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Target and Ulta to End Retail Partnership in 2026

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— *Categories: Finance*

Target and Ulta Beauty have announced they will not renew their retail partnership when it expires in August 2026, marking the end of an arrangement that brought Ulta's beauty shops into hundreds of Target stores across the United States.

The collaboration, first launched in 2021, created more than 600 Ulta shop-in-shops inside Target's roughly 1,980 U.S. locations. Each featured a 1,000-square-foot section dedicated to makeup, skincare, and fragrance, operating alongside Target's existing beauty

departments. The deal was designed to broaden the customer base of both retailers and strengthen their presence in the highly competitive U.S. beauty and retail markets.

In a joint statement on Thursday, both companies described the decision as mutual. Until the agreement formally concludes, Ulta's in-store experience will remain available at Target locations and on Target.com.

Amiee Bayer-Thomas, chief retail officer of Ulta Beauty, said the partnership was one of several strategies the company had used to expand access to its products. "For 35 years, Ulta Beauty has revolutionized how people experience beauty bringing together an unmatched assortment from mass to luxury and our partnership with Target was one of many unique ways we have brought the power of beauty to guests nationwide," she said.

Target executives stressed that the retailer remains committed to the beauty sector. Rick Gomez, Target's executive vice president and chief commercial officer, noted that the company would continue delivering the experience customers expect from Target's beauty offerings.

The partnership was first unveiled in 2020 during the COVID-19 pandemic, a time when U.S. shopping habits shifted as consumers sought one-stop retail destinations. The pandemic temporarily weakened demand for products such as lipstick, while skincare sales remained resilient. At the time, Target CEO Brian Cornell described the collaboration as "a combination of two winning retailers that have great momentum in the market that can redefine the category."

The decision to separate comes as Target faces pressure from changing consumer spending habits. Shoppers are pulling back on discretionary purchases and seeking value at competing retailers. Target has been working to strengthen its overall retail performance and is expected to release its fiscal second-quarter earnings on Wednesday.

Meanwhile, Ulta continues to pursue its standalone expansion strategy, relying on its national network of stores and online presence to drive future growth.

In September 2022, Target extended Cornell's contract for three years, but the company has not yet detailed any succession plans.

The end of the Ulta partnership highlights ongoing shifts in the U.S. retail landscape, where consumer demand, competition, and brand strategies continue to reshape how companies

approach in-store experiences.