

Country overview

All eyes on India

The Indian beauty market continues to see strong growth and major changes, while garnering increased attention and investment from international groups **by Mayu Saini**

India's prestige beauty market is no longer simply growing, its structure is changing rapidly. Over the past year, new brands have entered the market, distribution partnerships for global brands have expanded and changed hands, and retailers have accelerated their beauty play. The interplay between physical retail and online channels, particularly mobile commerce, has continued to reshape the customer experience, making it easier for consumers to discover, experiment with and shop for premium beauty.

All of this is buoying growth in the market. In 2025, the premium beauty and personal-care market in India rose 16.3% to \$1.33bn, according to Euromonitor International. Still, analysts say the figures vary considerably, depending on the source, and reflecting differences in estimates of the size of the organized market. Industry estimates also suggest that more than 70% of India's beauty market continues to operate in the unorganized sector.

Industry executives expect the country's total beauty and personal care market to reach around \$34bn by 2028. Premium beauty continues to outperform the broader market, supported by expanding retail networks, stronger direct-to-consumer brands and increasing consumer willingness to trade up.

A new distribution playbook

"The premium beauty landscape in India is evolving rapidly," says Biju Kassim, who moved from his earlier position as Beauty CEO of department store Shoppers Stop to Managing Director and CEO of Global SS Beauty Brands (GSSBB), the company's distribution arm, which he spearheaded from its creation in 2022. The move reflects his belief that beauty distribution remains one of the fastest-growing and most dynamic parts of India's beauty industry, with considerable room for expansion over the next decade.

"Through the partnership between Global



▲ Global SS Beauty Brands in partnership with Euroitalia has initiated a number of activations and animations for Versace in India

SS Beauty Brands and Interparfums, we have onboarded brands like Coach, Montblanc, Jimmy Choo, Kate Spade, Lacoste, Karl Lagerfeld, Lanvin and Rochas, and we are looking forward to relaunching and growing these brands in India," says Kassim.

"This follows a series of other key partnerships, including with Euroitalia, through which we brought in Versace, Michael Kors, Moschino, Missoni, Dsquared2, Atkinsons and Brunello Cucinelli." A key project has been the relaunch of Versace in the market this year. "The activation, animation and conversation around Versace is making it very powerful," he says.

He also points to the Shiseido brand joining the group's portfolio, following GSSBB's launch of NARS in India in 2023. While fragrance has long been a major focus for the group, Kassim says make-up and skincare have also seen rapid expansion. "NARS has been a powerhouse, breaking into the Indian market, and we just opened the third standalone store in Gurugram. We will soon be relaunching Shiseido. We also have Clarins, and have been opening boutique stores for L'Oréal's Armani Beauty, Prada Beauty and Valentino Beauty," he says.

The company already distributes L'Oréal International Distribution brands including Giorgio Armani, Prada, Valentino, Maison Margiela, Ralph Lauren, Azzaro and Atelier Cologne, and will additionally bring Biotherm and Miu Miu to the Indian market.

In FY26, ending March 31, Shopper's Stop's distribution arm reached 4.2bn rupees (\$43.9m). Kassim projects its current gross merchandise value of 6.5bn rupees (\$67.9m) to reach 10bn rupees (\$104m) over the next two years.

Growth drivers

What is fueling growth in the market? "If you ask me, niche is still small, luxury is not bad, lifestyle is growing faster, masstige is quite strong, and mass is even bigger. The pyramid at the top end is not moving at the pace at which it ideally should—that's where everybody wants to be, hoping to invest in India," says Kassim.

The interplay between retailers and distributors has become increasingly interesting. While Baccarose, one of India's leading distributors founded by Hemansu Kotecha more than two decades ago, expanded into retail through

perfume chain Parcos, now with more than 60 doors, Shoppers Stop is moving in the opposite direction—from retail, where it is one of the country's largest premium department store chains, into distribution.

Others have adopted a hybrid strategy. E-commerce powerhouse Nykaa has continued expanding both its physical retail footprint and distribution business, while Reliance Retail has made a significant omnichannel play through the Tira beauty chain, as well as its partnership with LVMH-owned beauty retailer Sephora. Online now represents around 20% to 30% of beauty and personal care sales in India, according to industry sources.

