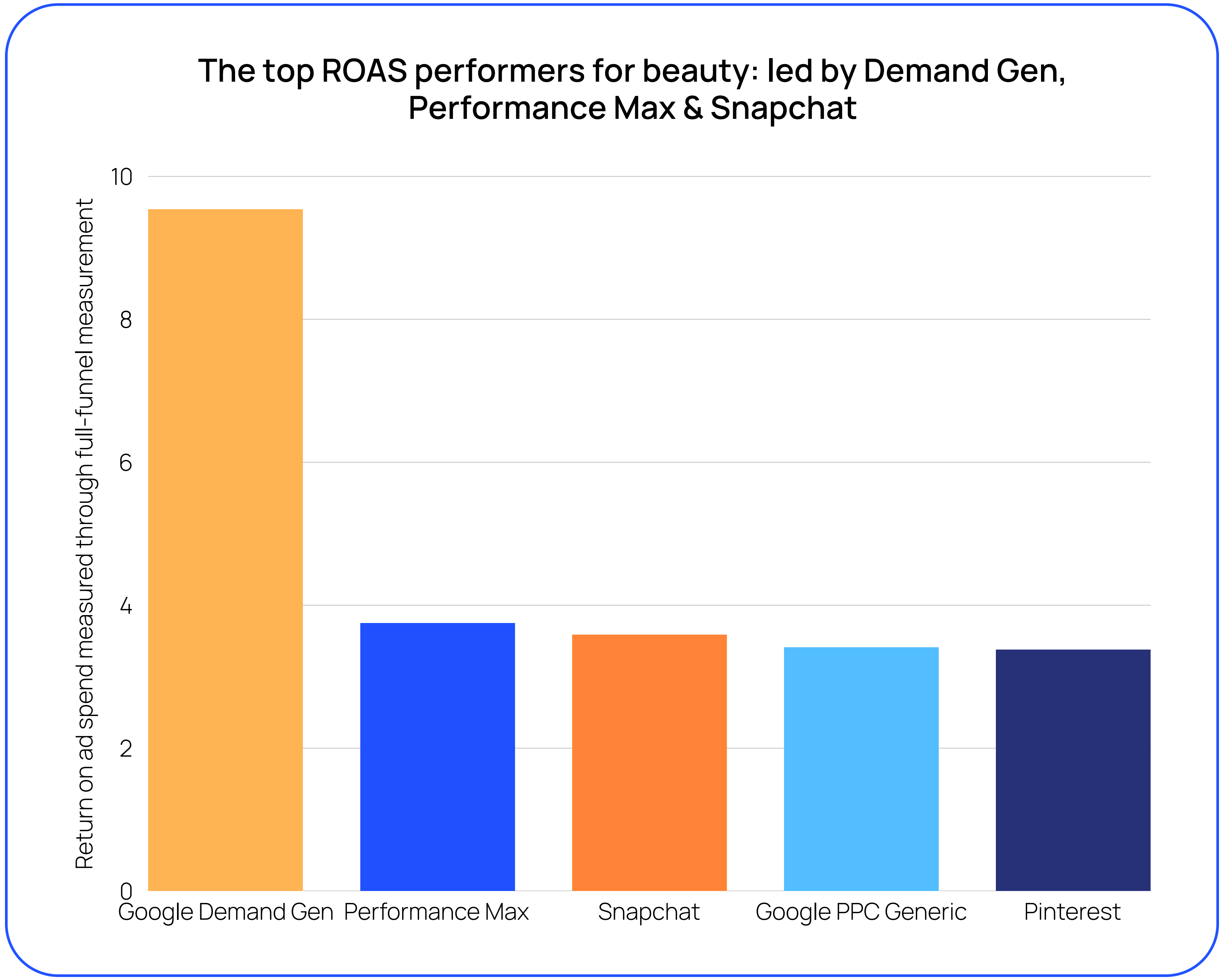
Although still a small part of beauty brands' media mix, Google Demand Gen delivers exceptional returns, **nearly 10x on average.** This suggests that when beauty brands do test into Demand Gen, the format's visual, intent-rich placements resonate strongly with their audience.

Performance Max is the winner across major channels (>5% of spend)

Performance Max's ability to optimize across Google's full ecosystem - from Shopping to YouTube - helps deliver consistent returns even at high budget levels.

Key takeaway

Together, these two platforms highlight the value of Google's full-funnel ecosystem for beauty brands: Demand Gen for testing and efficient reach, and Performance Max for scaled, automated performance.



Snapchat has the highest growth potential remaining for beauty brands

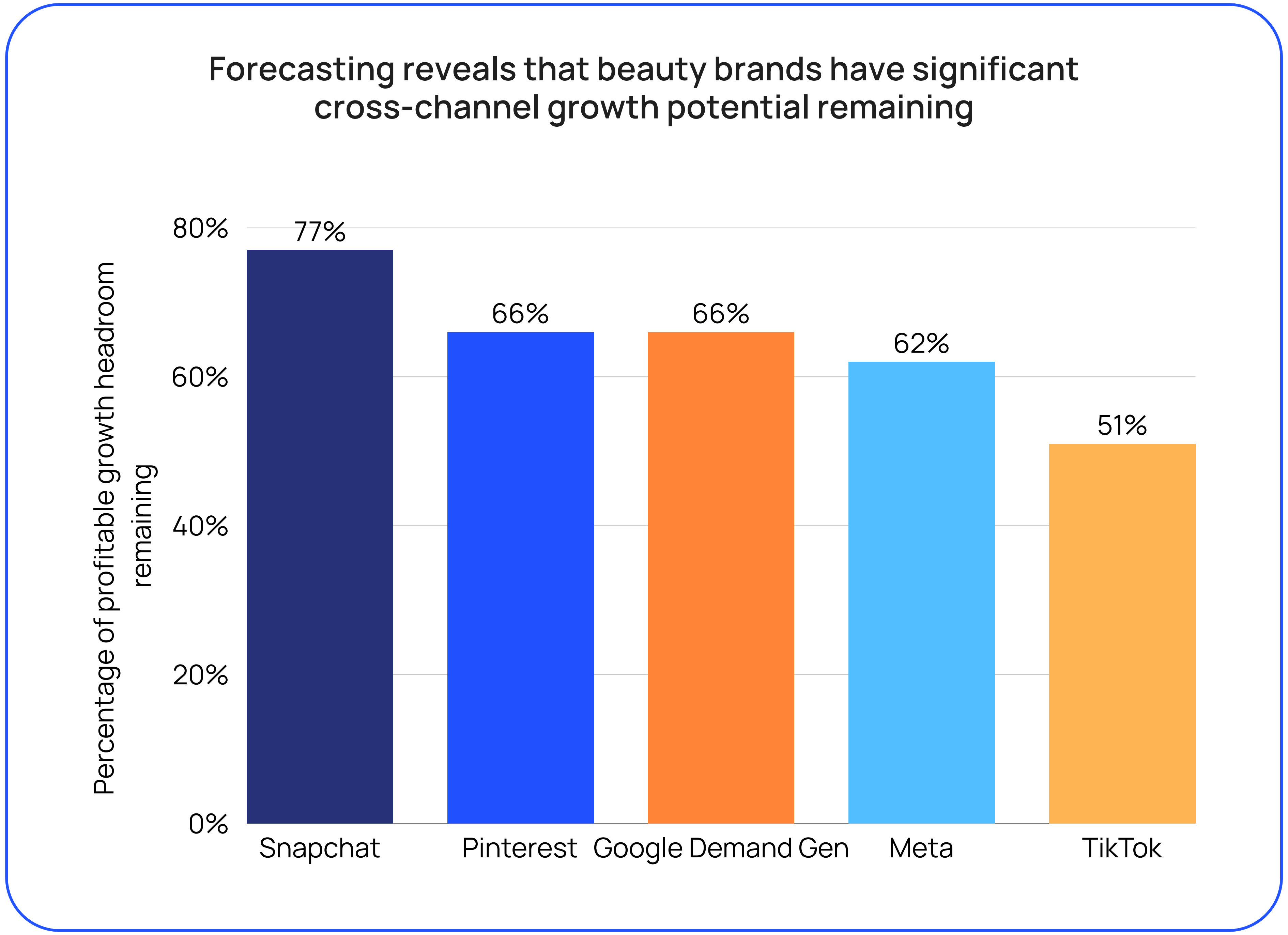
A recurring concern amongst beauty brands is whether scaling their budgets leads to diminishing returns. Incremental forecasting tackles this directly by showing where profitable headroom remains, so brands can scale with confidence.

Fospha's incremental forecasting tool, **Beam**, reveals how much room each channel has left to scale profitably. By running forward-looking simulations, Beam pinpoints which campaigns show the most promise, and where your next profitable dollar should go.

At an average **60% growth potential remaining** across channels, it's clear the potential in beauty is far from realized. The growth potential of these channels will be even higher when the impact of their ads on Amazon and TikTok Shop sales is factored into our ROAS calculation - more on this in the next section.

Key takeaway

Current budgets aren't yet maxing out potential, with an avg. 60% profitable headroom remaining across channels.



What's holding beauty brands back from scaling?

Across hundreds of conversations with beauty brands, we've synthesized the recurring barriers making scaling sustainable growth harder than it should be - with recommendations on how to overcome these challenges.

1) Proving upper-funnel impact while still hitting revenue targets

Many teams want to invest higher in awareness, but struggle to show how brand activity converts into sales.

Recommended: use full-funnel measurement to quantify true impact, forecast growth potential, act on those insights, and track results through blended metrics to earn Finance's confidence.

2) Measurement blind spots push budget to the wrong places

Through Last Click or channel-silo KPIs, full-funnel channels appear to be under-performing. This can slow scale or trigger cuts.

Recommended: use a measurement system that captures the value of both clicks + impressions across all channels.

3) Fragmented reporting slows decisions and drains time

Manual, siloed team reporting creates multiple "sources of truth," consolidation bottlenecks, and slow reactions to change.

