Amazon vs. Ulta vs. Sephora: Where Beauty Wins in 2025

Beauty retail in 2025 is not a one-size-fits-all game. While many brands appear on Amazon, Ulta, and Sephora, the way they succeed in each channel is very different. After reviewing Q2 2025 performance for Amazon and Ulta and Q1 2025 performance for Sephora, one truth is clear: **the right product, in the right format, with the right story wins, but the path to that win depends entirely on the platform.**

WHERE BEAUTY WINS IN 2025

Amazon: Discipline, Focus, and Hero SKUs Drive Growth

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Amazon's Beauty and Personal Care category in Q2 2025 faced clear economic headwinds. Search volume dropped by 16 percent and organic visibility fell nearly 10 percent compared to Q1. This signals that shoppers are becoming **more selective** and **more direct** in their purchasing habits.

Rather than pulling back completely, the most successful brands adjusted by focusing resources more tightly. Sponsorship activity across the category barely moved, increasing by just 0.3 percent, but the best performers concentrated their spend on proven winners.

Nutrafol, EltaMD, and Clean Skin Club are examples of this approach. Nutrafol's hair growth supplements, EltaMD's derm-backed SPF, and Clean Skin Club's Clean Towels dominated both sales share and ad performance. These brands avoided bloated catalogs and instead leaned into a smaller set of SKUs with clear positioning, optimized product detail pages, and strong social proof.

Functional credibility mattered more than price. Dermatologist-backed products and multifunctional formats outperformed generic offerings even when they were priced higher. The combination of product trust, targeted paid media, and operational discipline proved to be the winning formula.

KEY LESSON FOR AMAZON

Success comes from tight assortments, tested creative, strong margins, and conversion-focused PDPs rather than chasing broad visibility.

WHERE BEAUTY WINS IN 2025

Ulta: Paid Share is Rising, but Conversion Decides the Winners

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Ulta's Q2 2025 digital shelf now feels much more like Amazon's, with sponsored placements dominating the first page of results. Media investment is increasing, but deeper analysis shows that **spend does not guarantee results.**

The clearest example is in skincare. ROC commanded eight of the top ten sponsored SKUs, yet none of those products made it into the top ten for sales. La Roche-Posay, on the other hand, had fewer sponsored placements but multiple SKUs in the top sales rankings thanks to brand trust, familiar products, and strong conversion rates.

Fragrance also told the same story. Prestige brands like Dior invested heavily in sponsorships for products such as Sauvage and Miss Dior, but affordable and repeatable formats from Sol de Janeiro dominated actual sales. Shoppers gravitated to accessible price points, discovery-friendly packaging, and fragrances they could integrate into their daily routines.

Ulta's hair category offered another reminder that spend is not the only growth driver. Redken became the top-selling brand without appearing in the top ten for sponsorship spend. Loyalty, shelf stability, and a high repeat rate kept sales high. Meanwhile, tool and device brands like Virtue, Ouai, and Lolavie saw a 78 percent increase in paid media investment, but success came only when brands clearly explained why their product mattered and how to use it.

KEY LESSON FOR ULTA

Ulta is now a media-heavy environment, but traffic only converts when the product is already prepared to win. Spend can buy exposure, but it cannot replace product market fit.

WHERE BEAUTY WINS IN 2025

Sephora: Experience and Format Innovation Capture Attention

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Sephora's Q1 2025 results revealed a shopper who is both **focused** and **highly discerning.** The paid media landscape became more competitive, with many categories seeing intense placement battles. Winning brands combined strong product formats with the ability to deliver an experience.

Mini and travel sizes continued to shine. Rare Beauty's mini Soft Pinch Set, Kérastase's mini hair oil, and Glow Recipe's hydration-forward kits combined value pricing with premium feel. These formats encouraged trial, created giftability, and made products more approachable without losing brand prestige.

In body care, Sol de Janeiro held five of the top eight bestsellers and five of the top nine sponsored placements. Their ability to align fragrance, texture, and consistent media support gave them an unshakable category position. Hair care, on the other hand, highlighted the gap between ad spend and actual conversion. Olaplex controlled the top three sponsored spots but still lost share. Brands like Kérastase, Amika, and K18 gained by offering targeted solutions, oils, and hydration-focused treatments that met specific shopper needs.

Fragrance showed the widest gap between media investment and sales. Chanel, Dior, and Valentino all led in sponsorship activity but did not match that presence in top product sales. Emerging brands like Kayali, PHLUR, and Glossier used trend-driven, layering-friendly scents in smaller sizes under 40 dollars to pull in shoppers who were looking for discovery without the commitment of a high price point.

KEY LESSON FOR SEPHORA

The Sephora shopper wants both function and indulgence. Winning products combine recognizable benefits, sensorial experiences, and approachable formats.

Cross-Channel Lessons for 2025

Looking across all three channels, several themes stand out:

Hero SKUs dominate everywhere. Growth comes from focusing on the products that already have traction rather than spreading investment across an entire portfolio.

Paid media works best when it reinforces existing demand rather than trying to create it from scratch.

Format and function matter. Minis, travel sizes, multi-use products, and clear benefit-driven messaging outperform generic offerings.

Platform behaviors differ significantly. Amazon rewards operational efficiency, Ulta rewards readiness to convert traffic, and Sephora rewards product storytelling, sensory appeal, and innovative formats.

Final Takeaway

The temptation to use the same strategy across Amazon, Ulta, and Sephora will be strong, but it is a mistake. Each platform has its own shopper mindset, content expectations, and purchase triggers.

The brands that adapt their approach to match the channel will be the ones that win in the second half of 2025 and beyond.