Acquisitions intensify

Over the past year, the competitive conversation has shifted—from competing for DTC visibility and shelf space, to acquiring brands with established consumer loyalty. Investors, too, have emerged as major beneficiaries of the consolidation.

Indian beauty companies are attracting a new

level of interest from global players. This year, Estée Lauder Companies (ELC) acquired the remaining 51% stake in premium Indian beauty brand Forest Essentials, giving it full ownership

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Global SS Beauty Brands Managing Director and CEO Biju Kassim

and strengthening its presence through the brand's 200 standalone stores.

In June, L'Oréal announced the acquisition of the Innovist Group, home to popular DTC brands

Bare Anatomy, Chemist at Play and Sunscope, for an estimated 41bn rupees (\$490m). The deal marks one of the biggest moves by a global beauty company to deepen its presence in India's beauty market. It also comes more than a decade after its last acquisition in the country, when it purchased Cheryl's Cosmeceuticals in 2013. L'Oréal CEO Nicolas Hieronimus described the deal as a clear testament to the group's commitment to expanding its footprint in India.

L'Oréal India has also seen leadership changes over the past year, with Jacques Lebel moving from his role as General Manager of L'Oréal's Consumer Products Division in Mexico to become Country Managing Director, succeeding Aseem Kaushik. Kaushik has since become Chairman of L'Oréal India, with a focus on corporate reputation, public affairs and stakeholder relations.

Reliance Retail also expanded its beauty footprint by acquiring Anomaly, the clean, vegan haircare brand founded by Priyanka Chopra Jonas. Announced on April 30, 2026, the acquisition transferred full ownership ■■■



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Country overview



▲ International companies are taking keener interest in local Indian brands, with L'Oréal acquiring Innovist and Estée Lauder Companies purchasing the remaining 51% stake in Forest Essentials this year

■ ■ ■ of Anomaly's global trademarks, intellectual property and digital assets from US incubator Maesa to the Indian retail giant. Launched globally in 2021 and introduced in India in 2022, Anomaly attracted attention for its affordable, eco-conscious positioning. Despite being ranked among the world's most valuable celebrity beauty brands, it underwent operational adjustments, including winding down its standalone US retail presence. Earlier, in March 2025, Hindustan Unilever, the Indian arm of Unilever, acquired skincare brand Minimalist.

Changing trends

Leading growth in the premium beauty market in India last year was the color cosmetics segment, with sales up 19.7% year-on-year to \$215.4m. Premium fragrances grew 14.5% to \$275m. Premium skincare, which continues to account for the largest share of the market at \$355m, grew 17.7%. Some established trends continue to strengthen, while others reflect broader shifts also seen globally. K-beauty continues to be one of the strongest growth drivers, Pallavi Arora, Senior Research Analyst at Euromonitor International, tells *BW Confidential*. "Their focus on innovation, advanced formulations and ingredient-led products resonates strongly with Indian consumers. According to Euromonitor's Voice of the Consumer: Beauty Survey, fielded in July 2025, one in three consumers in India considers Korean beauty brands to be trustworthy. This growing confidence is also

reflected in the category's retail performance, with Nykaa reporting 58% year-on-year GMV growth for Korean beauty brands in its FY26 fourth-quarter results." Other growth drivers include dermocosmetics and science-based, targeted solutions. "Consumers are increasingly looking beyond brand names and focusing on products that deliver visible, clinically backed results. Categories centered around dermatologist-recommended formulations, science-backed ingredients and targeted solutions for concerns such as pigmentation, acne and skin barrier repair are seeing particularly strong momentum, as efficacy becomes one of the key drivers of premium skincare purchases," Arora observes. Arora also points out that miniature and travel-sized products are helping premium brands attract first-time consumers. "Smaller pack sizes reduce the upfront investment required to try a premium product, making it easier for consumers to experiment before purchasing full-size formats. This is encouraging trial, increasing repeat purchases and gradually expanding the premium beauty consumer base," she says.

