

COMMERCE

# L'Oral Luxe becomes beauty market leader as growth calms

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Sales garnered last year have earned L'Oral Luxe a new title, though the luxury division's growth is leveling out. Image credit: L'Oral

By LUXURY DAILY NEWS SERVICE

Based on its latest reporting round, beauty group L'Oral has attained a new title.

The conglomerate has shared that last year, its sales totaled 41.18 billion euros, or nearly \$44.4 billion at current exchange, marking an 11 percent jump from the year prior on a like-for-like basis. Annual revenue from L'Oral Luxe renders the company a global market leader in prestige beauty, surpassing peers including U.S. groups Coty and Este Lauder Companies.

"2023 was a very successful year for the group," said Nicolas Hieronimus, CEO of L'Oral, in a statement.

"I am immensely grateful to our teams," Mr. Hieronimus said. "Their creativity, entrepreneurship and passion enabled us to report a third consecutive year of double-digit like-for-like growth, once again outperforming a dynamic beauty market."

## Hot commodity

L'Oral Luxe is now the globe's highest-grossing luxury beauty player by sales. The segment brought in just over \$16 billion in 2023, up 4.5 percent from the year before on a like-for-like basis.

During the last three months of 2023, the division brought in about \$4.46 billion, slightly less than Q4 2022's roughly \$4.48 billion. Yet and still, from October to December of last year, L'Oral Luxe produced the most money of any other L'Oral category, including Professional and Consumer Products, as well as Dermatological Beauty.

In some ways, L'Oral's feat stands out from those of its competitors. Annual sales at Este Lauder Companies ([see story](#)) amounted to \$4.28 billion across the entirety of its portfolio last quarter, down 7 percent y-o-y.

Meanwhile, Coty's prestige department garnered \$1.12 billion, raking in much less than L'Oral at the end of the year but growing 15 percent like-for-like and y-o-y during the three months ended Dec. 31, 2023.

Here, it managed to beat L'Oral Luxe, which grew at a much calmer rate -- .4 percent -- during these three months. Annually, L'Oral Luxe's growth has also cooled.

In 2022, sales at L'Oral Luxe increased 10.2 percent like-for-like compared to the year prior. In 2023, it jumped 4.5 percent y-o-y.

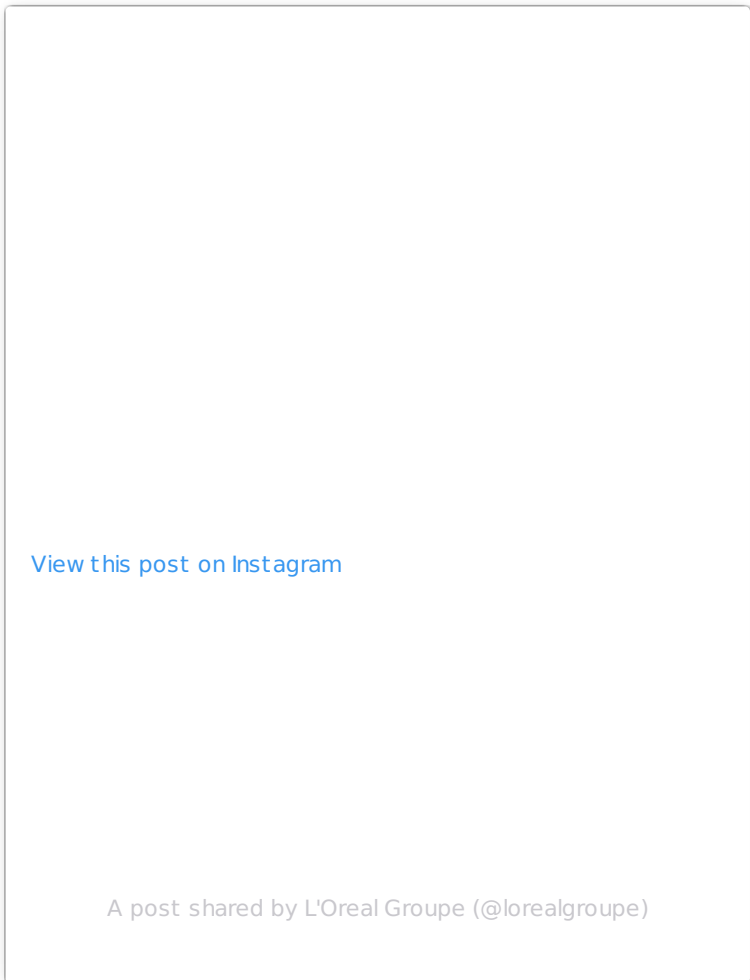
The overall company follows this pattern, up just .1 percent in total groupwide growth, though L'Oral has seen double-digit

percentage increases in revenue for the past three years running.

In 2023, the only region to shrink sales-wise was North Asia, which fell by 0.9 percent like-for-like compared to the previous year. Strong gains in every other market, including South Asia Pacific, Middle East, North Africa and Sub-Saharan Africa (SAPMENA SSA), greatly offset North Asia's disappointing total.

Sales in both SAPMENA SSA and Latin America both grew by over 20 percent y-o-y, with Europe up 16 percent and North America trailing with an increase of 11.8 percent. Europe was responsible for the greatest volume of sales at \$14 billion, representing just under a third of all sales.

The results leave L'Oral optimistic for the future.



"As we head into 2024, we remain optimistic about the outlook for the beauty market, and confident in our ability to keep outperforming it and to achieve another year of growth in sales and profits," Mr. Hieronimus said.

"More than ever, L'Oral is looking to the future a future that will have Beauty Tech at its very core."

L'Oral recently attended the Consumer Electronics Show in Las Vegas to showcase its strides in this field, including the Airlight Pro, a high-tech professional-grade hair dryer ([see story](#)).