

# Teens ramp up spending on beauty, pull back on shoes, apparel

Article

Self-reported spending is down 6% among US teens (which includes [Gen Alpha](#) and [Gen Z](#) consumers), but they are still shelling out on beauty, according to Piper Sandler's latest [Taking Stock with Teens](#) survey.

- Teen spending on beauty has reached its highest level since spring 2018, growing 8% YoY to reach \$339 per person annually, per the survey.
- Cosmetics holds the majority share of total beauty spend, but fragrance shows the fastest growth at 23% YoY.

**Discover the beauty:** The majority (85%) of teens prefer to shop for beauty in-store, according to the survey. However, online sales of beauty products will grow at double the rate (12.0%) of physical sales (5.7%) in the US this year, according to our forecast.

- Total US retail sales of cosmetics and beauty products will reach \$101.05 billion this year, per our forecast.
- However, sales growth will slow across all channels in the US over the next four years, possibly due to budget-conscious consumers opting for cheaper alternatives to premium products.

**Battle of the brands:** e.l.f. Cosmetics remained the No. 1 cosmetics brand, growing its share to 38%, according to the survey.

- Ulta and Sephora remain locked in competition, though Sephora is slightly higher in mindshare (a measure of consumer awareness or popularity) than Ulta.
- However, both retailers have strong [loyalty](#) membership penetration at around 60% of their customers, per Piper Sandler.

**The other shoe drops:** Most teens slowed spending on footwear and athletic apparel purchases.

- Teen spending on footwear was down 1% YoY, though among teens in upper-income households, it was up 5%, per Piper Sandler, which considers \$66,280 a year as the average household income.
- Though Nike remained teens' favorite footwear brand, New Balance gained the most mindshare YoY. Hoka and On Running also made inroads with teens, increasing their mindshare by 2.8% and 1.2% YoY, respectively.

Spending on fashion also declined among females in upper-income households. Among this demographic, Lululemon athletica remained the No. 1 athletic apparel brand.

- But across all upper-income teens, Alo Yoga made a major leap in the rankings, going from the No. 35 favorite brand in the fall to No. 11 in the spring. Vuori also jumped from No. 24 in the fall to No. 15 in the spring.
- Both brands have dabbled in [influencer](#) partnerships, which could be the reason behind the growth.

We forecast total US retail sales of apparel, footwear, and accessories to reach \$616.37 billion this year. Apart from a slight bump in 2025 (5.3%), we expect sales growth for these categories to hover between 3% and 4% through 2028, suggesting consumers may remain cautious with discretionary spending over the next few years.

**The bottom line:** Teens are not immune to inflation. The lipstick effect has buoyed beauty so far, but that may not be the case going forward. Brands who want to keep or grow their share of teen spend must understand how and where they shop and what motivates them to make a purchase.

*This was originally featured in the Retail Daily newsletter. For more retail insights, statistics, and trends, [subscribe here](#).*