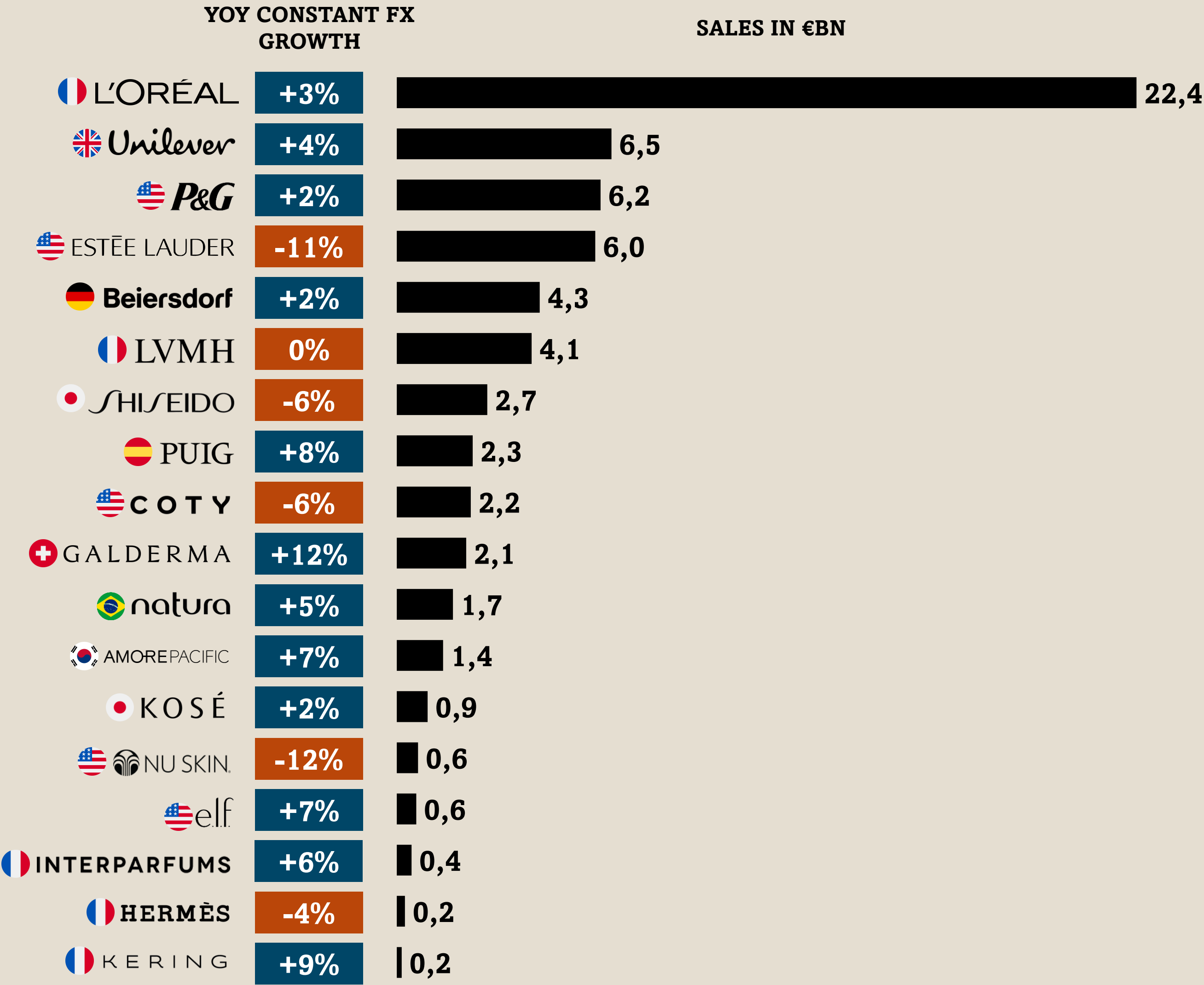


# **DECODING THE BEAUTY INDUSTRY WITH DATA**

# **ENTERING TROUBLED WATERS?**

# BEAUTY SALES OF LISTED GROUPS IN CALENDAR H1 2025



**Sources & Methodologies:** based on companies financial reports. AmorePacific data retreated to exclude impact of COSRX's integration. For FMCG and Luxury company only the result of the beauty division is displayed  
Data for LVMH is only for beauty brands reported under Perfumes and Cosmetics division and excludes Sephora