Recommended: standardise KPIs, automate weekly roll-ups, and centralize dashboards so all teams work from the same dataset and definitions.

4) Keeping the brand relevant with younger consumers

Pressure to evolve positioning and creative to reach younger audiences while maintaining core revenue.

Recommended: build always-on creative testing, lean into creator-led formats and native commerce surfaces, and track brand/search lift with sales to judge progress.

The beauty industry's bottom-of-funnel trap

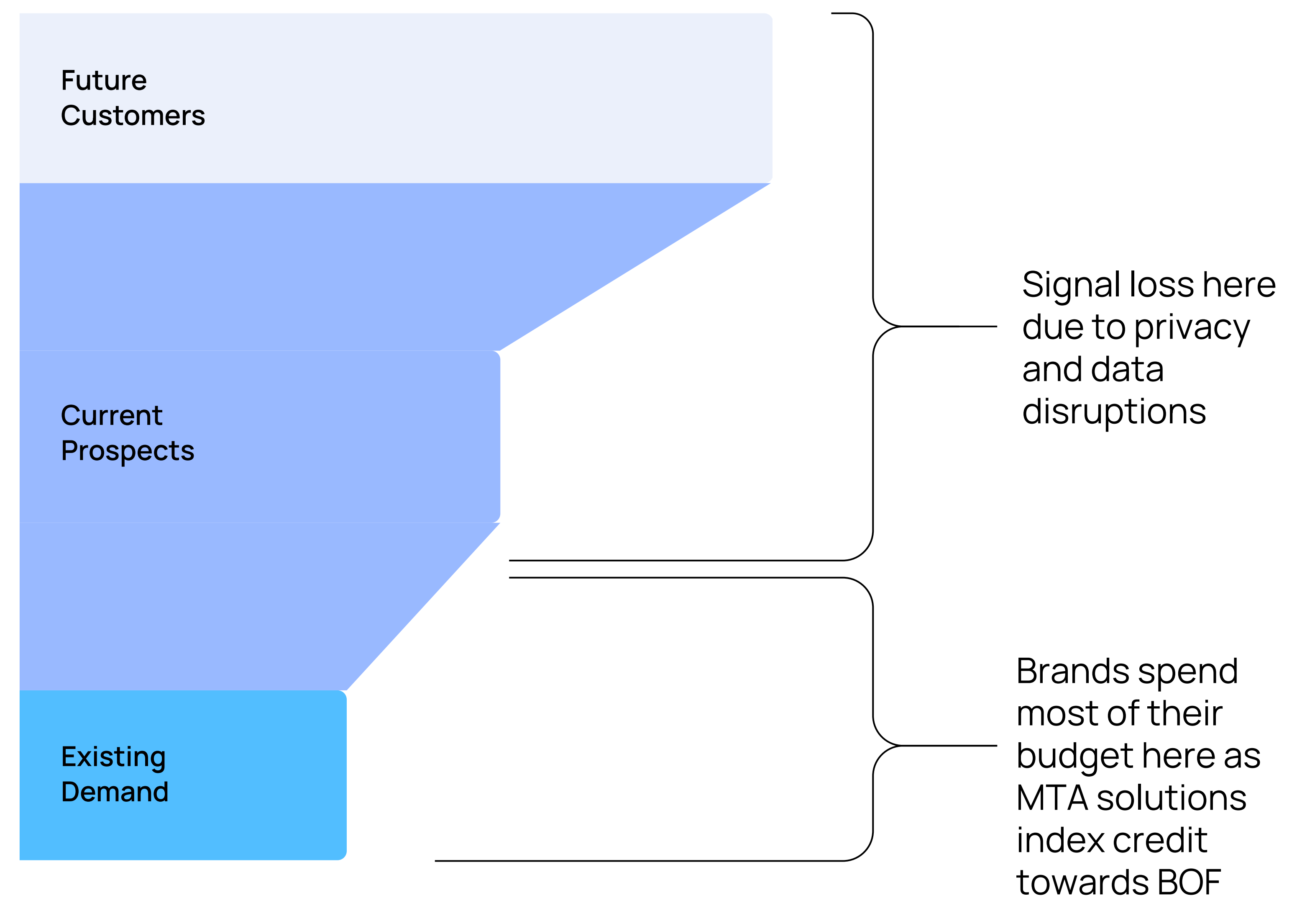
More than ever, brands face the challenge of balancing short-term demand capture with long-term demand generation. While most brands agree that a healthy channel and funnel mix is important, in reality, many beauty brands still skew heavily toward lower-funnel activity.

What causes this imbalance?

At its core it is a measurement problem. Last Click undervalues demand generation activities. MTA indexes towards the bottom-of-funnel due to signal loss in customer journeys.

The impact

Beauty marketers lack visibility into the true impact of impressions-led channels like Paid Social, and higher-funnel campaigns like Awareness and Consideration - all drivers of long-term brand equity. They become overly dependent on short-term conversion campaigns that deliver immediate results but fail to grow new demand. Over time, this approach drives up CAC, erodes profitability, and caps long-term growth - a critical risk in beauty, where competition is high and margins are tight. This creates what Fospha calls the **"bottom-of-funnel trap."**



Why beauty brands risk undervaluing their strongest growth channels

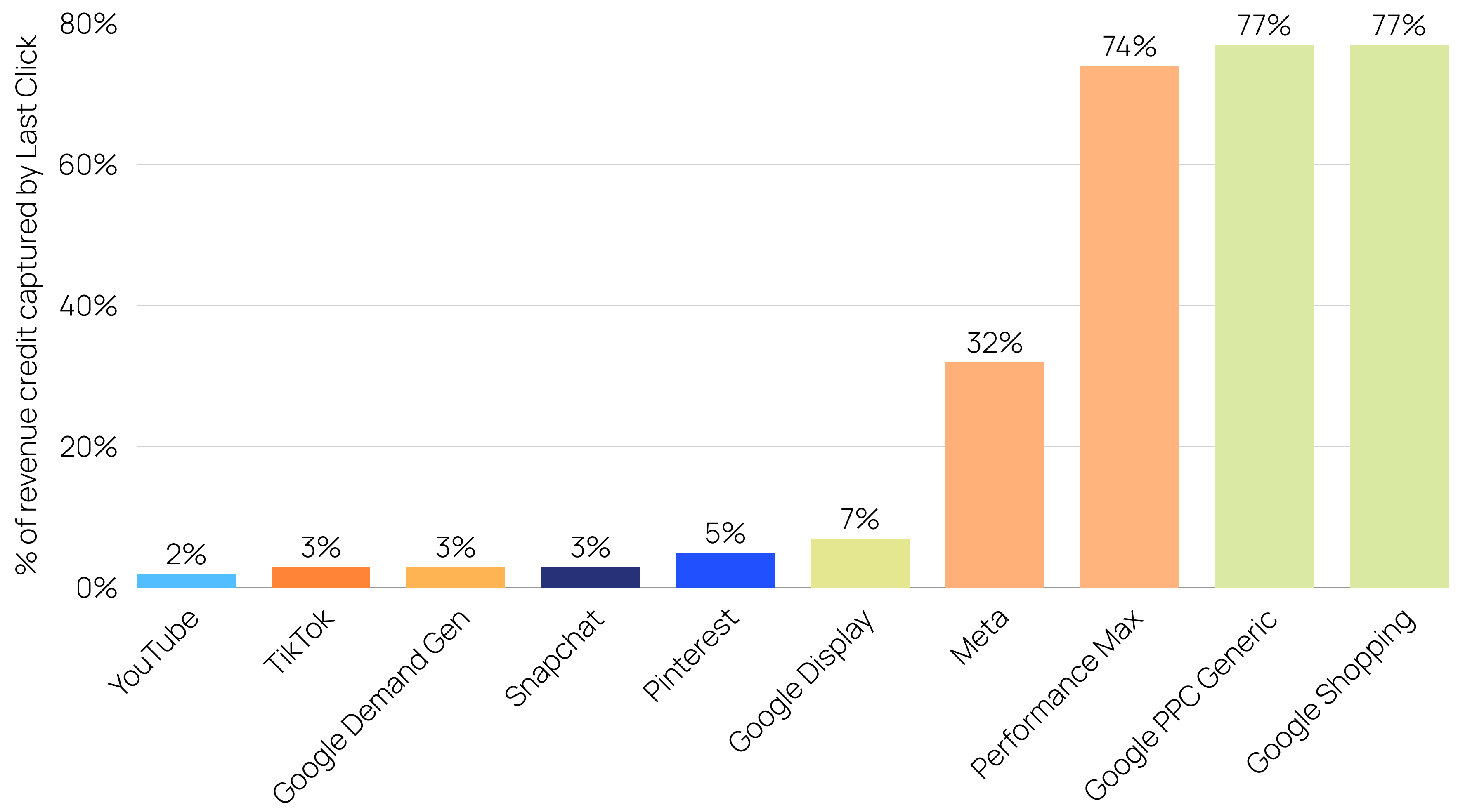
Looking at the data, we see in action how beauty brands can fall victim to this 'bottom-of-funnel trap'. Through a Last Click view, strong discovery **channels like YouTube are undervalued by 98%** - channels that build demand through impressions views, and creator content long before a sale happens. **Meta**, a channel that comprises 52% of the average beauty wallet, sees **only 32% of its value** captured by Last Click.

Faced with this view, beauty brands would naturally index spend towards the bottom-of-funnel, believing full-funnel channels like Demand Gen or Pinterest are barely driving revenue. At best, this means missed revenue opportunities. At worst, it can limit brand momentum and sustainable growth.

Key takeaway

Many beauty brands lean heavily on short-term performance as Last Click undervalues higher-funnel impact, creating a cycle that limits long-term growth.

Last Click only captures 13% of beauty's cross-channel revenue credit, with YouTube the most impacted



How full-funnel are beauty brands?

Beauty brands show a appreciation for the value of upper-funnel activity. On average, 16% of Paid Social budgets are devoted to brand-building and traffic-driving activity.

This indicates that beauty advertisers recognize the importance of impressions-led platforms in driving discovery and future demand. The above-average investment in TikTok and Snapchat further reinforces this.

