

FRAGRANCE AND PERSONAL CARE

## Luxury cosmetics sales worldwide to clock \$55.6B this year: report

August 29, 2019



*The design of the Dior Rouge Ultra Care Liquid 999 Bloom applicator lies behind its micro-flocked petal shape, which provides a soft sensation and precise application. It also delivers exactly the right amount of color. Image credit: Christian Dior*

By STAFF REPORTS

A new report claims that the global luxury cosmetics market will reach \$81.24 billion, posting a 5.6 percent compounded annual growth rate.

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A boost in ecommerce and rising demand for organic personal care and cosmetics products will propel growth in the luxury cosmetics business worldwide, according to Allied Market Research.

Per the Portland, OR-based market researcher, the global luxury cosmetics market is estimated to generate \$55.6 billion in sales this year.

However, high taxation and import duties on luxury goods as well as the proliferation of counterfeit products will hamper growth to some extent, Allied Market Research said in its [luxury cosmetics market report](#).

But those issues can be offset by the opportunity created by halal luxury cosmetics in the Middle East and the growing demand for luxury skincare products.

### Skin in the game

Frontrunners in the luxury cosmetics market are Christian Dior, Puig, L'Oral, Kao Corp., Revlon Inc., KOS Corp., Coty Inc., The Esté Lauder Companies Inc., Oriflame Cosmetics AG and Shiseido Co.

Skincare will dominate in terms of revenue generation.

The segment contributed to more than two-fifths of the total market share this year and will dominate through the entire period forecast by Allied Market Research.

Understanding the unique needs and characteristics of one's skin and using personalized product formulations to match those requirements has become a crucial trend in the skincare market which, in turn, has propelled the growth of the segment, according to the report.

Meanwhile, the makeup segment is projected to grow at the fastest CAGR of 6.1 percent through 2026.

Rising demand for makeup cosmetics manufactured using organic and plant-based ingredients has worked as the major driving factor for the growth, the market researcher said.

#### Conventional wisdom

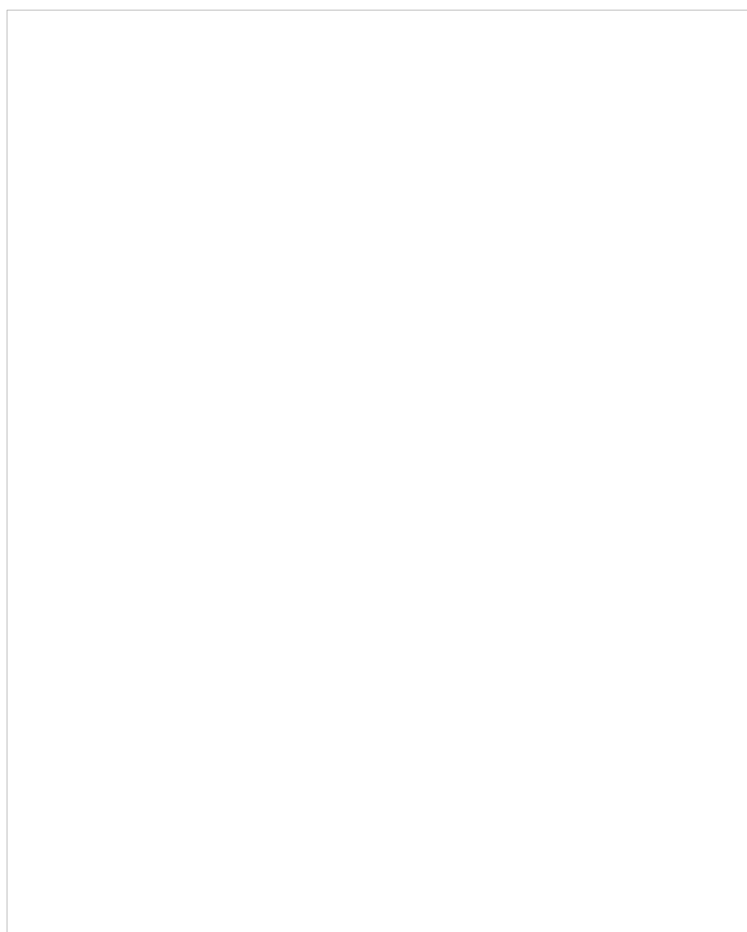
The conventional segment is expected to lead by 2026, per Allied Market Research.

Based on type, the conventional segment this year accounted for nearly three-fourths of the total market revenue. It is expected to maintain its dominance throughout the estimated period.

Conventional luxury cosmetics are made using stable formulas such as synthetic oils, silicones, emulsifiers, stabilizers and synthetic antioxidants. They are known to last longer as compared to natural products.

Simultaneously, the organic segment can cite the fastest CAGR of 7.6 percent during the study period, according to the report.

The widespread drift of health and wellness lifestyle has enabled to expand the potential of natural as well as organic beauty market.



*L'Oreal Paris 'Glow Chrie is a natural glow-enhancing lotion giving applicants a fresh and natural radiance. Also available in the United States under the name, Glowtion. Image credit: L'Oreal Paris*

#### Europe leads the count

In terms of geography, Europe will lead in revenue.

Europe held the major share this year, generating nearly one-third of the total market share.

Products made with vegan formulations have created a growing trend in the German cosmetics market, particularly in the hair care and skincare segments.

Simultaneously, Asia Pacific will claim the fastest CAGR of 7.9 percent by 2026 due to a growing middle class in the region that aspires to quality and sophistication in skincare, haircare and color cosmetic products, according to the report.