# THE IMPACT OF US TARIFFS ON THE FRENCH BEAUTY INDUSTRY

**US REPRESENTS 8% OF FRENCH BEAUTY SALES...**



**1st**

Export country for French beauty



**€2.9bn**

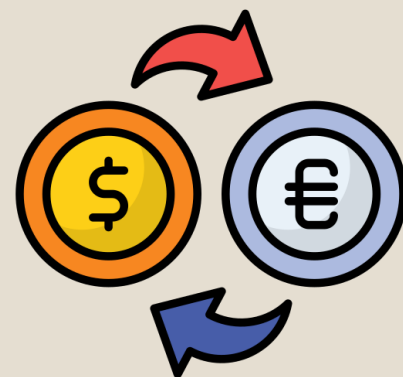
2024 French beauty exports to the US

**... BUT DUE TO TARIFFS AND EURO APPRECIATION...**



**15%**

Tariffs from July 2025



**6%**

€ vs. \$ over the last 12 months

**...EXPORTS IN 2026 COULD DECREASE BY 21%**



**€620m**

In sales could be lost



**10,900**

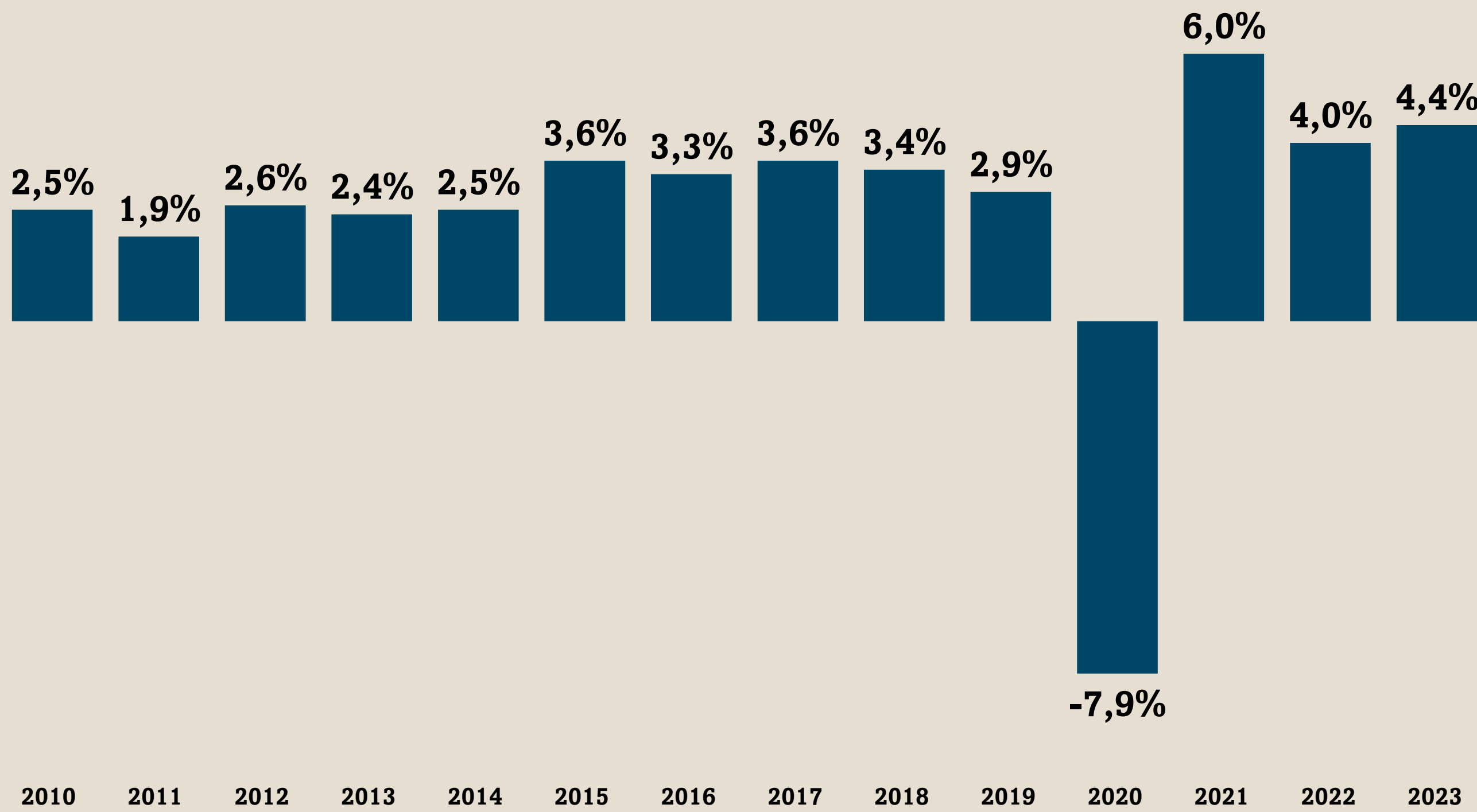
Jobs threatened o/w 2,700 directly

**BUT WE SHOULD  
REMAIN OPTIMISTIC**

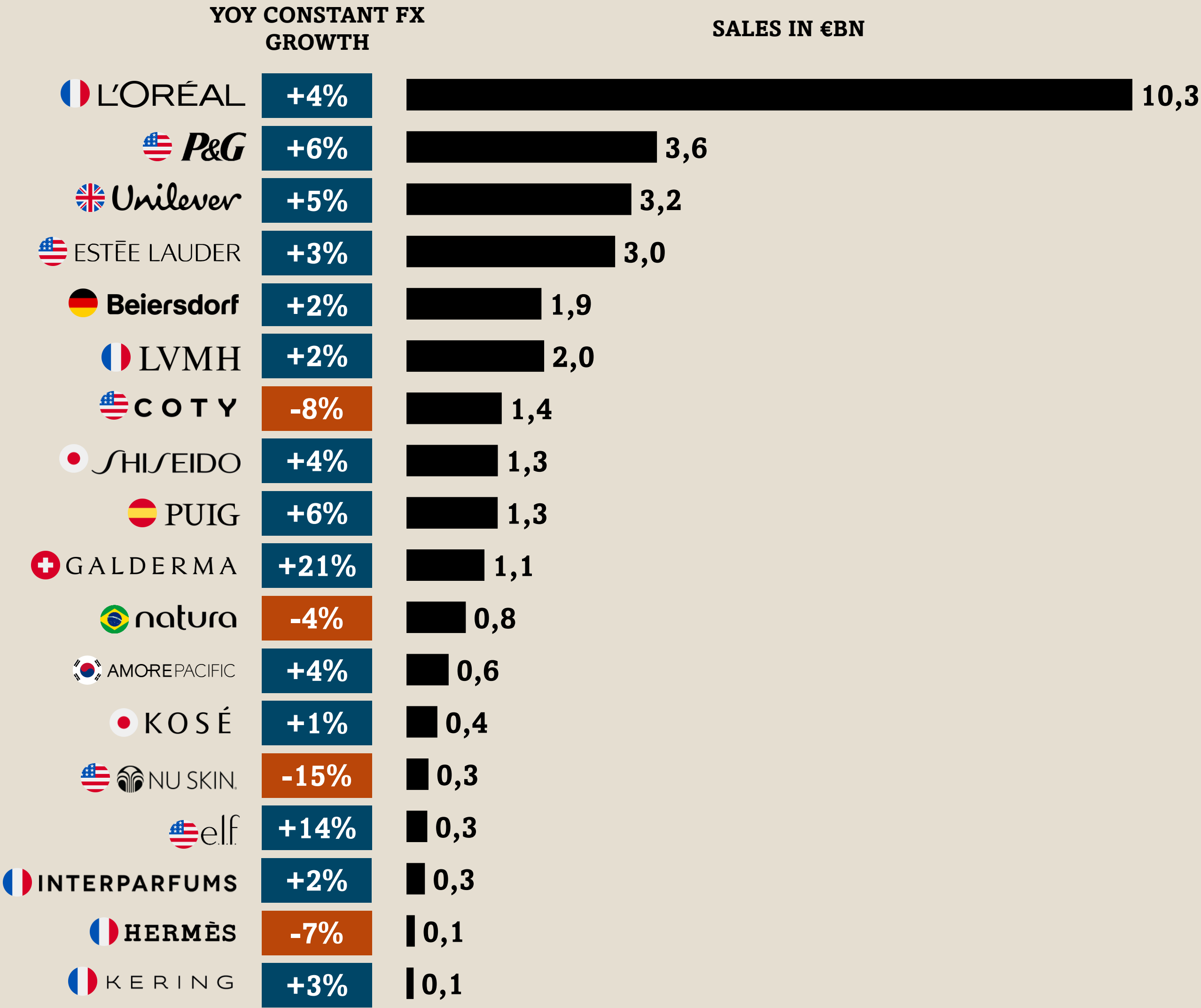
# BEAUTY HAS ALWAYS BEEN RESILIENT ACROSS CYCLES

+2.3%

CAGR of the global beauty market between 2009 and 2023  
2020 was the only year experiencing a decrease



# Q3 MARKED A SEQUENTIAL IMPROVEMENT FOR BEAUTY GROUPS

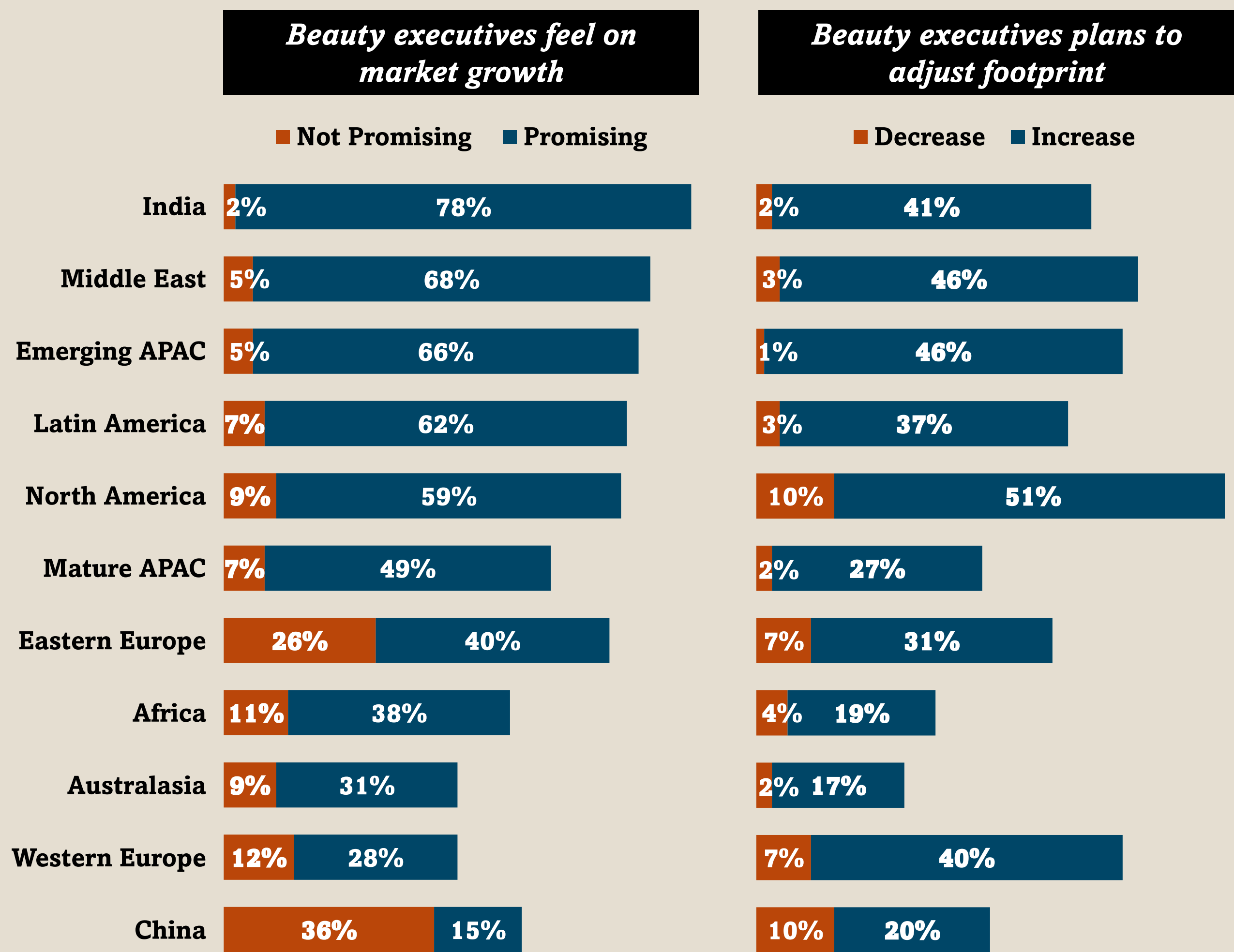


**Sources & Methodologies:** based on companies financial reports. For FMCG and Luxury company only the result of the beauty division is displayed. Data for LVMH is only for beauty brands reported under Perfumes and Cosmetics division and excludes Sephora