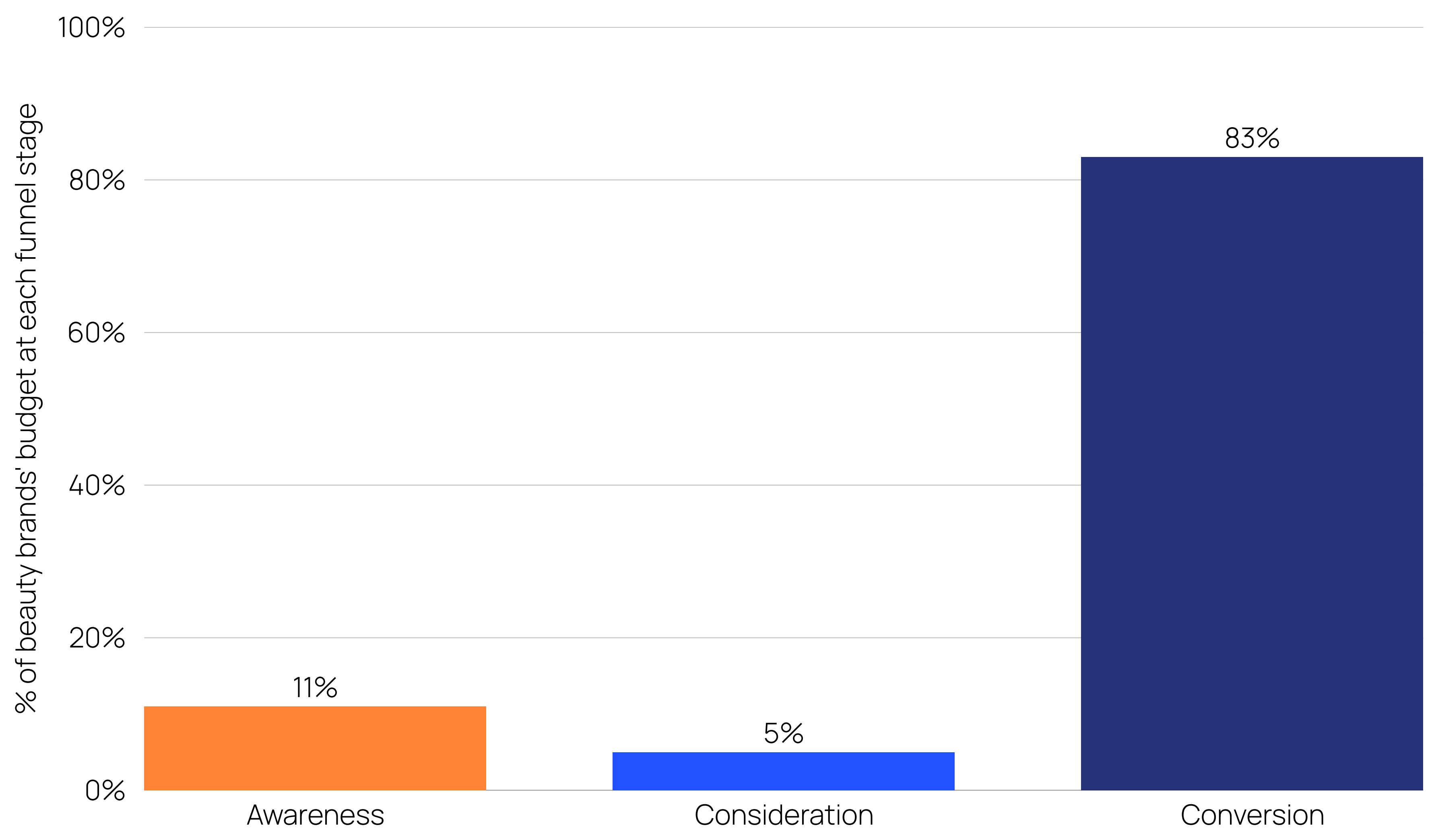
That said, there's still plenty of room for growth. The 16% figure reflects paid social only - and would fall further when accounting for spend across all channels, where lower-funnel activity dominates.

As measurement evolves, beauty brands have the opportunity to lean further into upper-funnel investment to sustain future demand and strengthen full-funnel efficiency.

Key takeaway

Beauty brands clearly recognise the value of brand-building, but there's still room to expand upper-funnel investment.

Beauty brands spend 16% of Paid Social budget on average in brand-building activity



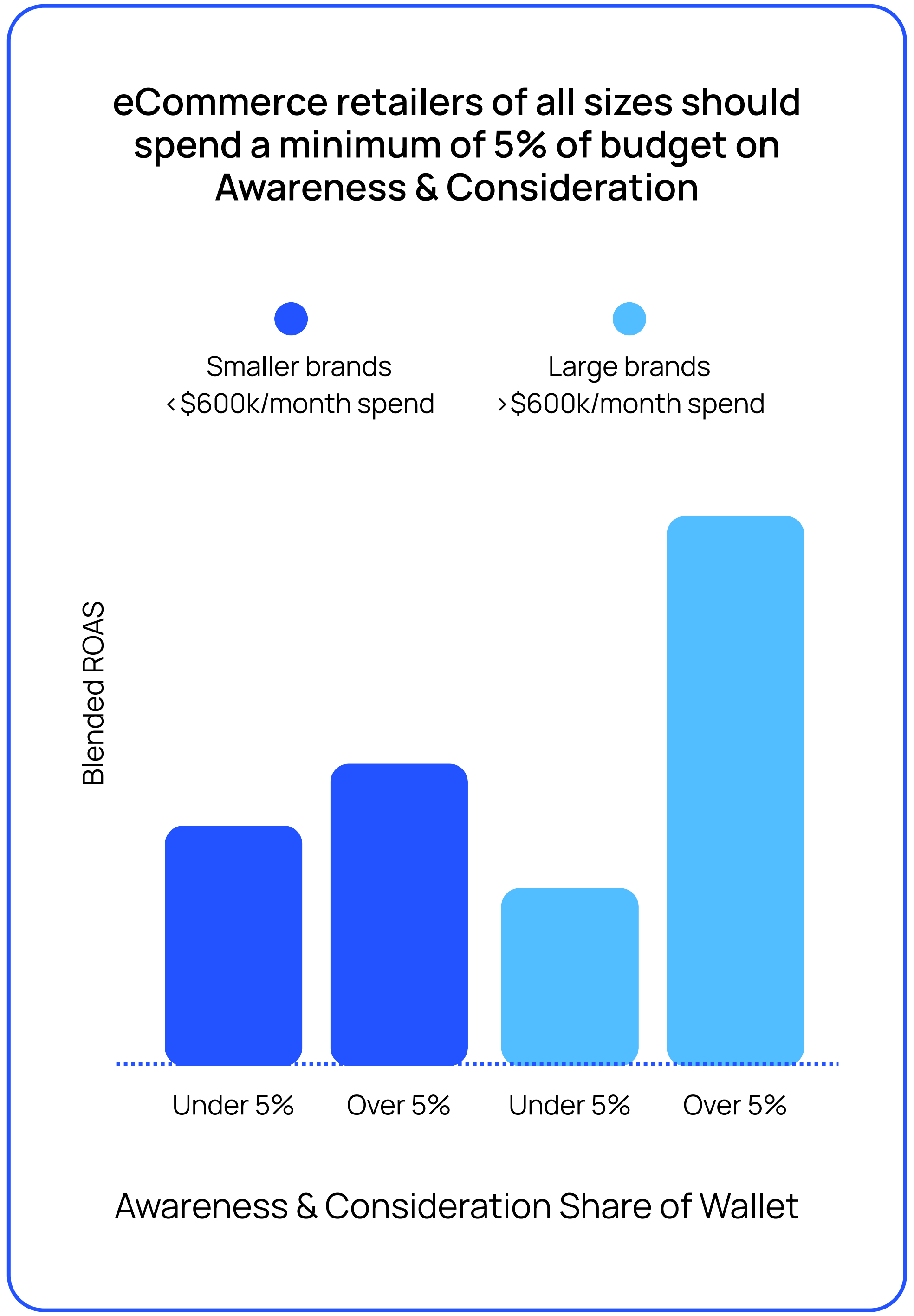
How beauty brands can use upper-funnel investment to drive stronger performance