Economic buoyancy driving growth

As India continues to grow, with GDP projected at 7.5% and 7.8% over the 2025–2026 fiscal cycle, buoyed by easing inflation, according to Deloitte India's Economic Outlook, the future for premium beauty remains positive. Retailers and global beauty companies alike expect premium beauty consumption to deepen as India's upper-middle-class consumer

base continues to grow (the average annual consumer spend on beauty is still only \$15). Through new distribution models, acquisitions and omnichannel expansion, India is becoming one of the beauty industry's most strategically important growth markets. For global beauty companies, India is no longer simply a high-potential market—it is increasingly a priority market. ■

India's beauty market 2025

Category	Sales 2025 \$m	% change 2025 /2024
Premium skincare	355	+17.7
Premium fragrance	275	+14.5
Premium color cosmetics	215.4	+19.7
Total premium beauty & personal care	1,328	+16.3
Mass skincare	3,377	+13.5
Mass color cosmetics	1,577	+12.9
Mass fragrance	486.9	+16.0
Total mass beauty & personal care	15,477	+9.2

Source: Euromonitor International

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Ramping up retail

Retail development in a mix of formats is fueling growth in India's beauty market **by Mayu Saini**

Indian beauty retail is being driven by changing consumer habits, new brands entering the market, distributors reshuffling their portfolios, and the rapid expansion of brick-and-mortar stores and online channels. In addition, quick commerce is emerging as the next battleground, promising deliveries within 30 minutes.

Physical retail has gathered fresh momentum over the past three years, led by the expansion of homegrown chains. Reliance Retail entered the beauty specialist space with Tira in 2023, while Nykaa continues to expand its store network. Other domestic players, including Parcos and Shoppers Stop's beauty chain SS Beauty, have strengthened their premium positioning, alongside beauty retailer Sephora. Department stores such as Shoppers Stop are simultaneously enlarging their premium beauty offerings.

Meanwhile, international beauty companies also continue to invest in standalone boutiques and shop-in-shop concepts, with brands such as Dior, Chanel, Estée Lauder and Clinique expanding their physical presence in the country.

The retail landscape is also becoming increasingly segmented. Make-up has become a key growth driver for retailers such as Nykaa, Sephora and Tira, while chains including Parcos and Shoppers Stop continue to maintain a stronger presence in prestige fragrance.

Physical retail: a play among giants

The expansion of store networks has intensified competition among India's largest beauty retailers, as companies race to build omnichannel businesses and deepen

consumer loyalty.

According to company disclosures and store registries, Nykaa remains the country's largest specialty beauty retailer, operating 313 brick-and-mortar stores across India through its Nykaa Luxe, On-Trend and kiosk formats.

Sephora India, now operated by Reliance Beauty and Personal Care, has expanded to

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I can see a tripling of India's luxury beauty market happening easily in the next 10 years. The market's entire omnichannel ecosystem is growing dynamically. New online and offline channels are emerging, while the role and nature of digital commerce (marketplaces, quick commerce, social commerce), as well as social media, continues to evolve rapidly

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LUXASIA Group CEO Satyaki Banerjee

31 stores across major metropolitan markets, and Reliance's beauty platform Tira has also expanded its physical footprint to 28 stores, with plans for significant further expansion.

Meanwhile, Shoppers Stop continues to operate one of India's largest department store networks with more than 113 stores and a premium play for beauty, combining traditional department stores with omnichannel platforms and mono-brand stores for The Estée Lauder Companies (for its brands including Estée Lauder, Clinique, Jo Malone, MAC and Bobbi Brown). SS Beauty, owned by Shoppers Stop, has expanded its specialty beauty network.

Parcos, operated by distribution company Baccarose, has around 55 stores across 35 cities, with a significant presence in premium airport retail.

Indian beauty brands are also expanding steadily. Forest Essentials and Kama Ayurveda continue to strengthen their retail presence, while premium malls are seeing growing investment in experiential beauty retail.