**WHERE IS GROWTH  
COMING?**

**REGIONALLY**

# EXECUTIVES ARE BULLISH ON INDIA, MIDDLE EAST, APAC AND LATAM



Sources and methodology: McKinsey, Business of Fashion, The survey was concluded by end-March 2025, prior to the US announcements of tariffs



# INDIA LUXURY BEAUTY MARKET

## OVERVIEW



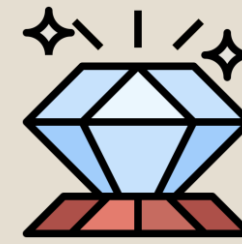
**\$1bn**

SALES  
2024



**10%**

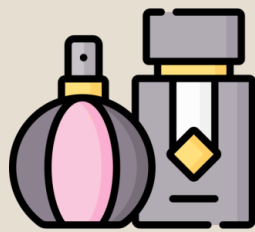
EST. CAGR  
2024-2028



**4%**

LUXURY AS % OF  
INDIAN BEAUTY 2024

## SALES BY CATEGORY 2024



**43%**

PERFUME



**28%**

MAKEUP



**19%**

SKINCARE



**10%**

HAIRCARE

## SALES BY CHANNEL 2024



**30%**

ONLINE

**NYKAA**  
SEPHORA

**25%**

SPECIALTY

**KAMA**<sup>TM</sup>  
AYURVEDA  
FOREST ESSENTIALS<sup>TM</sup>  
LUXURIOUS AYURVEDA

**20%**

D2C



**15%**

DS



**10%**

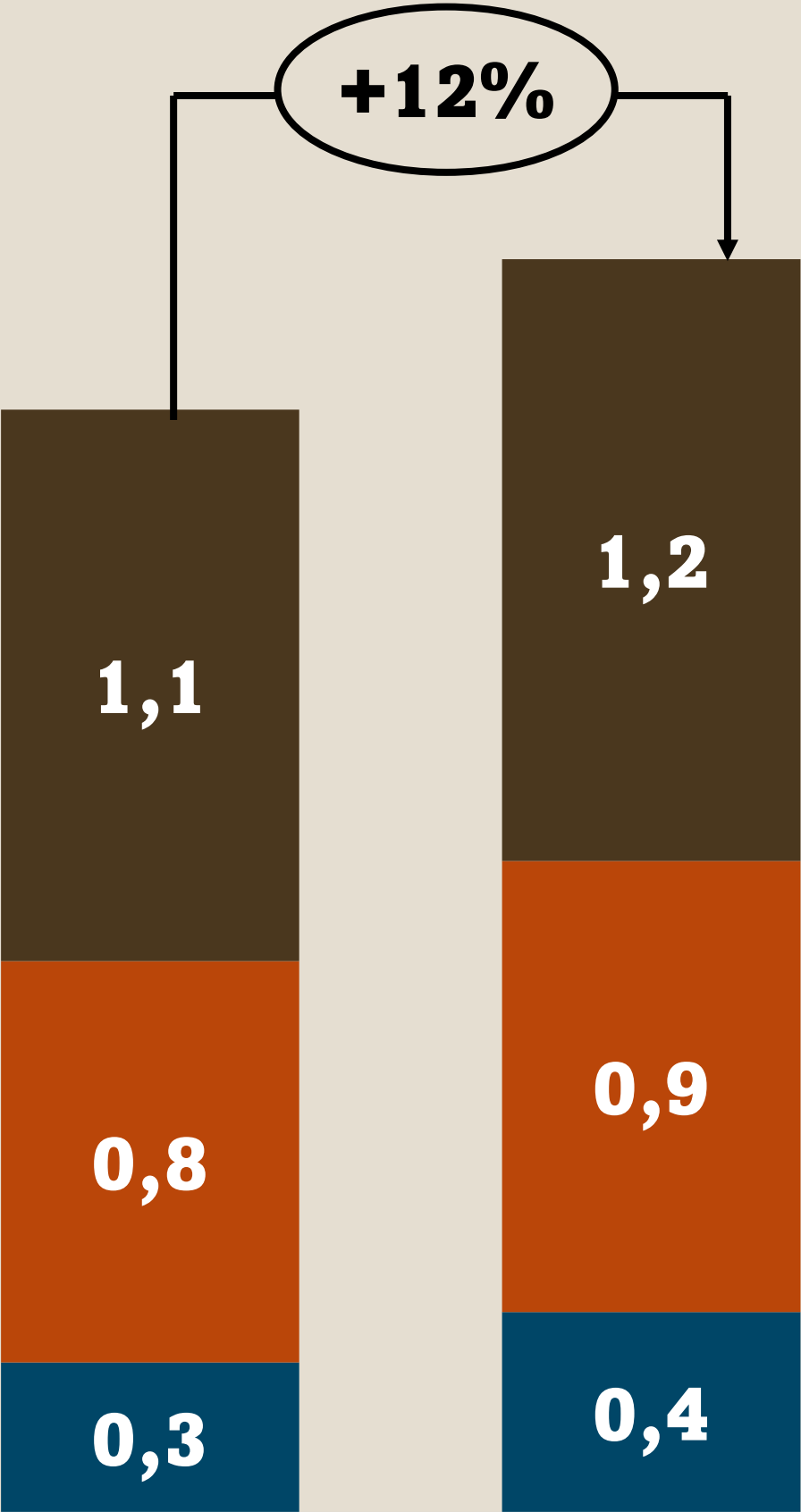
OTHERS

# THE PRESTIGE BEAUTY MARKET IN GULF COUNTRIES

MARKET SIZE \$BN

24 vs 23

TOP BRANDS



+12%



+11%



+10%



+17%

GUERLAIN PRADA  
LOUIS VUITTON  
PARFUMS de MARLY  
Jean Paul GAULTIER

FENTY URBAN DECAY  
Too Faced it COSMETICS  
saie Kosas Glossier.

L'OCCITANE EN PROVENCE Charlotte Tilbury  
The Ordinary. FENTY  
DRUNK ELEPHANT™

2023

2024

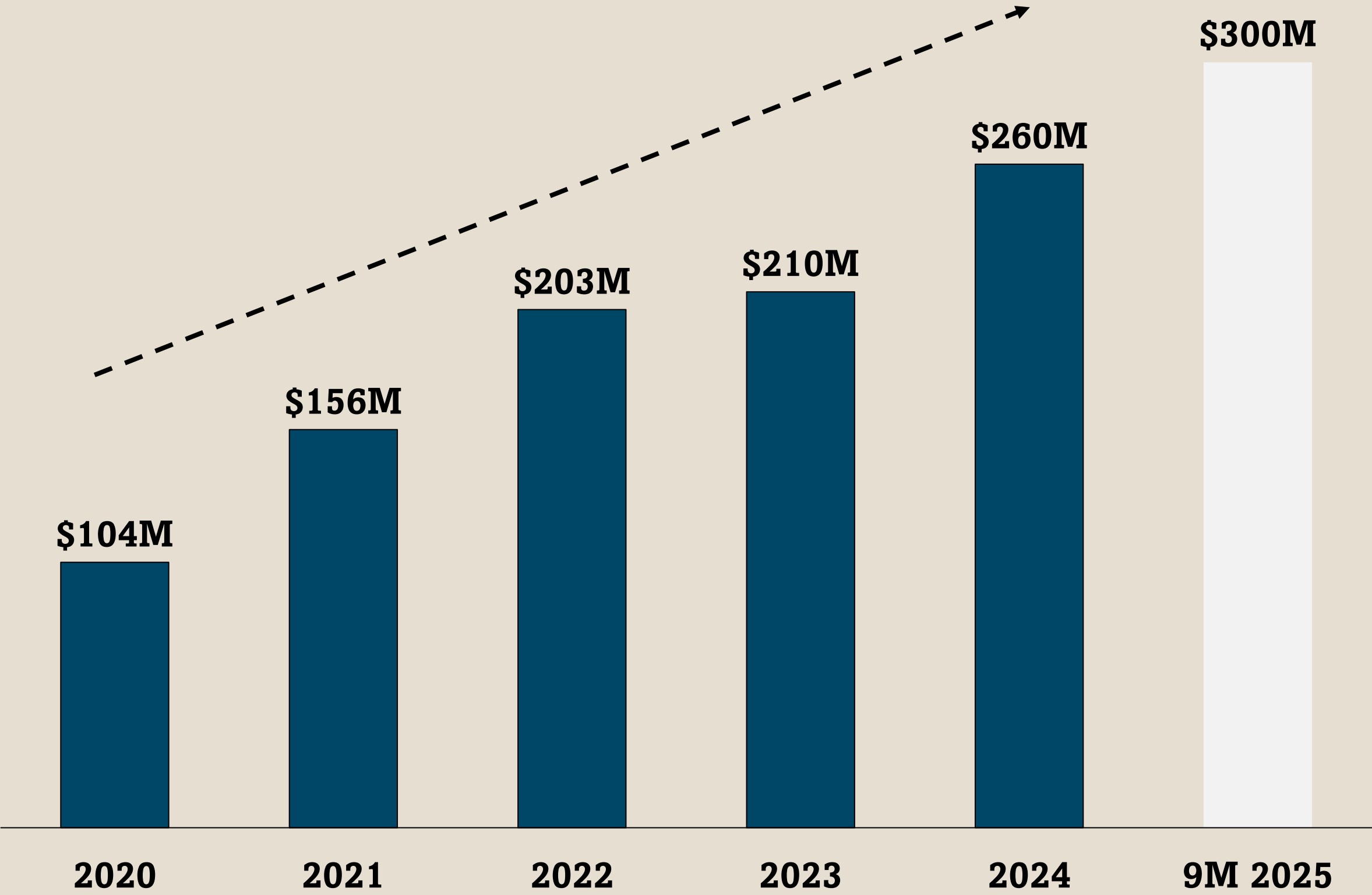
Sources and Scope: Chalhoub Group, countries covered include UAE, KSA, Kuwait, Qatar, Bahrain and Oman