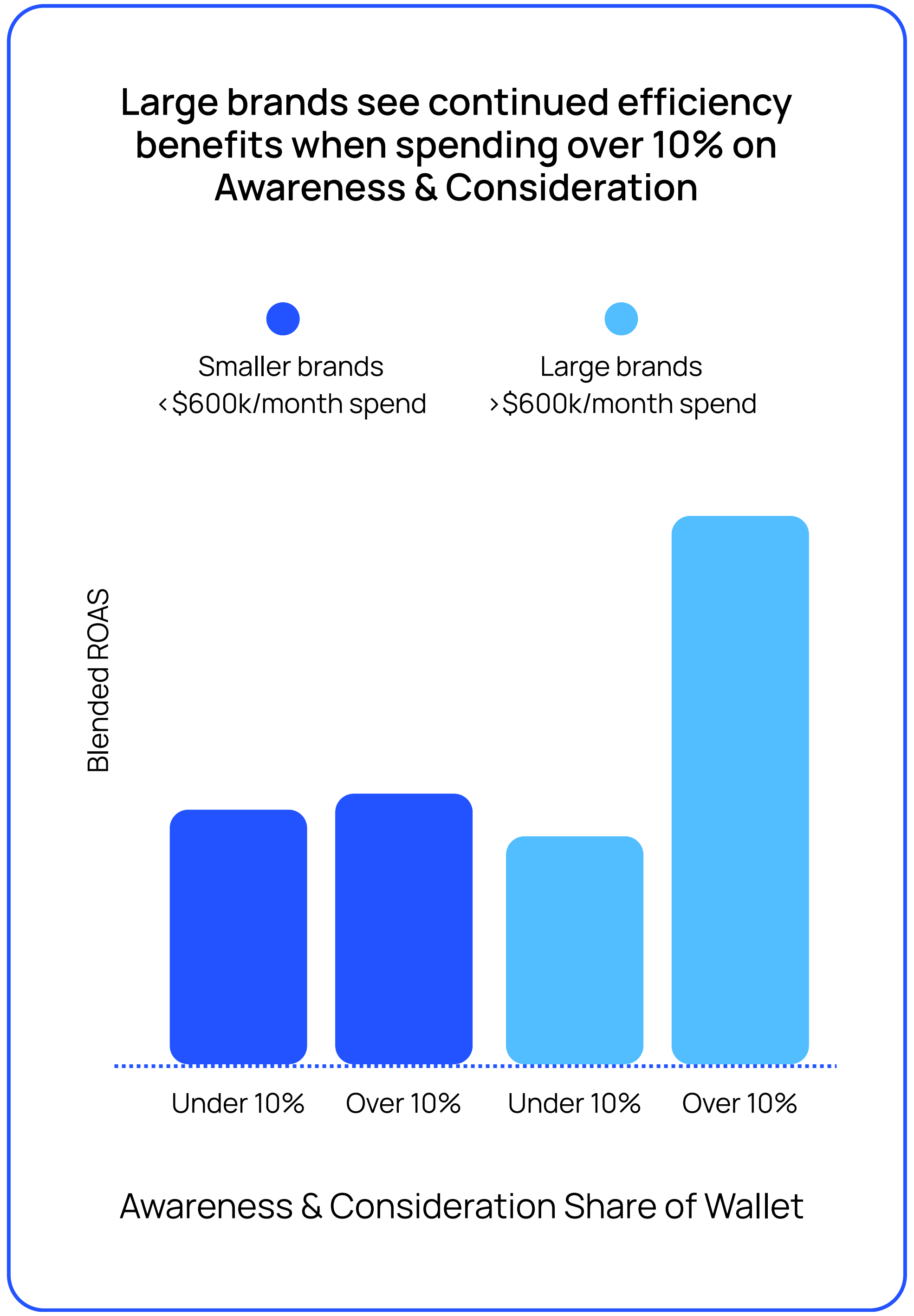
Brands spending full funnel attain up to 218% better MER

Within Paid Social, Fospha's data suggests that investing in upper funnel strategies like Awareness and Consideration contributes to a strong boost in MER (blended ROAS).

- Small brands (<$600K per month) see a **22% boost in ROAS** when spending more than 5% on Awareness & Consideration.
- Large brands (>$600K per month) experience even greater benefits, with **218% higher ROAS** when surpassing this 5% threshold.
- For large brands, the advantages continue at higher investment levels. Those dedicating over 10% of their total digital budget to these campaigns report **110% higher ROAS** than those spending under this threshold.

Brand investment powers performance. Building awareness early (e.g. through creators and video) is what allows you to capture more demand during high-intent retail moments.





The optimal number of marketing channels is 11+

Diversification is a hot topic in eCommerce. While the following analysis covers all industries, it highlights a clear trend that's particularly relevant for beauty: brands investing across a broader mix of channels consistently drive stronger returns.

To test this, Fospha assessed performance across three groups:

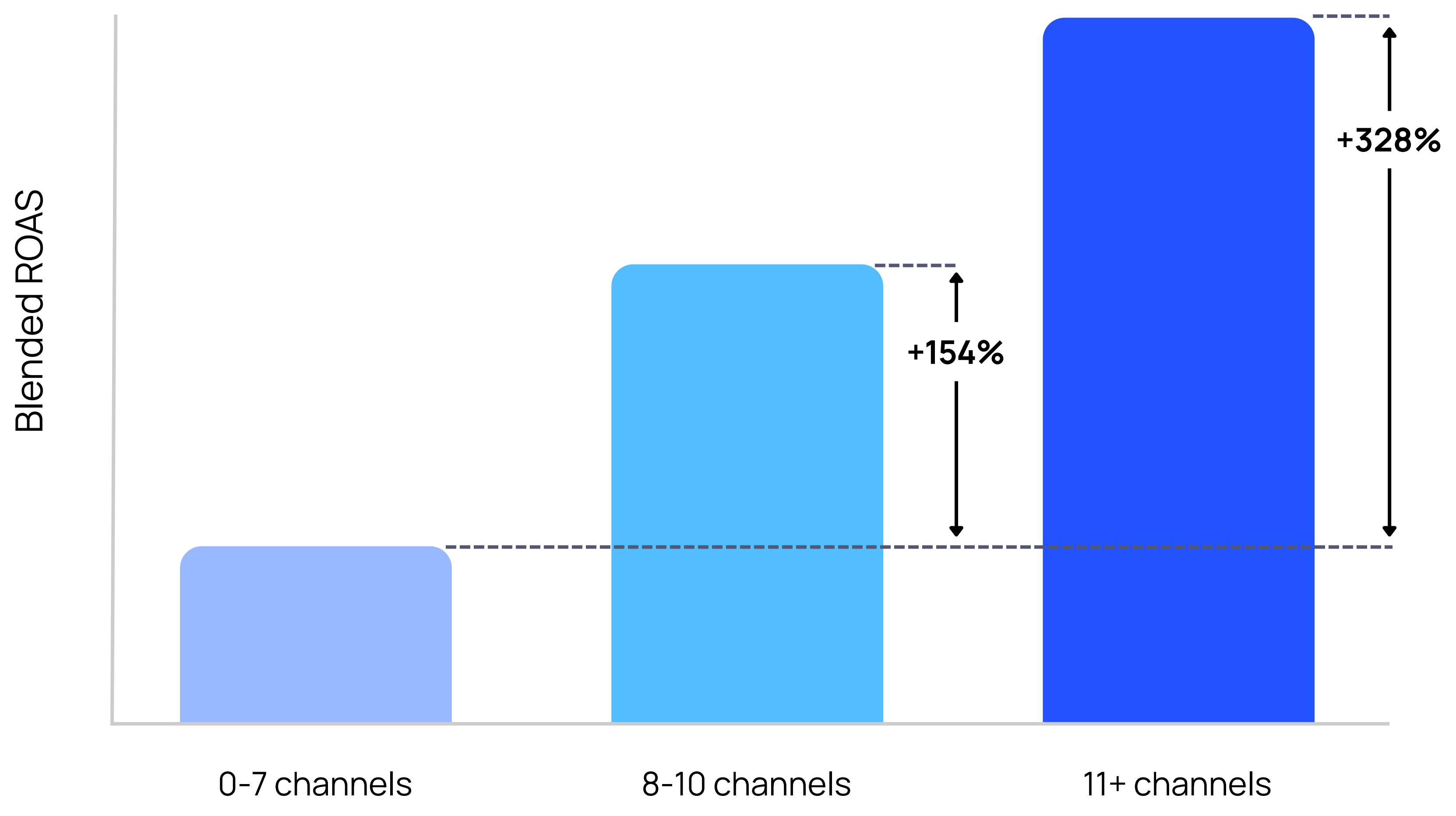
- **0–7 channels**
- **8–10 channels**
- **11+ channels**

These were the results:

- Brands spending in **8-10 channels achieve 154% higher blended ROAS** than those spending in 0-7.
- Brands spending in **11+ channels achieve 328% higher blended ROAS** than those spending in 0-7.

By diversifying across multiple platforms, beauty brands can secure higher ROAS by broadening audience reach, while mitigating the diminishing returns of over-saturated channels.

Brands diversifying spend across more channels yield higher blended ROAS



11+

channels in your marketing mix generates the highest ROAS

Beauty on Amazon

Beauty brands setting the pace for multi-marketplace retail

From department stores to duty-free, beauty has never been bound to a single shelf. That comfort with diverse retail environments has made beauty brands natural pioneers in today's fragmented, fast-moving commerce landscape.

Online sales in the beauty industry accounted for 26% of global beauty retail in 2024, and are forecast to rise to over 30% by 2030 (McKinsey). But that growth is spreading across more platforms than ever - far beyond DTC sites.

Beauty brands like Charlotte Tilbury are increasingly expanding across marketplaces like Amazon, specialist beauty retailers, drugstore and department store websites, and increasingly, social commerce. TikTok Shop alone sees one beauty product sold every two seconds (Vogue Business).

With multi-marketplace selling in their DNA, beauty brands are leading the way - setting the standard for how modern retail evolves. But as the number of channels grows, so does the complexity. In such a fragmented landscape, how can brands truly understand the impact of their omnichannel marketing strategies?

3X

rise in TikTok Shop sales for beauty brands year-over-year (Fospha).

30%

of beauty sales forecast to be online by 2030 (McKinsey)

Key takeaway

With multi-marketplace in their DNA, beauty brands are leading the charge in 2026 as ecommerce diversifies far beyond DTC.