Premium growth

All this activity is helping premium beauty grow. "India is still holding strong on its growth trajectory. I can see a tripling of India's luxury beauty market happening easily in the next 10 years. The market's entire omnichannel ecosystem is growing dynamically," observes Satyaki Banerjee, CEO of Asian distribution company LUXASIA Group. New online and offline channels are emerging. The role and nature of digital commerce (marketplaces, quick commerce, social commerce), as well as social media, continues to evolve rapidly. In tandem, physical retail is also expanding, with Tira, Nykaa, Sephora and free-standing stores all projecting strong growth plans."

Banerjee highlights the growth in the ■■■

Retail



▲ More brands such as SK-II and Amouage are opening standalone stores in India (Photo credit: LUXASIA)

■■■ market in the past five years since LUXASIA launched in India. “We started with four and now have about 20 brands across skincare, make-up, haircare and niche fragrances in our India portfolio. In the past 12 to 18 months, we have had some major launches, including Fenty Beauty, Fenty Skin, La Prairie and SK-II. We also added Chantecaille as a multi-axis brand and Amouage in the niche fragrance category. Each of these launches has helped us strengthen a different segment within luxury beauty.”

On brand growth expectations in India, Banerjee says: “Luxury brands have a strong future here, but super-normal numbers from day one are highly unlikely; India is not that kind of luxury beauty market. If one expects India to be another China, it’s not. The entire Indian luxury beauty market is around 3% to 4% the size of China’s. But it is growing fast, with immense potential, and we are very optimistic.”

Praseed Changarath, Country Manager, of LUXASIA India says that in the five years since LUXASIA India’s inception, the company has achieved 10 times revenue growth, while being profitable from the start.

The launch of Fenty Beauty in India in August 2025 with an exclusive launch through Reliance Retail gave the brand a

simultaneous presence in Sephora and Tira—both part of the Reliance Retail ecosystem.

Rihanna’s high-profile appearance in Mumbai in April 2026, underscored the changing market dynamics of reaching out to Indian consumers with a heady mix of celebrity and more localized rhetoric. The ‘Fenty Beauty Ki Haveli’ pop-up at Phoenix

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The luxury fragrance landscape in India continues to gain remarkable momentum, with both new brand entries and innovative retail concepts shaping consumer experiences

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Beauty Concepts Director Rajiv Bahety

Palladium in Mumbai, for example, blended traditional Indian architecture with the brand’s global aesthetic.

“Our Fenty Beauty campaign, together with Reliance and Rihanna’s visit to India, became much more than a beauty launch—it became

a cultural moment that generated tremendous excitement among consumers, making Fenty Beauty a leading brand in both channels within its first year,” Changarath says.

E-commerce & quick commerce

Premium beauty e-commerce continues to grow rapidly as technology reshapes how consumers discover and purchase products.

India’s overall e-commerce market size is valued at around \$160bn to \$225bn and is expected to grow at 20% until 2030. Quick commerce has emerged as the latest growth engine. Blinkit, Zepto and Instamart are driving rapid beauty deliveries, while retailers including Nykaa, Myntra, Amazon and Flipkart are also investing in faster fulfilment.

Nykaa, Tira and Tata CliQ Luxury have expanded access to premium international brands, while digital tools such as augmented reality try-ons, AI-based skin analysis and shade-matching technology are making online purchases more intuitive.

Creator-led content, live shopping and beauty influencers have increasingly replaced traditional advertising in driving product discovery, while exclusive online launches and personalized recommendations have helped premium brands deepen customer engagement. Technology has expanded beauty’s geographical reach. Consumers



▲ Rihanna's high-profile appearance in Mumbai in April 2026 at the 'Fenty Beauty Ki Haveli' pop-up at Phoenix Palladium

across smaller cities contribute an increasing share of premium beauty sales as e-commerce broadens access to international brands.

Luxury and niche gather momentum

Rajiv Bahety, Director of Beauty Concepts Pvt Ltd, which distributes more than 50 brands in India, points towards the shifting ways of reaching consumer through retail. "The luxury fragrance landscape in India continues to gain remarkable momentum, with both new brand entries and innovative retail concepts shaping consumer experiences.

On the retail front, the focus is increasingly

shifting towards immersive, experience-led spaces, where storytelling, craftsmanship, and personalized fragrance discovery take center stage," he says.