PLAYBOOK  
OF  
BEAUTY

# THE EMERGENCE OF MIDDLE EASTERN PLAYERS ON THE GLOBAL SCENE

AMOUAGE

25.7%  
CAGR 20-24



# US BEAUTY MARKET H1 2025

+3.7%

in sales during H1 25 vs. H1 24 at \$50.6bn

MASS

+4%

68% OF SALES

PRESTIGE

+2%

32% OF SALES



SKINCARE

+4%

-1%



MAKEUP

-1%

+1%



PERFUME

+17%

+6%



HAIRCARE

+4%

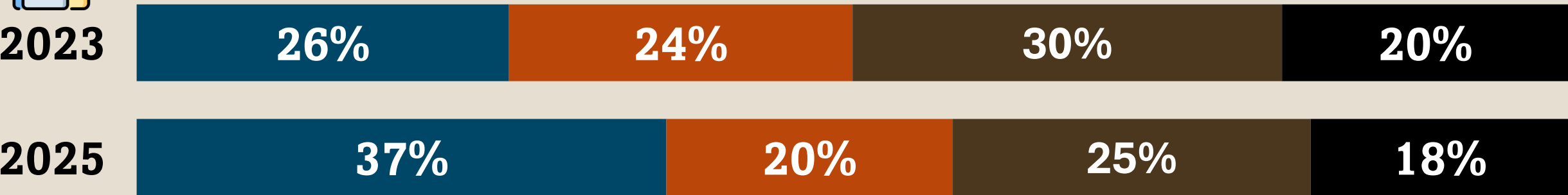
+6%

# AMOUNT SPENT BY US CONSUMERS ON BEAUTY IN THE LAST SIX MONTHS

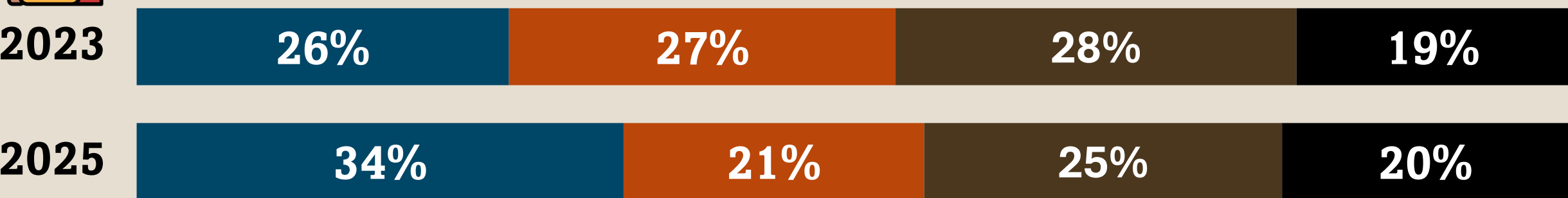
*As a % of US consumers*



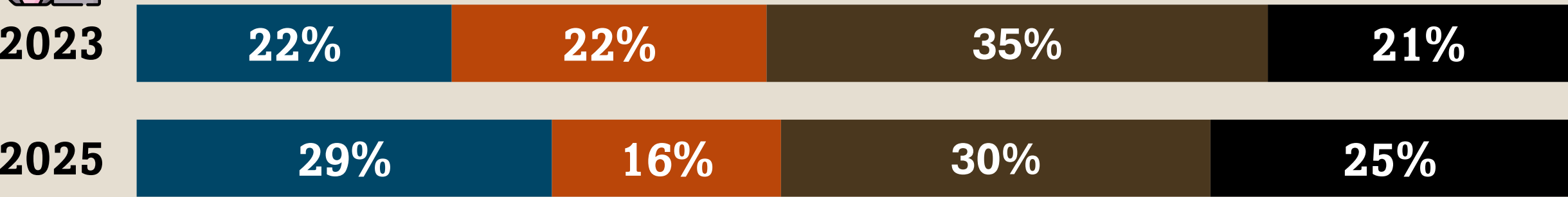
## SKINCARE



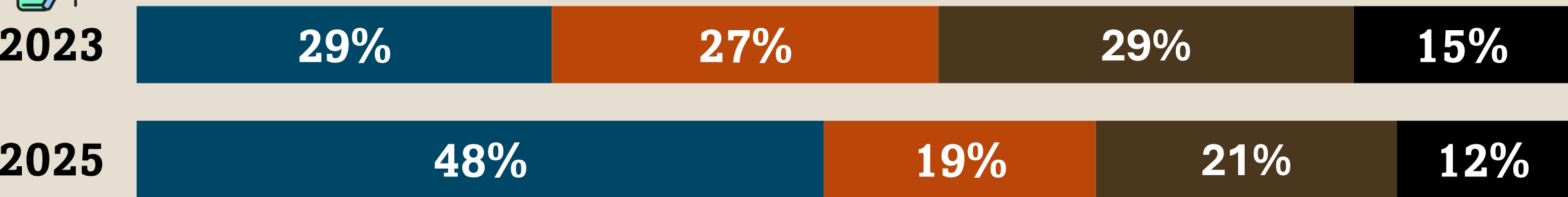
## MAKEUP



## FRAGRANCE



## HAIRCARE



■ \$1-\$35   ■ \$36-\$75   ■ \$76-\$150   ■ \$150+

Sources & Methodologies: McKinsey Beauty Consumer Surveys 2023 and 2025

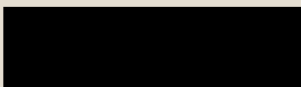
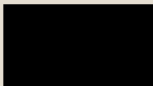
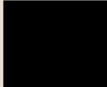
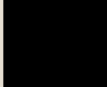
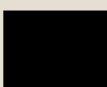
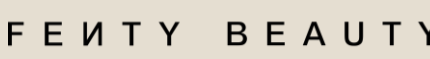
# BEST SELLING BEAUTY BRANDS ONLINE IN H1 2025 IN THE US