Click-based measurement is no longer sufficient

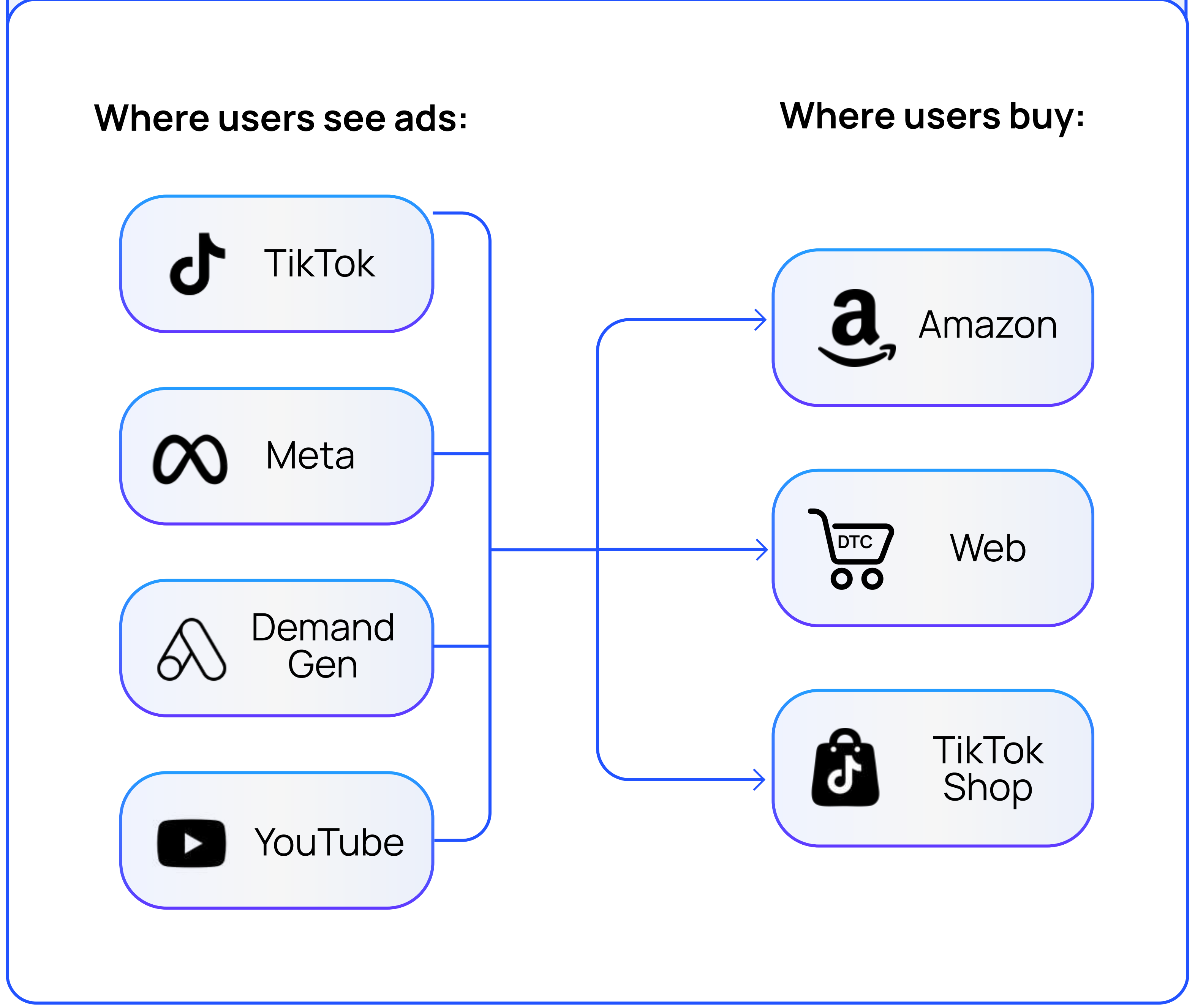
Discovery and conversion are becoming decoupled - a TikTok video of a viral mascara might trigger an Amazon sale, or an Instagram ad of an influencer using a new product may influence a branded search. This means that traditional attempts to track individual customer journeys are falling short.

Deterministic tracking is becoming less reliable for connecting customer behaviour across platforms due to privacy restrictions and data silos.

Instead of just relying on user-level tracking, brands are turning to probabilistic, causal models - like modern MMMs - that estimate how different channels contribute to business outcomes collectively.

This approach quantifies incremental impact, models cross-channel interactions, and reveals halo effects - helping brands measure growth across today's fragmented, beyond DTC ecosystem.

The eCommerce journey for beauty brands has become increasingly fragmented with the rise of marketplaces and sales channels. There exists many potential paths that can lead to a purchase:

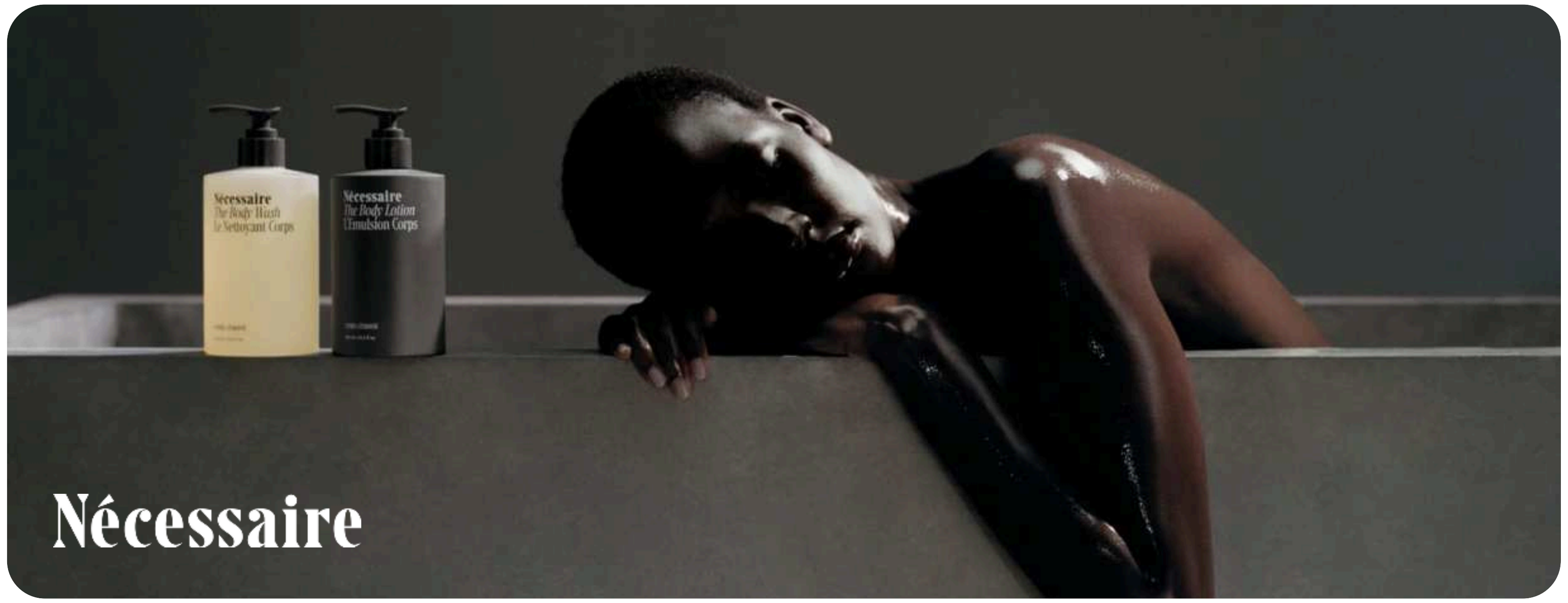


Amazon: the hidden giant in beauty marketing performance

Amazon is a powerhouse in beauty retail, capturing 28% of all online beauty spend (McKinsey). That's nearly double the share of both DTC websites and specialist beauty retailers (15% each), with social and live commerce accounting for 11% and rapidly growing.

While Amazon drives immense sales volume, it complicates measurement. Beauty shoppers often discover brands on Paid Social but convert through Amazon — activity that standard tracking struggles to connect.

Fospha's modeling shows that up to 42% of Amazon sales are influenced by off-Amazon media. By combining DTC and Amazon data into one Unified Metrics framework, brands uncover a more complete picture of marketing performance - revealing a 37% uplift in ROAS once Amazon sales are factored in.



37%

Paid media ROAS uplift with Amazon sales included (Fospha data)

42%

of Amazon sales are influenced by non-Amazon media (Fospha data)

Cracking the Amazon code with unified metrics

Including Amazon sales reveals significant a ROAS uplift on channels like Demand Gen, YouTube, TikTok, and Snapchat - an average of 37%.

That's because many high-performing campaigns drive off-site sales - influencing Amazon purchases even without a DTC conversion.

Relying only on DTC or click-based data undervalues real revenue drivers and risks cutting effective upper-funnel campaigns.

Unified ROAS captures conversions across all marketplaces, showing the true ROI of your media - not just what's attributed in-platform or via GA4.

Key takeaway

Only measuring the drivers of your DTC sales creates a blind-spot. Factoring in Amazon lifts ROAS by 37%.

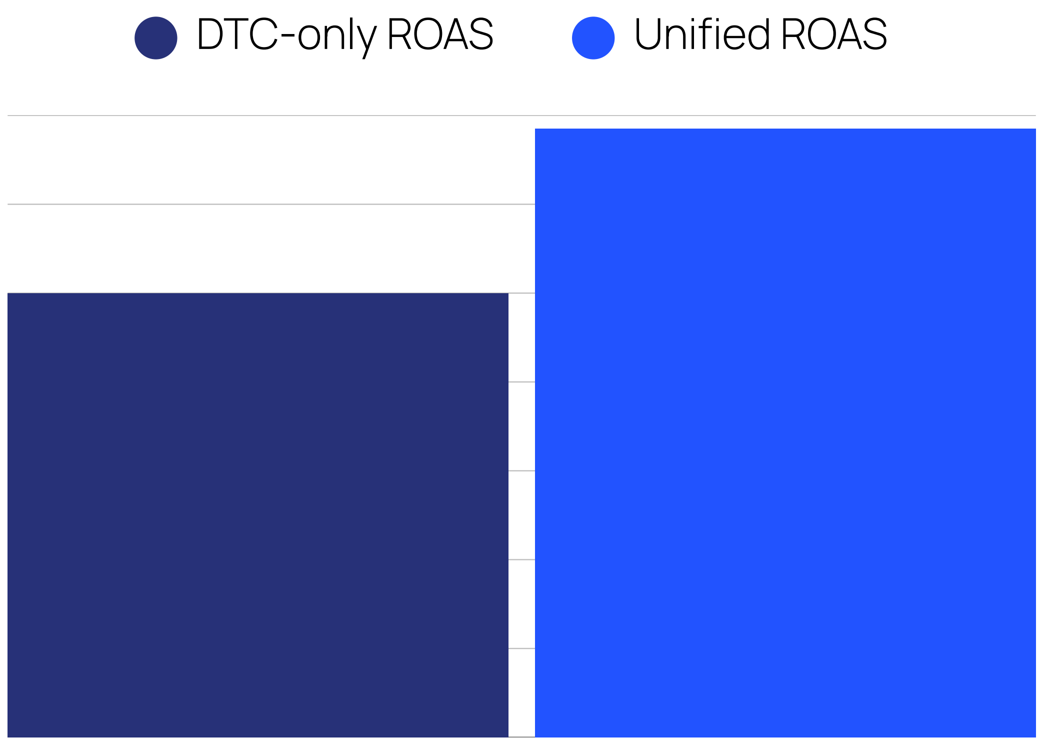
Demand Gen's ROAS change when including Amazon sales: **46%**

YouTube's ROAS change when including Amazon sales: **39%**

TikTok's ROAS change when including Amazon sales: **33%**

Snapchat's ROAS change when including Amazon sales: **32%**

Factoring in Amazon sales increases cross-channel ROAS by 37% on average



Average cross-channel ROAS*

***includes TikTok, Meta, Snapchat, Demand Gen & YouTube**

Nécessaire optimized to uROAS and beat benchmark brands by 47% during Prime Day

Nécessaire is a premium body care brand known for its clean, effective formulas and minimalist aesthetic. As the brand scaled, Amazon quickly became its top sales channel—surpassing even its own website.

