

FRAGRANCE AND PERSONAL CARE

Herms is betting on beauty expansion

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Herms continues to expand its beauty offerings after seeing strong demand in China and continued momentum globally in 2023. Image credit: Herms

By Crystal Tai

Herms is **expanding its beauty offerings**.

Later this year, the Birkin bag-maker plans to release a new line of eye makeup that includes mascara, eyeliner and eye shadow. This comes after the luxury brand **released** its first "Rouge" collection of lipsticks in 2020, as well as a range of nail polishes and blushes in 2022.

The Jing Take: Although the fashion house released its first fragrance in the 1950s, Herms' recent foray into makeup and cosmetics makes it a relative newcomer when compared to storied brands such as Chanel, which has offered lipsticks, foundations and other skincare products for decades.

This latest push into beauty takes place after Herms reported strong demand for its products in China over the last quarter of 2022 despite COVID-19 lockdowns and restrictions.

Herms executive chairman Axel Dumas cited continued growth over the past few months: "[We] continued to see strong desirability in China. We saw things going very strongly in China with double-digit growth, including in the fourth quarter," he told **Reuters** in February.

Most notably, China sales were strong across all product categories during the 2023 Lunar New Year.

Meanwhile globally, the firm reported a rise in sales by 22.9 percent year-over-year to \$3.2 billion, according to the same report.

In addition to its beauty expansion, Herms will also ramp up leather goods production, a segment that grew **16 percent** in the fourth quarter of 2022.

According to the **Financial Times**, the luxury house invested \$1.59 billion into its operations and hired for 4,300 new roles in Europe.

In China, where the beauty and personal care market is projected to reach **\$98 million in size this year**, global brands such as Herms stand to gain a larger market share by entering the beauty sector.

"Foreign cosmetics brands should see more resumption than domestic brands, driven by offline recovery," stated a Bernstein report, according to **WWD**.

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