## SEPHORA

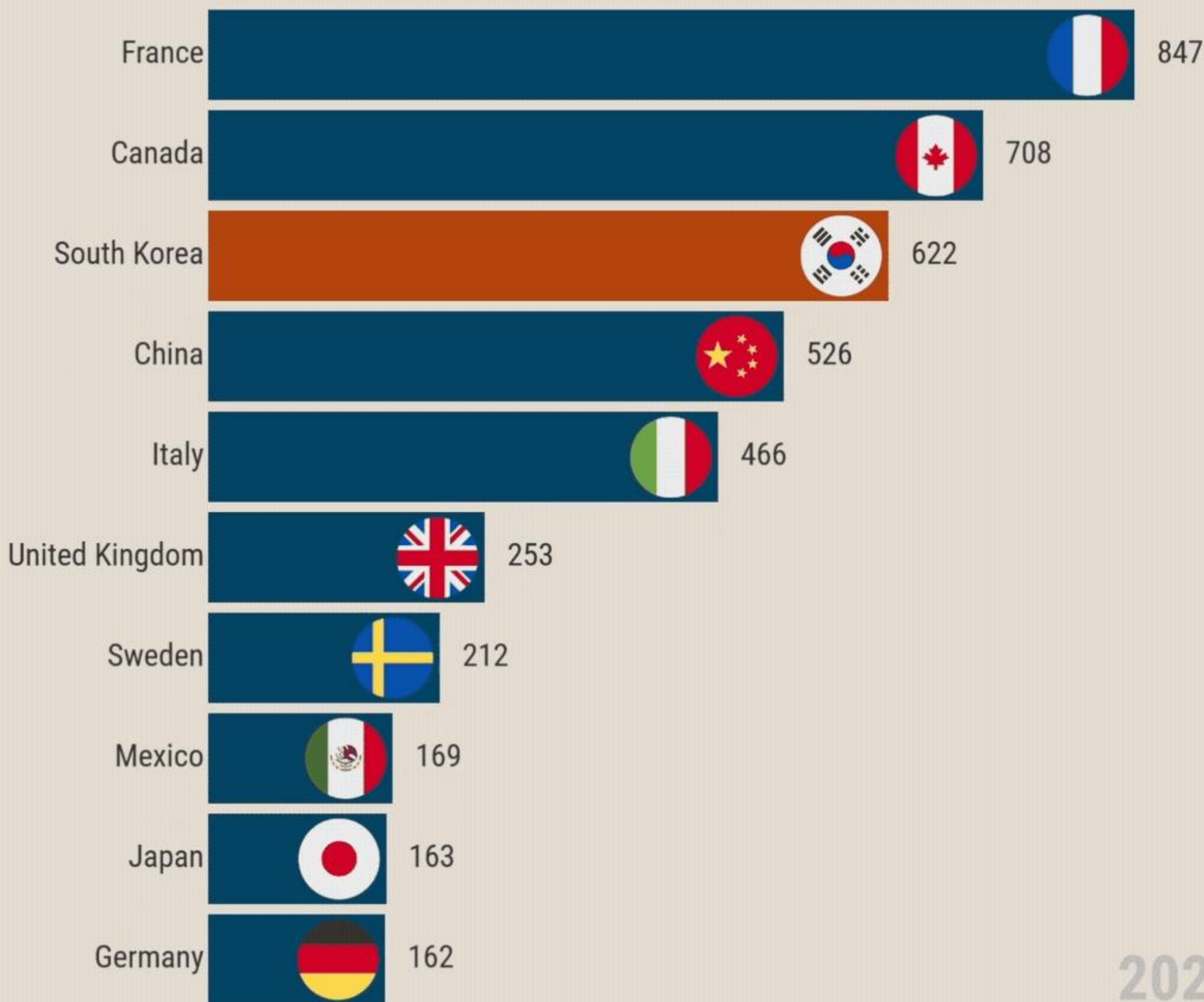
|                                                                                                                                | Share of Sales                                                                           | Change YoY |
|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------|
|  CLINIQUE                                     |  3,2%   | +0.2pts    |
|  LA ROCHE-POSAY<br>LABORATOIRE PHARMACEUTIQUE |  2,3%   | +0.7pts    |
|  ULTA BEAUTY<br>COLLECTION                  |  2,3% | -0.1pts    |
|  REDKEN<br>5TH AVENUE NYC                   |  2,0% | +0.2pts    |
|  elf                                        |  1,4% | +0.2pts    |
|  SOL DE JANEIRO                             |  1,3% | +0.7pts    |
|  tarte                                      |  1,3% | -0.3pts    |
|  O·P·I                                      |  1,3% | +0.3pts    |
|  NYX                                        |  1,2% | +0.1pts    |
|  MAC                                        |  1,1% | +0.1pts    |

Sources & Methodologies: Analysis of ecommerce sales on Ulta Beauty and Sephora in the US from WWD and Navigo Marketing

|                                                                                                           | Share of Sales                                                                             | Change YoY |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|------------|
|  SEPHORA<br>COLLECTION |  4,8%   | -0.5pts    |
|  SOL DE JANEIRO        |  2,4%   | -0.4pts    |
|  The<br>Ordinary.    |  1,9% | +0.1pts    |
|  amika:              |  1,7% | -0.1pts    |
|  KÉRASTASE<br>PARIS  |  1,7% | +0.6pts    |
|  Rare Beauty         |  1,7% | +0.1pts    |
|  MOROCCANOIL®        |  1,5% | -0.1pts    |
|  GLOW RECIPE         |  1,4% | -0.4pts    |
|  FENTY BEAUTY        |  1,4% | -0.1pts    |
|  Charlotte Tilbury   |  1,3% | -0.3pts    |



# US SKINCARE & MAKEUP IMPORTS IN \$M



2020

# BY SEGMENT

# PERFUME IS BEAUTY FASTEST GROWING CATEGORY

## GLOBAL BEAUTY SALES 24 AND 24-30 PROJECTIONS



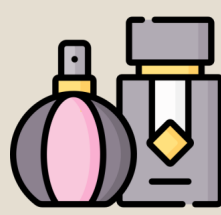
ALL BEAUTY



SKINCARE



MAKEUP



FRAGRANCE



HAIR

SALES  
2024

\$441bn

\$181bn

\$84bn

\$84bn

\$92bn

CAGR  
19-24

4%

3%

2%

8%

6%

CAGR  
24-30  
BASE CASE

5%

5%

5%

6%

5%

CAGR  
24-30  
LOW CASE

3%

2%

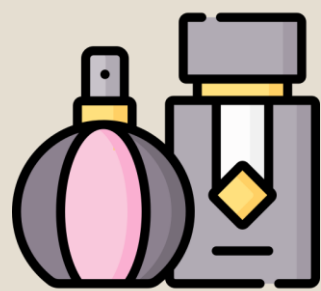
3%

4%

3%

# GEN Z CONSUMERS ARE DRIVING THE PERFUME MARKET GROWTH

## PERFUME IS BEAUTY GROWTH ENGINE...



**+14%**

prestige fragrance sales in 2024



**€42.4bn**

projected luxury fragrance market 2025

## ... DRIVEN BY GEN Z CONSUMERS ...



**73%**

of Gen Z wear perfume 3+ times per week



**+44%**

perfume purchases by teenage boys in 2024

## ... WITH NEW SHOPPING HABITS AND NEEDS



**66%**

influenced by TikTok for perfume purchases



**42%**

look for mental health benefits in beauty

# THE PREMIUM FRAGRANCE MARKET IN ASIA PACIFIC IS BOOMING



APAC

2019

\$3.2bn

2024

\$4.9bn

CAGR

8.9%



CHINA

1.1bn

\$2bn

12.7%



KOREA

\$0.4bn

\$0.8bn

14.9%

# **LEVERAGING AI IN THE BEAUTY INDUSTRY**

# AI: A STRATEGIC OPPORTUNITY FOR THE BEAUTY INDUSTRY



**\$10BN**

Of potential value creation for the beauty industry



**78%**

Of luxury beauty brands have made AI a strategic priority



**5.4**

Number of AI use cases tested by brand on average in 2025

# **WHAT ARE THE USE CASES OF AI IN BEAUTY?**

# FROM USER EXPERIENCE TO CUSTOMER SUPPORT

## FRONT

### CONSUMER INSIGHTS & USER EXPERIENCE

1. **Trend identification and social listening** (e.g. rising trends, sentiment analysis on existing products, assortment vs competitors)
2. **Microsegmentation** and comprehensive consumer personas based on customer data
3. **Dynamic ‘clienteling’** for retail store associates (e.g. summarized customer information)

### MARKETING

1. **Content generation and versioning** (creation, editing & translation of product images, descriptions & social media ads)
2. **Experiential product discovery** (eg, synthesis of product reviews, conversational website experience for easy browsing)
3. **Hyperpersonalized targeting** (e.g. streamlined customer profiles, individualized recos and offers)
4. **Media optimization** (toward higher ROI channels and SEO optimization)

## MIDDLE

### INNOVATION & PRODUCT DEVELOPMENT

1. **Rapid packaging-concept development** (e.g. digital product packaging designs, 3D visual)
2. **Innovative product development** through quickly testing combinations of ingredients or chemicals
3. **Product manager copilot** to support creation of key documents (ex. Certifications), planning and backlog prioritization and reporting
4. **Store design and planning** (e.g. AI-generated store layout options for inspiration, store of the future)

## BACK

### CORPORATE BUSINESS FUNCTIONS

1. **Performance planning and reporting** (demand planning, finance reporting, etc...)
2. **Internal search and task automation for employees** (access to internal database, automated admin, etc...)
3. **Recruitment, onboarding and training** (candidate screening, training material production, etc...)

### SALES AND CUSTOMER SUPPORT

1. **Pre-call preparation** (prep automation for sales pitches, AI role-play for training, etc...)
2. **During-call support** (recommendations based on past interactions, automated customer chatbot, etc...)
3. **Post-call transcript and performance analytics**

# CONTENT GENERATION

## L'ORÉAL



L'Oréal's internal "CreAltech" lab (in partnership with Google Cloud) uses generative AI models (Imagen 3, Gemini, Veo 2) to produce up to **50,000 images** and **500+ videos** per month for global marketing teams.