He adds that another key development has been department store Galeries Lafayette, which opened in November 2025 in Mumbai as a premier destination for niche perfumery, bringing together brands such as Diptyque, Byredo, Maison Francis Kurkdjian, Parfums de Marly, Loewe, and Maison des Parfums' own portfolio under one roof. "For us, it has become an important retail partner, offering fragrance enthusiasts an unparalleled

opportunity to discover and experience some of the world's finest haute perfumery brands in a single destination."

"Beauty Concepts-owned Maison des Parfums' new store at UB City Mall, Bengaluru, further expands our presence in one of India's most discerning luxury markets," he says, adding that brands including ROJA and DS & Durga and launches from Maison Francis Kurkdjian, Diptyque, Maison Crivelli, Acqua di Parma, Ex Nihilo, Xerjoff and Santa Maria Novella have been gaining traction.

Physical retail remains central

Despite rapid digital growth, executives and analysts agree that physical retail remains central to premium beauty. "Beauty retailers have played a significant role in accelerating growth. Nykaa alone added more than 200 new brands during FY26, while Amazon Beauty has announced plans to onboard over 100 additional beauty brands this year. Rather than simply acting as marketplaces, retailers are increasingly partnering with global brands to manage distribution, marketing and even retail operations, making it much easier for international brands to establish themselves in India," says Pallavi Arora, Senior Research Analyst at Euromonitor.

"Premium beauty is an experience-led purchase, and consumers still prefer to discover shades, test textures and receive personalized recommendations before investing in higher-priced products. This is encouraging more global brands to expand their physical retail footprint through brand stores and premium beauty counters. Offline retail continues to remain very important," she says.

Arora also points to continued premiumization, with consumers increasingly upgrading to prestige brands. Recent launches illustrate the trend. Dolce&Gabbana Beauty opened its first Delhi-NCR standalone beauty boutique at DLF Mall of India in Noida through Apparel Group India, while Chloé Beauty launched on Myntra Luxe in July 2026, broadening premium fragrance distribution beyond traditional specialist retailers.

In addition to rising incomes and a growing workforce the rapid development of retail in all its forms is boosting beauty's growth. ■



Nykaa's strategy

\$1bn and counting

Beyond reaching the billion-dollar revenue milestone, Nykaa has been building India's beauty ecosystem along with its retail and digital growth **by Mayu Saini**

When Nykaa crossed the \$1bn revenue milestone for the financial year ending March 31, 2026, it marked more than another strong earnings report. Fourteen years after launching as an online beauty retailer, the company has evolved into India's dominant specialty beauty platform. It has also increasingly been shaping how consumers discover products and has given international brands another platform to enter the country.

FSN E-Commerce Ventures Limited, Nykaa's parent company, reported revenue from operations of Rs10,022.5m (\$1.18bn), while net profit for the financial year surged 183% to Rs2,039.4m (\$21.36m).

Although the figures include its fashion business, beauty remains the company's

primary growth engine, with beauty GMV rising 27% year-on-year to Rs14,9540m (\$1.76bn).

"Crossing the \$1bn revenue milestone, along with our track record for profitability and capital efficiency, marks a defining moment in Nykaa's 14-year journey," says Nykaa Founder and CEO Falguni Nayar.

Behind that growth is an increasingly premium customer base. Rather than competing primarily on price, Nykaa has focused on product discovery, education and curation—an approach that continues to resonate as Indian consumers spend more on skincare, make-up and fragrance.

According to Nykaa, its beauty platform now serves around 45 million customers, while its annual transacting customer base

has doubled over the past three years. During the same period, the retailer added 168 stores across India, expanded into 20 new cities and introduced multiple new retail concepts.

However, as quick-commerce platforms expand aggressively into beauty, Satish Meena, Founder of market research and consumer analytics firm Datum Intelligence, notes that Nykaa Now, the company's quick commerce platform may not be keeping up with Blinkit, Zepto and others. But he points out that in the premium beauty space Nykaa is still gaining traction.