To optimize holistically, the team adopted uROAS using Fospha's Halo, aligning measurement across both Amazon and DTC. This shift proved critical during a highly competitive peak period.

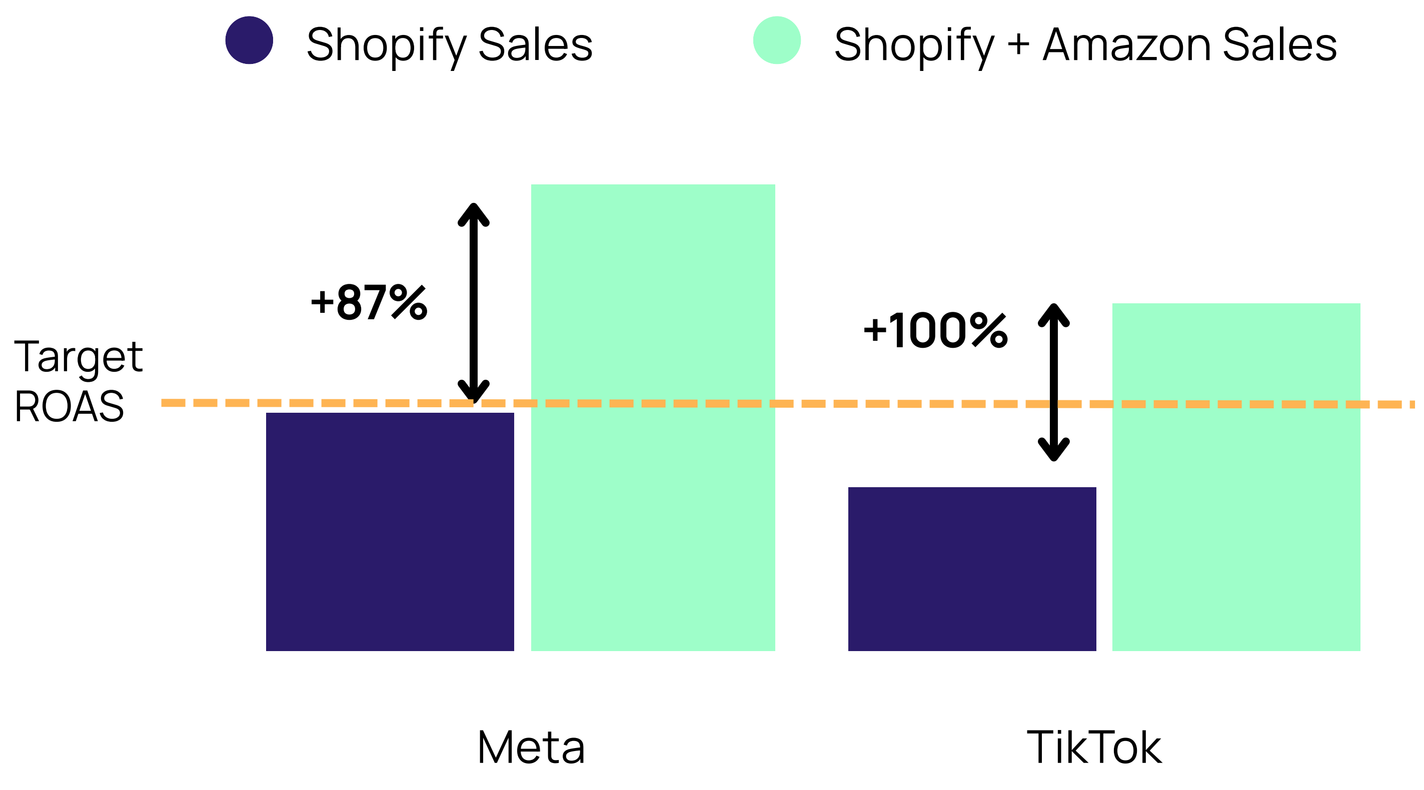
While they knew that TikTok and Meta played a role in generating Amazon conversions, they lacked the data to substantiate their impact.

By partnering with Fospha, Nécessaire gained visibility into the full impact of Paid Social across all channels.

The results were striking:

- TikTok's uROAS was **2x higher** than site-only measurement
- Meta's ROAS jumped **87%** when including Amazon revenue
- Unified measurement gave Nécessaire the clarity to scale what truly works

Halo revealed Necessaire's TikTok and Meta ads delivered far higher ROAS than previously measurable



How Nécessaire harnessed Halo for Prime Day success

As Amazon Prime Day approached, Nécessaire used Halo data to inform their strategy.

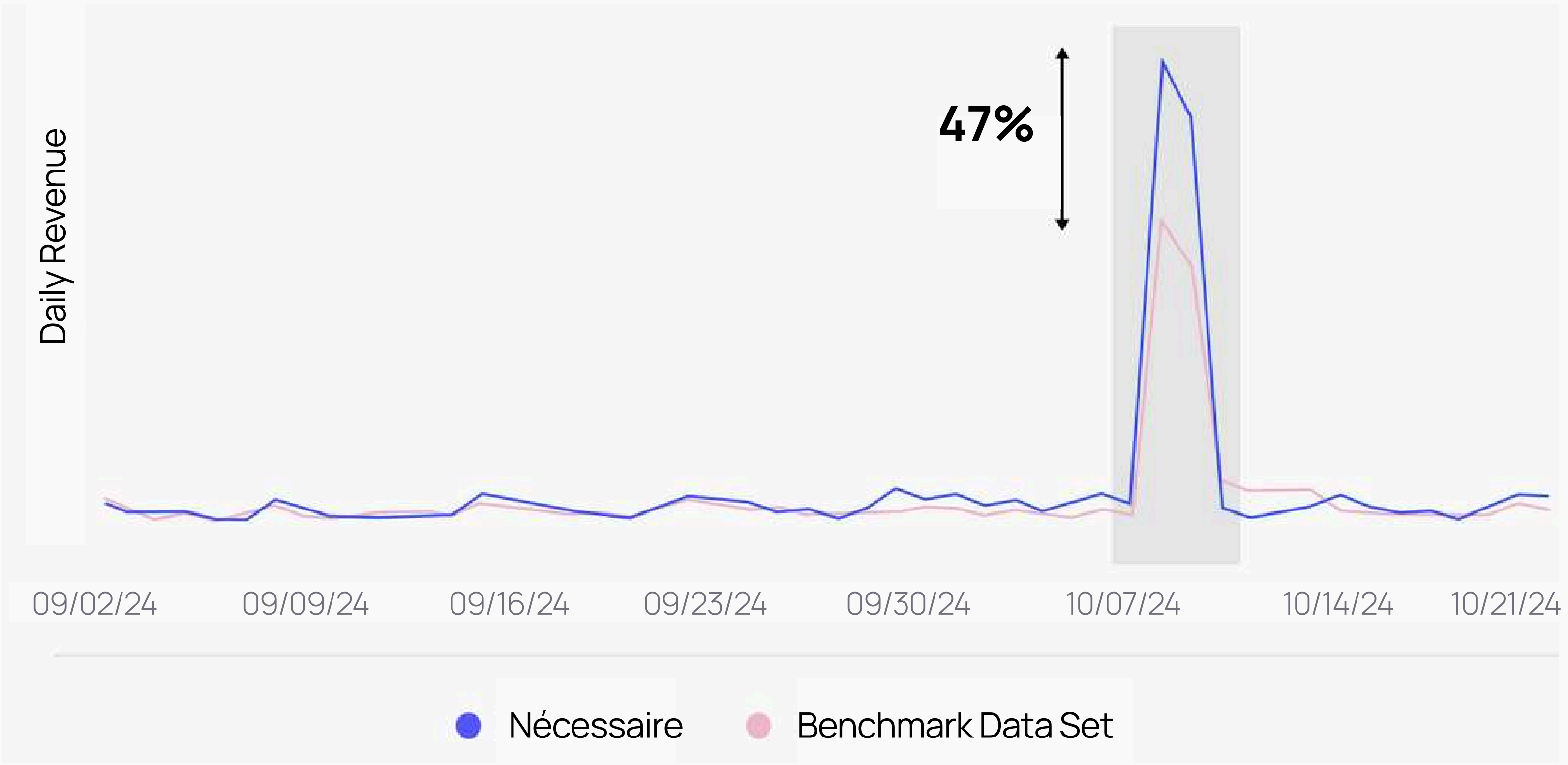
Finally able to prove the true value of TikTok and Meta, Nécessaire maintained a full-funnel approach in the lead up to Prime Day, investing in upper-funnel channels to generate demand for Amazon to capture.