This "prompt-to-creative" system reduces campaign production times **from weeks to days**, enabling faster concept generation and localization

## ESTÉE LAUDER



Estée Lauder partnered with Microsoft to create a digital operating platform whose generative models are now used to produce ad copy, visual content and internal creative assets, **cutting production timelines in half**



AI-driven media optimization improved advertising ROI by **31%.**

# EXPERIENTIAL PRODUCT DISCOVERY

## CHATBOTS



### L'ORÉAL BEAUTY GENIUS



AI personal assistant that provides **diagnostics** and **routine recos**.  
Uses **AI** and **computer vision** to match users with products from L'Oréal's catalog.



500K+

CONVERSATIONS IN 9  
MONTHS

## VIRTUAL TRY-ON



### L'ORÉAL MODIFACE



**Augmented-reality** and AI technology platform that lets consumers **virtually try on** makeup, hair colors, and skincare effects in real time.



2.5x

AVERAGE INCREASE IN  
CONVERSION

# HYPERPERSONALIZED TARGETING



## UNIFIED CUSTOMER PROFILES

Ulta **centralized data** from **38M+** loyalty members into **unified profiles**, enabling precise targeting **across channels**

## REAL-TIME AI PERSONALIZATION

**AI** and **machine learning** predict next **customer actions** & deliver **personalized** messages that adapt in **real time**.

## MEASURABLE BUSINESS IMPACT

This hyper personalization drives a **95%** **repeat purchase rate** while reducing marketing costs, including print.

## COMPETITIVE ADVANTAGE

With **51%** of customers wanting AI-powered personalization Ulta's efficiently maintains loyalty and growth

# INNOVATIVE PRODUCT DEVELOPMENT

## PACKAGING



Uses **generative AI** and **3D rendering** to create digital twins of its product packaging. This lets them prototype and **visualize packaging in different environments** much more rapidly

**-60%**

**IN DEVELOPMENT  
TIME**

## FORMULATION



Custom **AI model** for **cosmetics formulation**. Helps R&D teams **accelerate** the creation and reformulation of products using sustainable, renewable ingredients, **reducing waste**

**5%**

**SAVED IN RAW  
MATERIALS**



rAlviews

**LEVERAGING CUSTOMER  
FEEDBACK ON PACKAGING  
AT SCALE**

rAlviews is an **AI SaaS platform**  
that automatically collects, categorizes,  
and **analyses beauty product**  
**reviews at scale**  
to deliver clear, actionable reports so  
you **know what customers love,**  
**hate, and desire next**



Create Analysis Report

Generate comprehensive insights from customer reviews using our AI-powered analysis platform

Select Product

Search products or categories...

Optional Settings

Benchmark with Product

Search for a product to benchmark with...