Difficult to challenge

Industry observers say that Nykaa's leadership in the beauty category has made it increasingly difficult for competitors to

challenge. "Nykaa has become the preferred destination for beauty consumers. From the beginning, it differentiated itself by offering authentic products and building trust. It wasn't another marketplace—it was designed specifically for beauty shoppers," explains Meena.

"Their omnichannel strategy has also been very successful, as well as the variety they offer. They know that customers are hungry for new brands, or rather more specialized, specific-solution brands and the focus on bringing new brands, including fast-growing Korean brands which have seen a market escalation in the past three years," he adds.

In fiscal 2026, according to company sources, Nykaa launched more than 200 'globally iconic' brands this year, across

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Crossing the \$1bn revenue milestone, along with our track record for profitability and capital efficiency, marks a defining moment in Nykaa's 14-year journey and reflects the deep trust consumers place in us

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Nykaa Founder and CEO Falguni Nayar

luxury, Korean Beauty, dermocosmetics and others, such as Chanel beauty and fragrance, Armani Beauty, Maison Margiela Fragrances, Kylie Cosmetics, SK-II, Paula's Choice, La Roche-Posay, Anua and IT Cosmetics.

Nykaa's Nayar also spoke about building a play on the 'ultra-luxury side, where the company says segments of its consumer base will be in the coming years. "I'm very excited to say that Nykaa partnered with Chanel, La Prairie and SK-II to be the retail partner of

choice for these ultra-luxury beauty brands when it came time for their India launch," Nayar said, while highlighting exclusive or early partnerships with major groups including L'Oréal, Estée Lauder Companies, Beiersdorf, Unilever, Amorepacific and Puig.

In addition, Nykaa now operates Kiehl's boutique stores in India and manages the brand's local e-commerce business, while its

exclusive partnership with Charlotte Tilbury has been extended for another six years. It has also evolved into operating standalone branded stores for Charlotte Tilbury—an arrangement the company says is the first of its kind for the brand in the Asia-Pacific region.

Among the fastest-growing categories on the platform is Korean beauty. ■■■

Nykaa factfile

Founded: 2012

Revenue fiscal 2026 (ending March 31, 2026): Nykaa (FSN E-Commerce Ventures Limited) \$1bn, +26.07% vs fiscal 2025

Net profit: Rs2,039.40m (\$21.36m), +183% vs fiscal 2025 change vs fiscal 2025

Beauty and personal care contribute 85% to 90% of the group's total consolidated revenue from operations

No of doors: 313 physical stores

Retail Formats

• **Nykaa Luxe:** 61 luxury-focused stores showcasing high-end international prestige beauty brands.

• **House of Nykaa:** Multi-brand destination stores curated to feature Nykaa's private labels and acquired brands.

• Specialized Formats & Boutiques:

Experiential concepts including Nykaa Perfumery fragrance-first spaces, Kay Kafe community zones and 11 Kiehl's brand stores.

• **Nykaa On Trend & Kiosks:** High-traffic retail formats focused on trending and popular daily beauty products.

Brands sold: More than 4,000

Market share:

Nykaa is estimated to have around a 30% to 40% market share of India's online beauty and personal care market. The platform attracts around 45 million monthly active unique

visitors. Total digital traffic exceeded 1,894 million visits across its apps and websites, translating into more than 66 million beauty orders during the year.

Its delivery network reaches 19,000 pin codes across India, covering tier-one, tier-two and tier-three cities.

Average store basket size

Estimated at Rs 7,500/\$86 per transaction in 2025, according to industry estimates.

Key events

• Nykaa Hot Pink Sale

(July 10 - July 19, 2026)

One of Nykaa's major mid-year shopping events, offering discounts of 50% to 70 % across key categories including skincare, make-up and haircare.

• Nykaa Pink Friday Sale

(November 2026):

Nykaa's biggest annual sale event, featuring significant discounts across luxury and international beauty brands, including Huda Beauty, Charlotte Tilbury and Estée Lauder.

• Nykaaland Festival

Following two editions in Mumbai, Nykaaland expanded to New Delhi in 2025, extending the festival's reach to one of India's largest beauty and fashion markets. The Delhi edition attracted 30,000 ticketed attendees—nearly 20% more than the previous Mumbai edition—and brought together global and Indian beauty brands, creators, celebrity makeup artists and consumers.

