

COMMERCE

Coty continues to bet on luxury beauty in 2023

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Burberry Goddess the licensed scent is the British fashion label's first refillable Eau de Parfum was a best-seller in key markets last quarter. Image credit: Coty

By LUXURY DAILY NEWS SERVICE

U.S. beauty group Coty is striking while ultra-premium fragrances and skincare are hot, according to a new quarterly fiscal report.

During the three months ended Sept. 30, 2023, marking Q1 of FY24 for the company, revenues rose by 18 percent year-over-year (y-o-y) on both a reported and like-for-like basis, significantly bolstered by the success of luxury products. Net revenues from the prestige segment are responsible for 65 percent of Coty sales, the department bringing in a total of \$1.06 billion, up 23 percent as compared to the same period in 2022.

"While the external environment remains complex and consumers are being considered in their spending, the beauty category remains advantaged, at the nexus of affordable luxury, self-care, and confidence boosting," said Sue Nabi, CEO of [Coty](#), in a statement.

"We remain well positioned to benefit from this strong beauty performance, while capitalizing on the multiple white space opportunities in our portfolio, including female fragrances, ultra-premium fragrances, skincare, China and Travel Retail," Ms Nabi said. "These opportunities and our strong Q1 delivery enable us to raise our FY24 guidance for the second time this fiscal year."

Luxury lift

Strong performances in the Americas and across APAC, combined with solid travel retail sales, are cited as supporters of Coty's continued growth.

With double-digit y-o-y increases, earnings tied to the conglomerate's prestige department were backed by shoppers in across all regions, including EMEA.

Licensed scents are attributed as a major contributor, as far as the group's ability to scale this quarter is concerned.

Burberry Goddess Eau de Parfum, the British fashion label's first refillable option, is the number one women's fragrance launch in key markets, the corporation's leaders say.

We delivered a very strong start to FY24 with Q1 growth exceeding the beauty market and expectations.

Sue Nabi, Coty CEO, commented: "We are proud of our great Q1 results, with sales growth once again amongst the best in our peer set and ahead of the beauty market." pic.twitter.com/auHefQ1l48

Coty Inc. (@COTYInc) [November 8, 2023](#)

Coty also shares that for the first time in the history of the company, three franchises reached the top 10 female fragrances in the U.S. The list includes Burberry Goddess, Gucci Flora and Burberry Her.

Though prestige makeup sell-through fell victim to slower-than-usual recovery speeds in China, Burberry covered the luxury cosmetics category's bottom line.

Combined with consumer beauty collections, Coty garnered \$1.64 billion in total revenue from July to September 2023, with the Americas representing 43 percent of net revenue, EMEA holding 45 percent and APAC delivering the remainder, at 12 percent.

The corporation appears confident in future yields, following the announcement of a lifted fiscal outlook for the year ([see story](#)).

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