Sources 

☒ Select All

AMERICAS

☒ USA

☒ SephoraUS

☐ Ulta

AVAILABLE

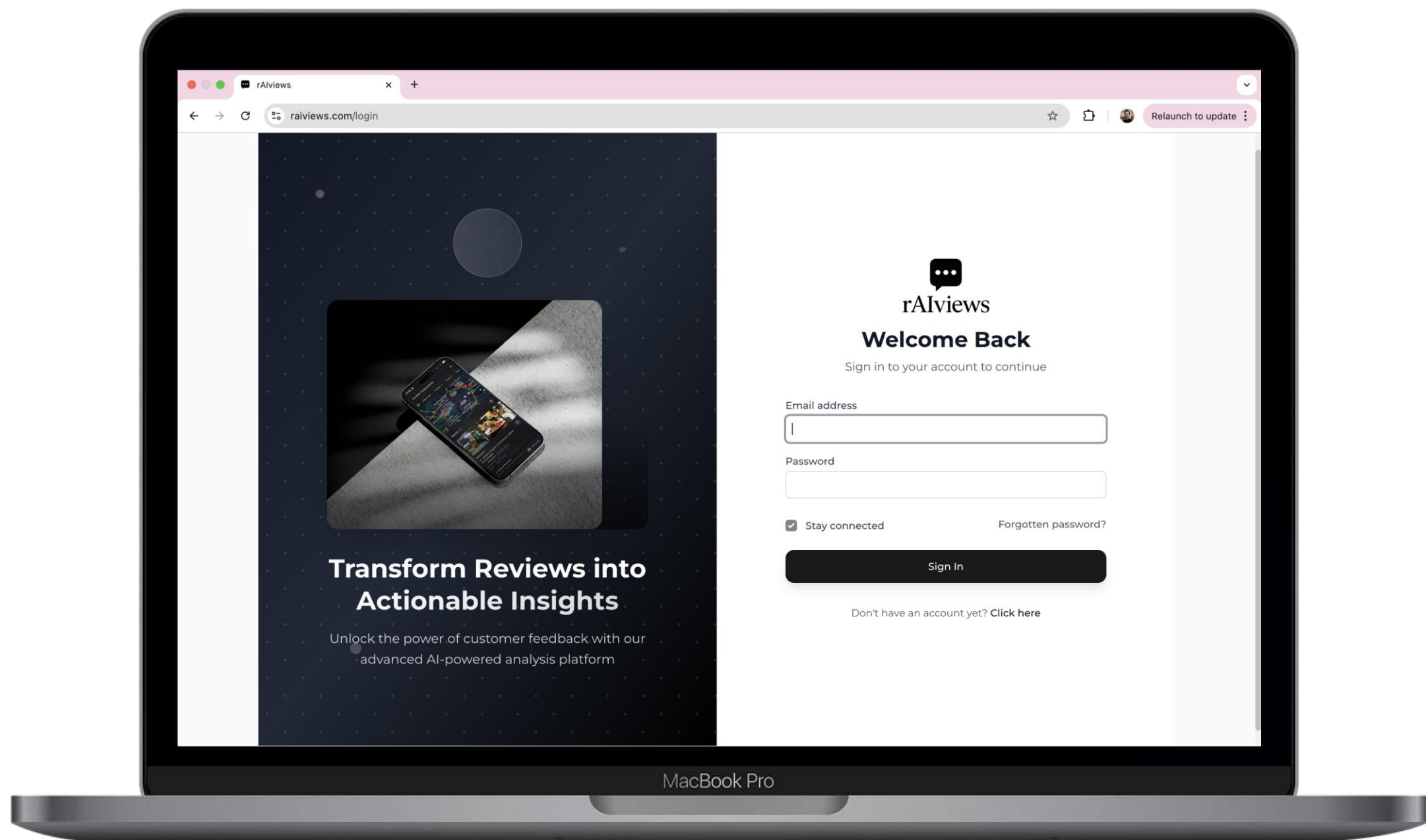
LIVE

OTHER SOURCES

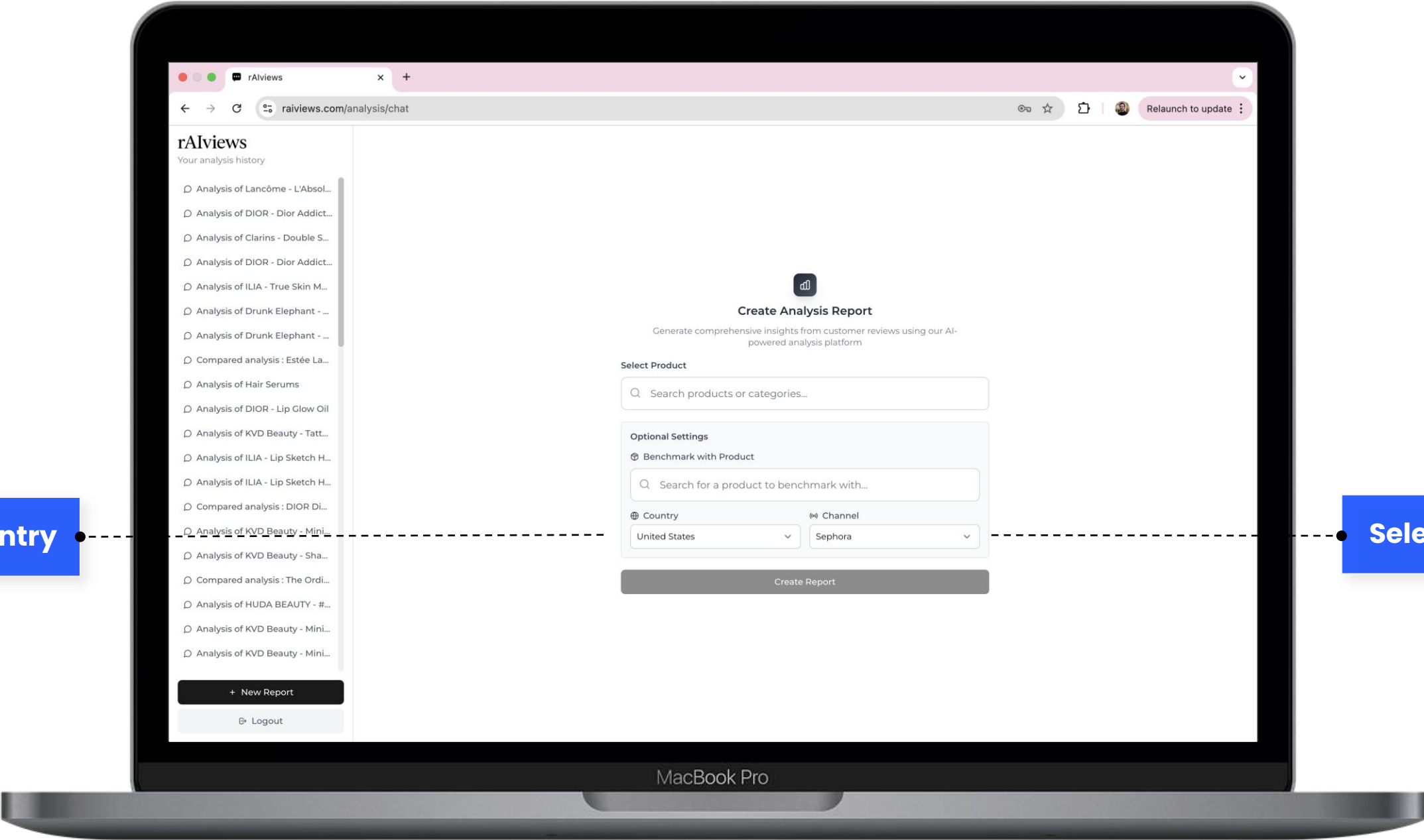
Premium features

Create Report

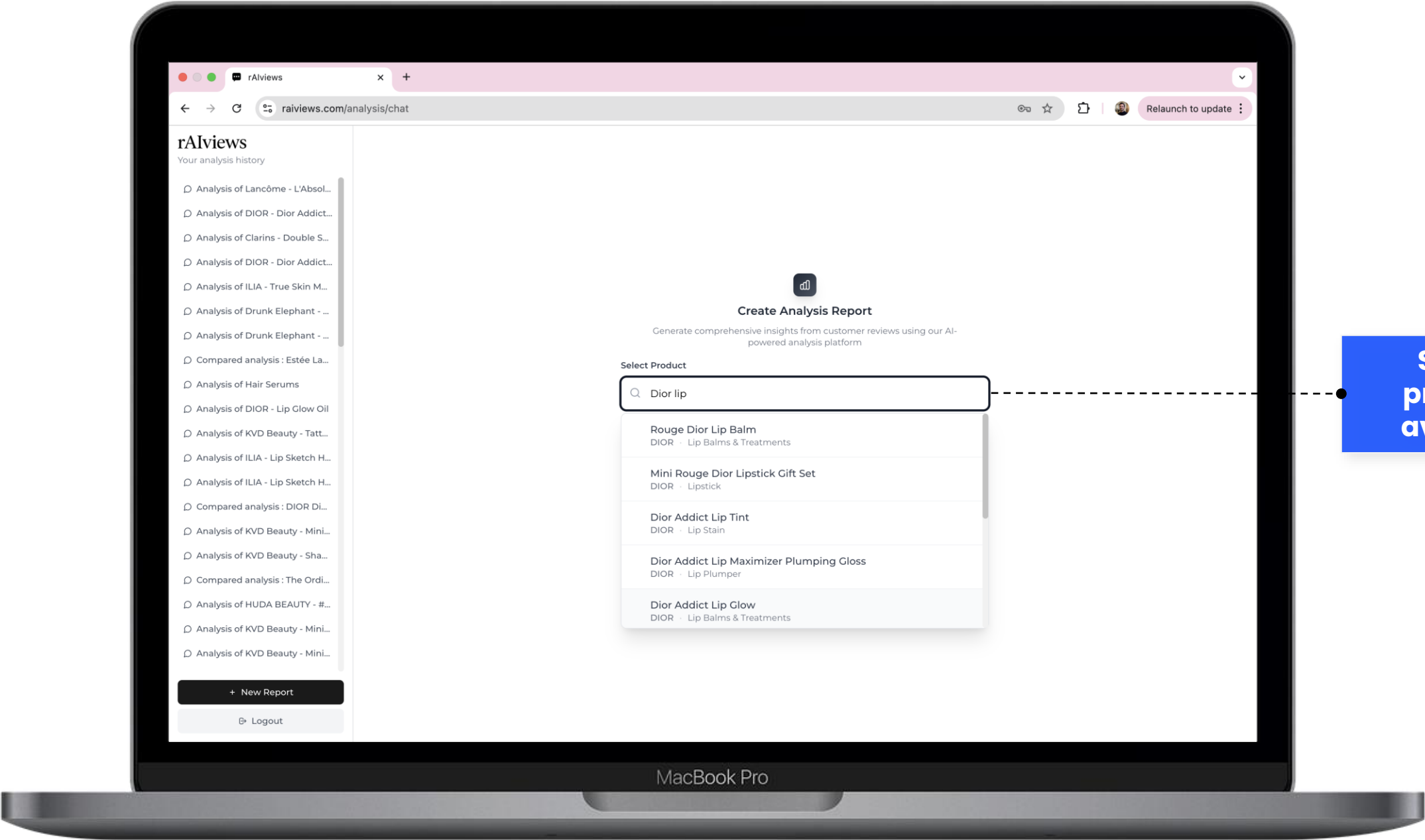
## ▶ LOG IN YOUR CUSTOMIZED SESSION



▶ **SELECT TARGET COUNTRIES & RETAILERS**



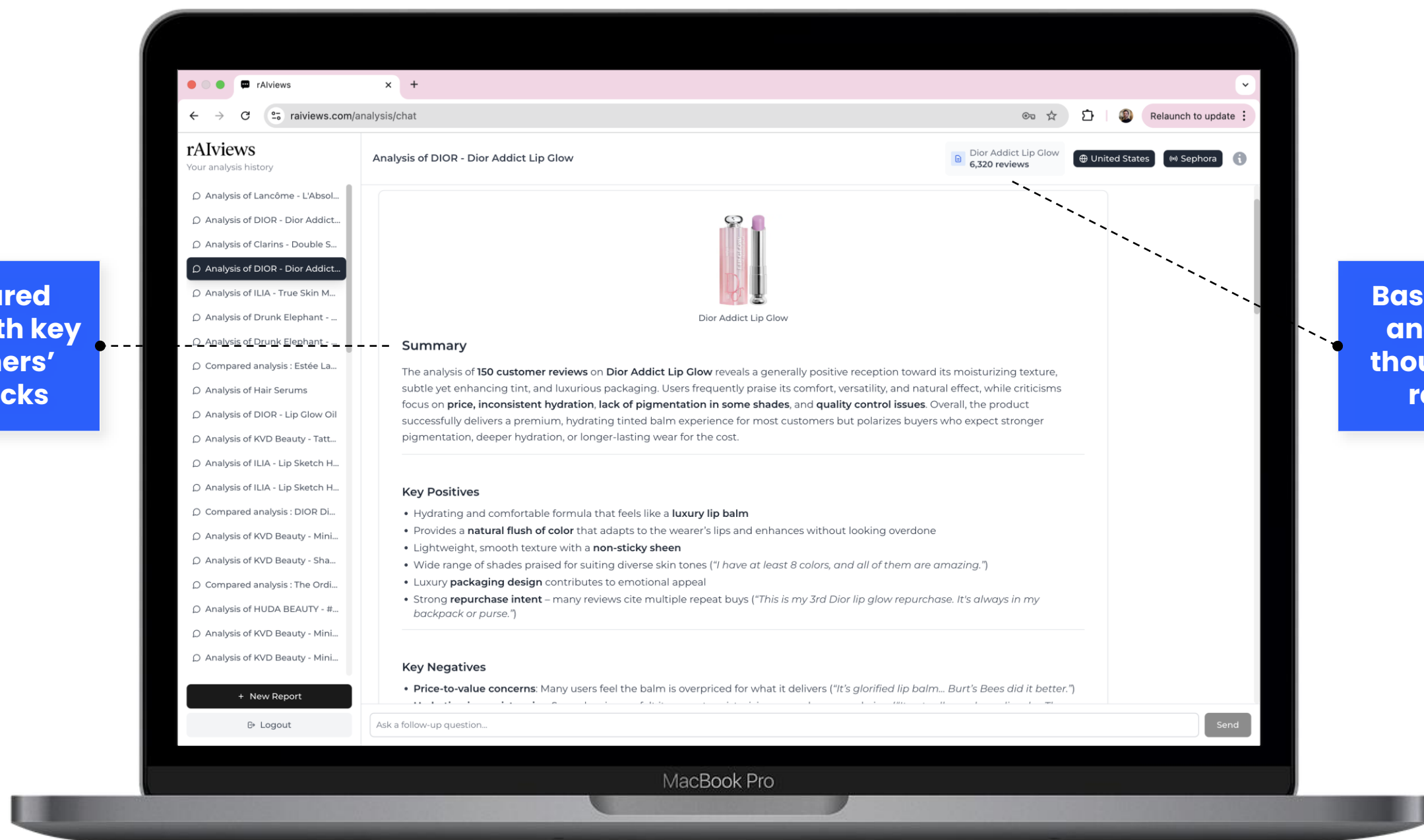
▶ **SELECT ANY PRODUCT**



**Search  
products  
available**

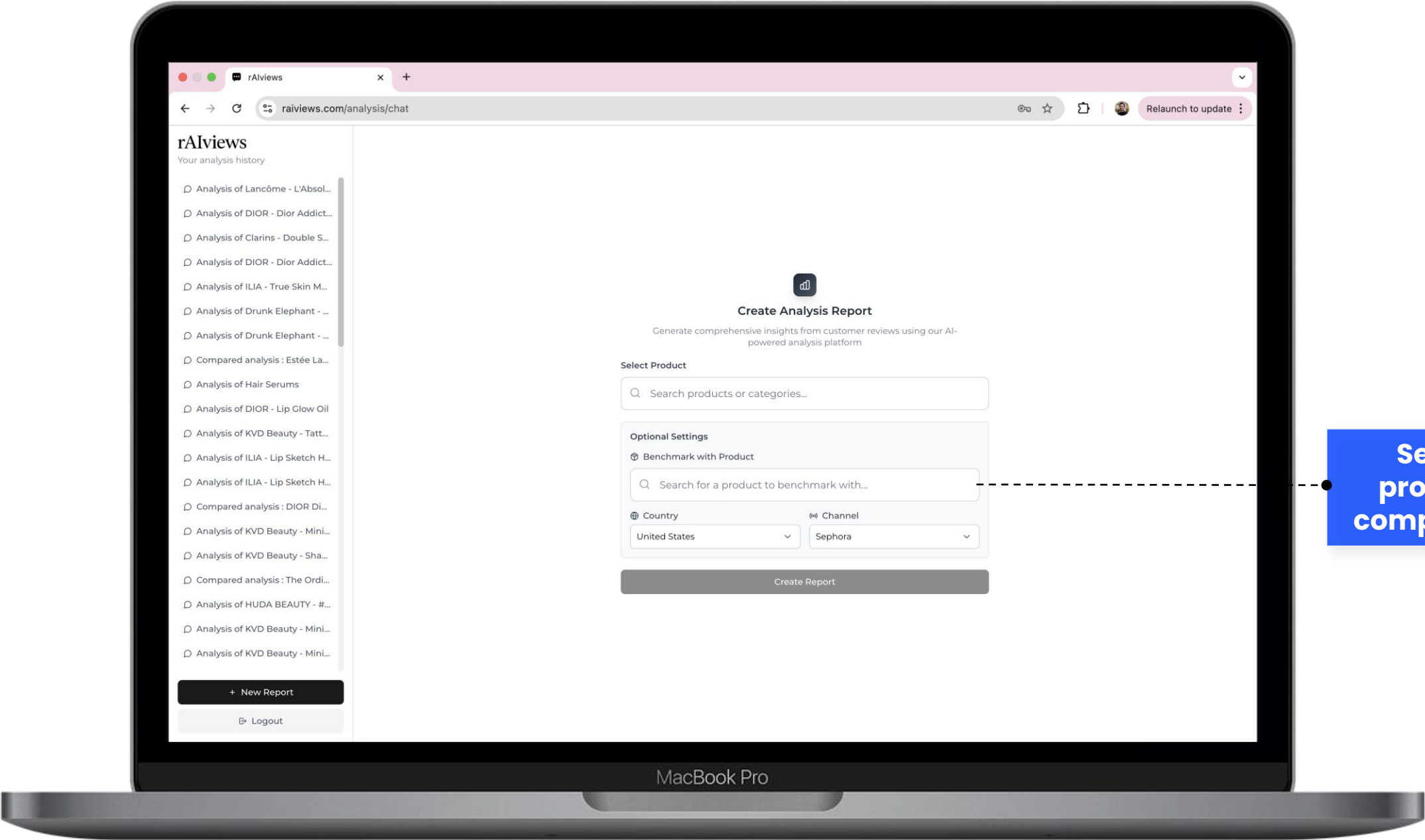