Nykaa's strategy

■■■“Korean brands have shown phenomenal growth,” Nayar states, noting that sales for the category increased 58% year-on-year. Nykaa has steadily expanded its Korean portfolio, with brands including Anua, Aestura, Arencia and Mise en Scène, reflecting Indian consumers' growing interest in ingredient-led skincare and specialist beauty brands.

Analysts say this mirrors broader changes across the market, where consumers are increasingly seeking targeted solutions rather than traditional mass-market products. Meena also points to the emergence of Japanese beauty, a category beginning to gather momentum.

Building brands—not just selling them

Alongside international partnerships, Nykaa continues to strengthen its own portfolio through acquisitions and owned brands. The company completed its acquisition of clean beauty brand Earth Rhythm in fiscal 2026, after initially acquiring a 19% stake in FY2023. The clean beauty brand is known for products, such as plant pigment-based lip and cheek tints, sunscreen sprays and shampoo bars. The move strengthens Nykaa's position in the sustainable beauty category.

This comes on top of its earlier acquisition of skincare brand Dot & Key, which has shown fast growth. According to Nykaa, Dot & Key has grown thirteen-fold over the past three years, becoming the leading sunscreen brand across platforms including Nykaa, Amazon, Flipkart and Blinkit.

The strategy reflects an important shift in Nykaa's business model. Rather than relying solely on commissions from third-party brands, the company is increasingly building higher-margin businesses through owned labels and acquired brands, while maintaining relationships with global beauty companies.

Retail beyond ecommerce

While digital remains central to the business, physical retail has become an increasingly important part of Nykaa's growth strategy.

The company continues to expand multiple store concepts, from Nykaa Luxe stores focused on prestige beauty, to Nykaa On Trend outlets targeting younger consumers in emerging cities.

Newer formats such as House of Nykaa and Nykaa Perfumery reflect a broader move towards experiential retail, while dedicated

are expanding their beauty assortments, international brands have more routes to market than ever before, and maintaining rapid growth becomes more challenging as the business scales.

Some analysts believe Nykaa's owned-brand portfolio may eventually require additional acquisitions to sustain its current pace of expansion.

Yet the company's competitive advantage increasingly lies not in any single channel, but in the combination of digital commerce, physical retail, exclusive partnerships, owned brands, technology and community-building.

As India's beauty market continues to mature, Nykaa appears to be positioning itself as more than the country's largest beauty retailer. It is building an ecosystem designed to influence every stage of the industry's growth—from how global brands enter the market to how consumers discover products and how the next generation of Indian beauty companies is created. ■

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Nykaa has become the preferred destination for beauty consumers. From the beginning, it differentiated itself by offering authentic products and building trust. It wasn't another marketplace—it was designed specifically for beauty shoppers

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Datum Intelligence Founder Satish Meena

Kiehl's boutiques further strengthen its premium positioning.

Technology is also playing a bigger role. Nykaa says AI-powered personalization, digital beauty profiles and tools, such as its Virtual Skin Analyzer, are helping customers receive more tailored recommendations while improving engagement across its platform.

Despite the rapid rise of quick-commerce players, analysts believe Nykaa retains an advantage in premium beauty, where assortment, expertise and trust continue to influence purchasing decisions.

Looking ahead

Competition in Indian beauty continues to intensify. Quick-commerce platforms

Building a beauty ecosystem

Nykaa's ambitions extend well beyond retail. Its Beauty & You India initiative, launched with The Estée Lauder Companies, has become an important platform for supporting early-stage beauty founders through grants, mentorship and industry access. The program reflects a broader shift in India's beauty industry, where leading retailers are increasingly helping to shape future brands, rather than simply selling existing ones.

The same philosophy underpins Nykaaland, the company's consumer beauty festival, which expanded to New Delhi after two successful editions in Mumbai. Bringing together global brands, creators and consumers, the event has become another touchpoint that extends Nykaa's influence beyond commerce into culture and community. Together, these initiatives illustrate how the company is building an ecosystem that connects brands, entrepreneurs, creators and consumers.