The strategy proved highly successful:

47% higher Prime Day revenue than benchmarking data

65% of Amazon Prime Day conversions were organic (without influence of PPC Ads), reflecting successful demand generation in upper-funnel channels

Nécessaire's Prime Day revenue outperformed benchmarking data by 47%



Beauty on TikTok Shop

Beauty's boom on TikTok Shop

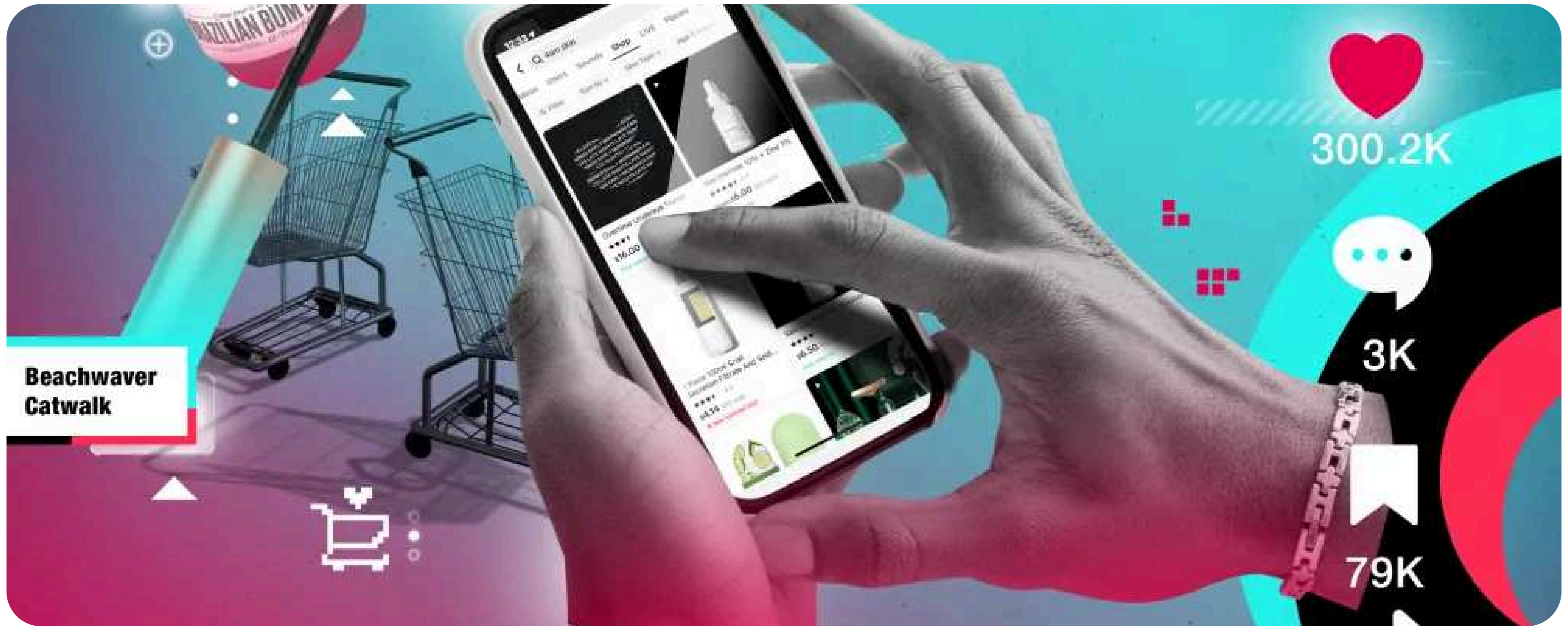
Since its US debut, TikTok Shop has become a powerhouse for beauty, now ranking as the eighth-largest beauty retailer, just behind Ulta (Nielsen IQ). And it's not just growing - it's dominating the marketplace with a staggering **79.3%** of TikTok Shop US sales coming from health and beauty products (Capital One Shopping).

So why has beauty taken off on TikTok Shop? Beauty is uniquely suited to the platform:

- It's highly visual, perfect for short-form video
- Influencers drive trust and virality
- Tutorials and unboxings fuel immediate interest
- Low price points and frequent replenishment make conversion frictionless
- Search behaviour is accelerating on TikTok, with beauty shoppers increasingly using TikTok Search to find products, reviews, and routines

TikTok has blurred the lines between entertainment and commerce, and beauty brands have been leaders on capitalizing on this combination.

But as TikTok Shop explodes, so does measurement complexity.



8th

largest US beauty retailer (Nielsen IQ)

Key takeaway

If you're a beauty brand investing in TikTok, you can't afford to measure it in isolation. Understanding TikTok's cross-channel impact—across TikTok Shop, Amazon, and your own website — is essential to capturing its full value.

TikTok Shop ads have halo effects on Amazon sales

Our data indicates that your TikTok Shop ads (now GMV Max) are driving indirect sales on Amazon. Fospha's live Halo product measures the Halo impact of TikTok Shop ads on Amazon sales, by connecting TikTok Shop order data and impression-level ad signals into Fospha's daily MMM. We've discovered that TikTok Shop's ROAS is 20% higher when Amazon sales are included - we call this 'Unified ROAS'.

Why this matters

This means customers are not just using TikTok Shop to buy – they're also using it as a discovery channel. A shopper may see a product in a TikTok Shop ad, explore reviews and creator content within the app, but ultimately choose to complete their purchase on Amazon or another marketplace. In this way, TikTok Shop plays a dual role: capturing sales directly in-platform while also stimulating demand that converts elsewhere. There is a clear need to measure TikTok Shop holistically rather than only attributing value to in-app transactions.

Key takeaway

TikTok Shop ads drive more than just in-app sales, they also influence purchases on Amazon, proving the need to measure the full impact across channels.

TikTok Shop's Unified ROAS is 20% higher when impact on Amazon sales is measured

Give Me Cosmetics: revealing TikTok Shop's complete halo effects

Give Me Cosmetics, a growing beauty brand, sells its products on multiple surfaces, including DTC, Amazon and TikTok Shop.

With TikTok Ads Manager and TikTok Shop analytics

Previously, Give Me Cosmetics relied on TikTok Ads Manager and TikTok Shop analytics - but these tools couldn't track how TikTok Shop ads (now GMV Max) influenced sales that occurred outside of the TikTok ecosystem (e.g., on their website). This meant a major piece of the puzzle was missing: the halo effect of TikTok on other sales channels.

With full-funnel measurement

Fospha's TikTok Shop Integration gave them the full picture and revealed that TikTok Shop was driving **29% higher ROAS** than was previously measurable.

Results

Give Me Cosmetics scaled baseline daily TikTok Shop ad spend by 73% and saw strong results, including **+13% increase in blended average daily ROAS.**

13%

increase in blended average daily ROAS after scaling TikTok Shop spend

73%

increase in daily TikTok spend

TikTok Shop: adoption by industry giants

TikTok Shop's rise began with small businesses. The platform became synonymous with SMB success stories and community-led discovery. But by 2025–2026, that perception is changing fast. TikTok Shop is now also a major channel for industry giants:

1

Tarte Cosmetics was TikTok Shop's top beauty performer in 2025, generating $4.9 million in TikTok Shop sales in May alone (WWD).

2

Maybelline's Sky High Mascara became a cross-platform phenomenon, with TikTok Shop and Amazon sell-outs powered by creator content (GCI Magazine).

3

e.l.f. Cosmetics became the first major US brand to host a TikTok Shop Super Brand Day in 2024, using live shopping and influencer collaborations to launch new SKUs (Glossy).

4

L'Oréal Paris drove $1 million in a week during the UK's debut Super Brand Day (Cosmetics Business).

$1m

in sales driven by L'Oréal Paris' TikTok Shop debut (WWD, 2024)

Key takeaway

TikTok Shop's beauty presence has matured from niche indie finds to major brand initiatives. Social commerce is now a mainstream strategy in beauty.

The value of TikTok Shop and GMV Max

What is TikTok Shop?

TikTok Shop allows brands, sellers, and creators to showcase and sell products directly on TikTok. It's fully integrated into the TikTok app - shoppers can discover products, view details, and complete purchases while never having to leave the app. This full-funnel commerce system means brands can capture the entire customer journey on TikTok without redirecting to external sites.

As of July 2025, GMV Max is now the default (and only supported) campaign type for TikTok Shop ads.

What is GMV Max?

GMV Max is TikTok's new automated advertising solution designed specifically for TikTok Shop. In TikTok Ads Manager and Seller Center, GMV Max appears as an ad campaign type that optimizes for total channel ROI from your TikTok Shop sales.

Rather than optimizing just for ad click-throughs or individual conversions, a GMV Max campaign uses TikTok's AI to maximize your Gross Merchandise Value (GMV) – essentially total sales revenue – by holistically leveraging TikTok Shop's ecosystem (paid ads and organic content).

Why it matters

GMV Max helps brands scale faster with less effort. It automates campaign setup and management by testing and learning what works and what doesn't - without you needing to manually lead the charge.

Types of GMV Max campaigns

There are two types of GMV Max campaigns:

1. **Product GMV Max:** Choose the products, creative assets and placement options that are most likely to encourage people to buy your products.
2. **LIVE GMV Max:** Optimize liveroom traffic to get the highest gross revenue for your LIVE event.

You should use Product GMV Max campaigns to promote your product catalog via ads, and use LIVE GMV Max when you want to drive maximum total sales value during a livestream shopping.

GMV Max best practices (1/2)

TikTok Shop ads have now been rolled into GMV Max - so beauty brands must know how to optimize them to drive the best results. This guide shows you to the end-to-end process, from account set-up to creative strategy and monitoring.

1

Account & campaign configuration

Make sure your primary account is linked: Only the primary ad account linked in your TikTok Seller Center can run GMV Max campaigns. If this changes, all active campaigns pause automatically.

Avoid campaign duplication: Once you launch Product or Live GMV Max campaigns, all existing Shop Ads for the same products will be paused.

2

Budgeting & forecasting

Start with Max delivery for learning: For new Shops or products, enable Max Delivery mode for the first 3–5 days. This helps the algorithm accumulate performance data. Set a minimum daily budget of at least 10× Average Order Value.

Use Target ROI for scaling: Once initial performance data is gathered, use Target ROI mode to boost stability and efficiency.