# ▶ GET CUSTOMER FEEDBACK INSTANTLY

Structured  
report with key  
customers'  
feedbacks



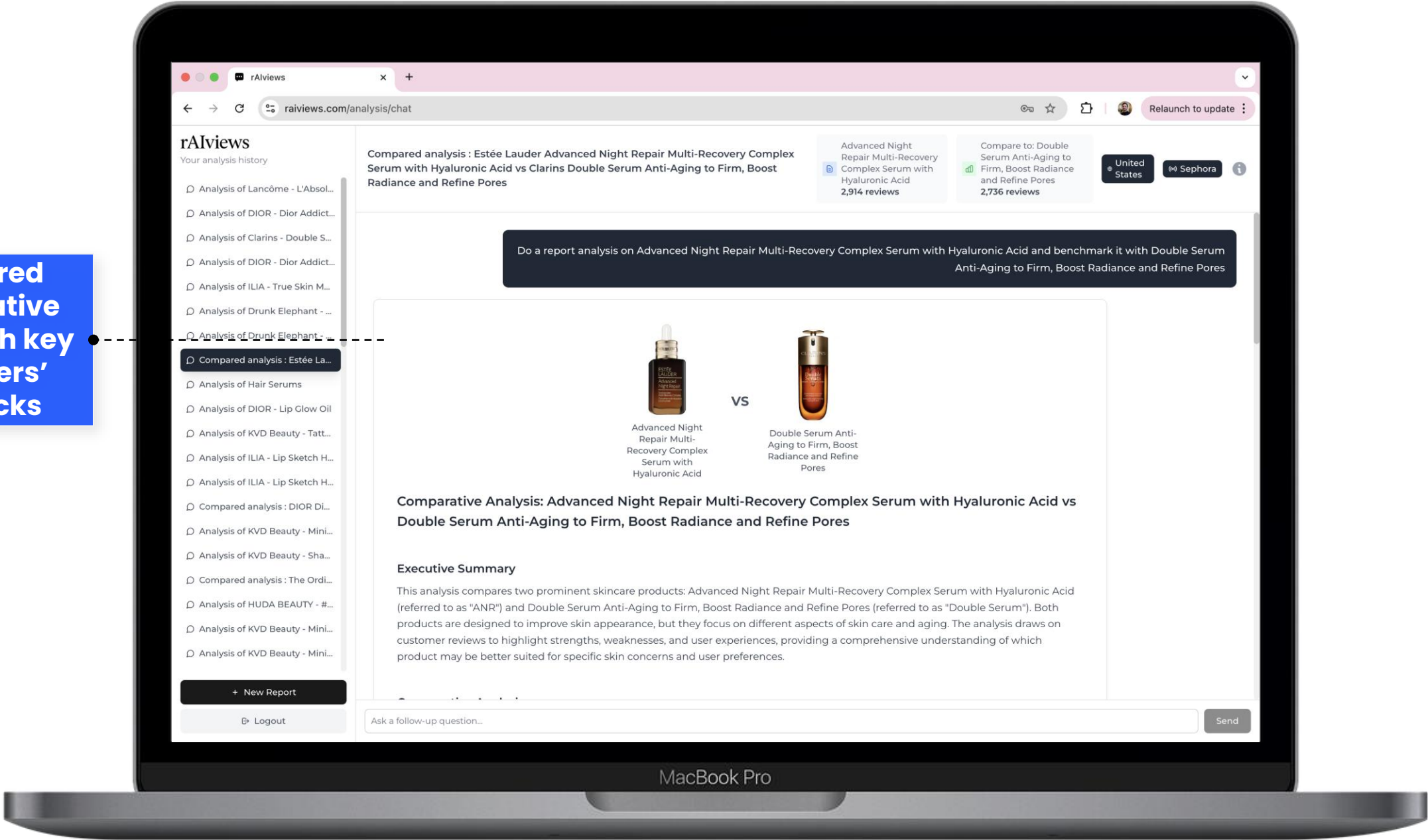
Based on the  
analysis of  
thousands of  
reviews

► **COMPARE YOUR PRODUCTS WITH THE COMPETITION**



▶ **GET A COMPREHENSIVE REPORT VS COMPETITORS**

**Structured  
comparative  
report with key  
customers'  
feedbacks**



**FOLLOW ME FOR DAILY INSIGHTS  
ON BEAUTY**



**ALEXIS AMANN**

PLAYBOOK  
OF  
BEAUTY