

FRAGRANCE AND PERSONAL CARE

L'Oral Luxe revenues up 19pc in Q1

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Zendaya Coleman is the new face of Lancme. Image credit: Lancme

By STAFF REPORTS

Beauty group L'Oral's sales were up 11.4 percent in the first quarter of the year, propelled partly by double-digit growth in its luxury division.

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In addition to L'Oral Luxe's buoyancy, the company also saw strong sales increases in Asia Pacific, at travel retail and in ecommerce. L'Oral notes that skincare and fragrances were strong performing categories for its high-end brands, while consumers are also scooping up lipstick.

Luxury leading growth

The L'Oral Luxe division includes the billion-dollar brands Lancme, Yves Saint Laurent, Giorgio Armani and Kiehl's. In the first quarter, all four achieved growth of more than 15 percent.

Total revenues for L'Oral Luxe brands were 2.68 billion euros, or about \$3.02 billion, for a reported increase of 19 percent and a like-for-like growth of 14.2 percent.

Overall, L'Oral's revenues were 7.55 billion euros, or about \$8.52 billion.

While almost all regions recorded growth, Asia Pacific saw the strongest increase with a 30.4 percent bump in sales.

Following Asia Pacific was North America, which saw growth of 9.2 percent. In this region, Yves Saint Laurent and Giorgio Armani are outperforming the market in perfume.



Ryan Reynolds is the new face of Armani Code. Image credit: Armani

Latin America was the only region to report a sales decrease, with a 1 percent decline. The group notes that Brazil is returning to growth, helping to drive a regional like-for-like increase of 4 percent.

Ecommerce is a key growth area for L'Oral, with an increase of 43.7 percent year-over-year. Travel retail also saw dramatic growth of 24.1 percent.

"Despite a volatile, uncertain and contrasted economic environment, this positive start to the year gives us confidence in our capacity to outperform the market in 2019 and see another year of growth in sales and profits," said Jean-Paul Agon, chairman and CEO of L'Oral, in a statement.

L'Oral's luxury division grew 10.6 percent in 2018, aided by strong performance of mega brands including Lancme, Armani Beauty and YSL Beauty.

Lancme in particular saw its sales surpass 3 billion euros, or about \$3.4 billion at current exchange. L'Oreal Luxe found particular success at travel retail, in Eastern Europe and Latin America ([see story](#)).

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