

FRAGRANCE AND PERSONAL CARE

## L'Oreal and Armani extend 1988 partnership until 2050

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*The partnership yielded more than a billion euros in 2017. Image credit: Armani*

By STAFF REPORTS

Cosmetics group L'Oreal and Italian fashion house Armani have agreed to renew their partnership until 2050.

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The licensing agreement between the two has been in place since 1988, and the reaffirmation of its deal until 2050 shows a distinct confidence from both companies that the partnership is fruitful. Under this deal, L'Oreal will continue to develop luxury fragrances with Armani.

"The renewal of our agreement with Armani demonstrates our confidence in the success of this partnership which has proven its strength and coherence during all these years," said Jean-Paul Agon, chairman and CEO of L'Oréal, in a statement. "There is a real synergy between the savoir-faire of L'Oréal and the exceptional creative inspiration of Giorgio Armani, which contribute to make Armani one of the most beautiful and dynamic beauty brands in the world."

### Renewed commitment

The 30-year old partnership between L'Oreal and Armani has been fruitful for both brands.

Armani has benefitted from having a fragrance expert supporting its perfumes and colognes while L'Oreal has upped its luxury credibility by partnering with a genuine luxury fashion house.

Now, the two are extending their partnership another 32 years, showing mutual confidence in the efficacy of their relationship.

L'Oreal claims that some of the products created through this agreement are among the strongest growth drivers in its inventory with more than 1 billion euros, or \$1.2 billion at current exchange, in revenue in 2017 alone.

The brand recently shook things up in the beauty sector with its acquisition of ModiFace, a tech developer that powers many brands' AR platforms.



*L'Oreal and Armani's partnership started in 1988. Image credit: L'Oreal*

The beauty sector has significantly pushed the boundaries of artificial intelligence and augmented reality, leading the way for other luxury brands. ModiFace is one of the most prolific creators of AR tech with beauty brands and retailers such as Sephora and Este Lauder using its services ([see story](#)).

Giorgio Armani Beauty will launch on Chinese shopping platform Tmall as part of its efforts to capture China's fast growing appetite for high-end cosmetics.

In the weeks leading up to the Jan. 16 launch, Armani Beauty held a series of pre-sale events on Tmall, Alibaba's B2C shopping platform. Similar to fashion, the cosmetics and skincare sector has steered away from online selling in China due to counterfeit concerns, but recently, brands have begun warming to the idea as Chinese sellers establish a sense of trust ([see story](#)).

"The collaboration with L'Oreal is one of the first licenses in our portfolio," said Giorgio Armani, president of the Armani Group, in a statement. "We are very pleased to renew our agreement thus consolidating a very successful partnership.

"L'Oreal's mission and high professionalism have always been aligned with the dynamic and creative spirit that is the core of my philosophy, and over the years our mutual trust has constantly generated excellent results."

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