Adjust selectively: If spending is slow, consider lowering your target ROI. If spending is too fast, increase your budget or ROI, but avoid changing ROI more than once per day.

GMV Max best practices (2/2)

3

Creative & content strategy

Let TikTok auto-select creatives: Product GMV Max leverages your existing product videos, affiliate content, and approved organic content to create and rotate ad creatives automatically.

Label commercial content properly: Use TikTok's "commercial content" disclosure setting for all relevant organic or affiliate videos. In regions like the EU and UK, TikTok auto-labels them if included in a GMV Max campaign.

4

Optimization & monitoring

- Monitor spending and adjust budget: If your campaign is overspending, scale your budget gradually (e.g., a 30% daily increase) not all at once.
- **Track key metrics:** Keep an eye on GMV, ROI, ad spend, and orders daily to inform adjustments.

How Laura Geller Beauty grew blended revenue with TikTok Shop and GMV Max

Laura Geller Beauty is part of AS Beauty Group, an enterprise portfolio of female-founded beauty brands based in New York. In 2025, the brand onboarded with Fospha to strengthen measurement across emerging platforms, with a particular focus on TikTok Shop and GMV Max.

With legacy measurement

The team couldn't see the true contribution of TikTok Shop (GMV Max) within their wider mix of DTC, Amazon, and Paid Social, making it hard to scale spend confidently.

With full-funnel measurement

Fospha's GMV Max and forecasting tools provided a consistent, cross-channel view - showing where TikTok Shop was driving incremental revenue and how much profitable headroom remained.

Results

- **+10% total revenue uplift in 30 days** from scaling GMV Max
- **ROAS above target**, even with >50% spend growth
- **11% daily spend increase → 20% daily revenue lift forecast**

With Fospha's unified view, Laura Geller Beauty can now scale TikTok Shop with confidence and plan future growth on solid data.

50%

spend growth in GMV Max

10%

increase in blended revenue after just 30 days

Image source: JDWilliams

Brands who invest in both TikTok Ads and TikTok Shop perform best

Importantly - it's not just TikTok Shop that generates results for brands.

While Fospha's data set is still expanding, with many brands only launching their TikTok Shop presences this year, early data is highly promising for brands who are choosing to invest across both Ads and Shop.

We looked at year-over-year growth in total conversions, new customers and ROAS. Across all three metrics, brands who generate sales across both Ads + Shop performed better than brands with just a TikTok Ads presence, or just a TikTok Shop presence.

Why does this matter?

It indicates that both these products complement each-other in driving overall better TikTok performance. This balanced strategy allows advertisers to drive discovery and demand through Ads while capturing conversions through Shop.

85%

better YoY conversions growth for brands generating sales across both TikTok Ads and Shop

9%

YoY increase in ROAS for brands generating sales across both TikTok Ads and Shop

28%

better YoY new customer growth for brands generating sales across both TikTok Ads and Shop

How to win
in 2026

Creative is becoming targeting in the age of AI

We consulted ICED Media, the award-winning digital agency known as beauty's leading business growth partner, working with brands like Moroccanoil, Anastasia Beverly Hills, and Topicals, to further understand the trends shaping the landscape:

Content is the new targeting

On platforms like TikTok and Meta, content is the new targeting. Your creative determines who sees your ads and how they perform. The top beauty brands prioritize creative diversity, using distinct stories to reach and convert audiences across the funnel.

What winning creative looks like

- **Static**: grounded in authenticity. Before-and-afters, efficacy claims, and reviews.
- **Video**: storytelling and testimonials that drive connection and conversion.

Every touchpoint matters

Beauty shoppers engage with ~9 touchpoints before converting. With the linear funnel gone, every piece of content should educate and engage, wherever the customer enters the journey.

Key takeaway

On platforms like TikTok and Meta, creative now determines who you reach. The beauty brands performing best use honest, varied content that connects with people at every stage.

The zero-click era is here - here's how to make an impact

ICED Media weighed in on the rise of the zero-click era - where discovery happens on-platform and visibility matters just as much as clicks.

Discovery is diversifying

Platforms like TikTok, Reddit, and YouTube have become Gen Z's preferred search engines*. Visibility now depends on discoverability across social search and within LLMs like ChatGPT.

Social visibility fuels AI discovery

LLMs increasingly reference social and community-based content, meaning stronger visibility on social drives higher ranking in AI-driven search. With millions of daily searches across LLMs, brands must act fast to stay present in this new discovery layer.

Recommendations for the zero-click era

As search clicks decline, focus shifts to share of answers, sentiment, and brand visibility. Exposure on ChatGPT or TikTok can drive follow-up searches on Google and Amazon, and direct checkout on ChatGPT could spark a new DTC renaissance.

Key takeaway

Discovery now happens on social and AI platforms as much as on Google. Beauty brands that show up in these spaces will stay visible as search evolves.

Where will the beauty industry evolve in 2026?

In 2026, growth will come from everywhere - and every channel will play a role.

Marketplaces, live shopping, and creator-led commerce will continue to rise, but growth won't be defined by any single environment. Instead, beauty brands are learning to orchestrate performance across a complex ecosystem, where DTC, social commerce, retail and marketplaces all influence each other.

Platform ecosystems are reshaping beauty

Platforms like TikTok Shop, YouTube Shopping, and Instagram Checkout are blurring the lines between discovery and purchase - while Google Demand Gen, Performance Max, and Meta's Advantage+ are reshaping how beauty brands connect storytelling with conversion at scale. Luxury players like Charlotte Tilbury are proving that marketplaces can coexist with strong brand equity (Business of Fashion). The next evolution is how beauty brands are balancing investment across all these touchpoints.

Diversification brings complexity - and opportunity

Traditional attribution and siloed reporting miss the true impact of discovery-driven platforms and cross-channel influence. The beauty brands winning in 2026 will:

- Invest in Brand, understanding that it fuels performance long-term
- Measure the incremental impact of every impression and interaction
- Sell on multiple surfaces, measuring what drives sales everywhere, not just on DTC
- Use forecasting and daily measurement to guide where the next dollar should go

Key takeaway

The beauty industry's next phase of growth will be defined by diversification - as brands blend DTC, social, and marketplace strategies to reach new audiences and turn discovery into purchase.

Source: www.charlottetilbury.com

Practical steps for implementing full-funnel measurement

The challenge isn't always awareness of the problem - it can also be educating the wider business, and overcoming the lift of adoption. If you're a marketer advocating for the implementation of full-funnel measurement, here are some actionable steps you can take.

Educate internally on measurement gaps

Demonstrate how legacy measurement typically overlooks impressions, fails to connect DTC ad impact to marketplace sales, and ignores the lag and decay of ad influence.

Put evidence in front of your teams to build understanding of the true performance picture.

Run enablement sessions with a measurement partner

Try out a full-funnel measurement partner, and set the expectation that you'll need to work together to educate the business.

The right partner will be more than happy to run enablement sessions so Marketing, eComm and Finance all understand the value, and share the same definitions and dashboards.

Test relentlessly

Pair your full-funnel, always-on measurement with incrementality experiments in the biggest channels and markets.

Use the tests to validate strategy and the daily model to steer execution between milestones - together they'll prove that decisions made with full-funnel data win more often.

Forecast, act on outputs, and prove the measurement works

Use your full-funnel model's outputs to forecast growth potential by channel, set strategy based on this forecast, and finally close the loop by showing actuals versus forecast.

That's how you win CFO trust and make full-funnel measurement the operating system trusted by the business as a whole.

Recommendations: strategies for success

1 There is significant potential for profitable growth

Platforms like Paid Social and Google are delivering strong results, but there's still room for expansion. With 60% cross-channel profitable growth potential remaining, beauty brands haven't fully captured the opportunity.

2 Legacy measurement is no longer enough

Traditional Last Click or channel-silo reporting often misses the influence of awareness-driving activity. Full-funnel measurement provides a more accurate view of total sales impact, connecting upper-funnel exposure to bottom-line outcomes.

3 Diversification drives resilience

Growth now depends on balancing investment and online sales presence across both DTC and marketplaces. Brands distributing spend across multiple environments dilute risk, expand reach, and achieve stronger, more consistent returns.

4 Recognize and measure halo effects

Beauty brands are observing cross-channel halo effects - with ads on platforms like Meta and TikTok Shop influencing sales across DTC and marketplaces. Capturing this total impact helps ensure investment decisions reflect where the opportunities lie.

5 Build internal understanding of measurement evolution

Teams that invest in internal education around measurement frameworks are better equipped to interpret full-funnel insights and communicate results across Marketing, eCommerce, and Finance - creating greater confidence in brand investment.

Appendix

Glossary

Awareness	Brand campaigns (highest funnel)
Consideration	Traffic campaigns (higher-to-mid funnel)
Conversion	Ads focused on driving sales (bottom-of-funnel)
CAC	The cost of acquiring a new customer. Calculated by Total Cost / New Conversions
CPP	The cost of acquiring all customers. Calculated by Total Cost / Total Conversions.

Unified ROAS (uROAS):

A performance metric that captures the **total revenue influenced by a specific channel**, including both direct-to-consumer (DTC) and third-party platforms like Amazon, divided by that channel's ad spend.

Designed to measure the **true impact of upper-funnel media** (e.g., YouTube, Demand Gen)

Accounts for the **halo effect**—when awareness created by one channel drives conversions elsewhere

Moves beyond Last Click attribution to show **cross-channel value**

Blended ROAS:

A broader performance metric that looks at **total revenue across all channels** (paid + organic) divided by **total paid media spend**.

Reflects the **combined impact of the entire marketing mix**

Often used for **high-level budgeting and efficiency tracking**

Doesn't isolate specific channel impact, but gives a **holistic view of marketing ROI**

More from Fospha

TikTok

Playbook 2026

Full-funnel insights and best practices for TikTok with Smart+, GMV Max, Symphony & more

Growth

Accelerator Guide

Full-Funnel Strategies, Frameworks, and Benchmarks for Sustainable Growth in 2025

Peak

Playbook 2025

Your guide to spend smarter, acquire more new customers, and maximize sales during peak periods

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