

COMMERCE

Coty starts year with 13pc jump in luxury sales

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APAC, EMEA and the Americas are all seeing strong revenue growth. Image credit: Coty

By LUXURY DAILY NEWS SERVICE

U.S. beauty group Coty is seeing new product launches payoff.

The conglomerate is out with a new quarterly earnings report, citing revenues of \$1.385 billion, up 10 percent year-over-year (y-o-y) on a like-for-like basis, for the period ended March 31, 2024. Luxury fragrances, cosmetics and skincare continue to propel growth across all major markets.

"Our Q3 results reinforce Coty's established track record of delivering results ahead of the beauty market and ahead of expectations, and once again illustrate that we are executing on our imperative to drive balanced portfolio growth," said Sue Nabi, CEO of Coty, in a statement.

"In both Q3 and fiscal year-to-date, we delivered strong growth in both the Prestige and Consumer Beauty businesses, in each of our three regions, and in our core categories of fragrances, color cosmetics, skincare and body care, all supported by a broad range of our leading brands," Ms. Nabi said. "Our execution in our core businesses remains top-notch.

"Building on our track record of leading fragrance launches in FY22 and FY23, we are elevating our leadership further with the blockbuster launch last fall of Burberry Goddess, which continues to grow and exceed all prior Coty benchmarks, and now in the spring the very successful launches of Marc Jacobs Daisy Wild and Cosmic Kylie Jenner, which are the #1 and #2 fragrance launches in the U.S. calendar year-to-date, respectively."

Widespread success

Prestige products experienced the most growth of any segment at Coty last quarter. Bringing in \$867 million, its revenue is up 13 percent y-o-y on a like-for-like basis.

The results are attributed to related skincare and fragrance releases from Burberry Beauty, Marc Jacobs Beauty and others performing ahead of internal expectations and external competitors ([see story](#)).

Revenue from high-priced licensed brands represented just over 60 percent of the total amount counting both prestige and consumer beauty Coty brought in during the first three months of 2024.

Across categories, ecommerce channel net revenue skyrocketed by nearly 20 percent during the quarter, after similarly strong

double-digit growth occurred in the first half of Coty's fiscal year ([see story](#)).

We are proud to share that Coty has delivered strong double-digit LFL growth of 10% in Q3 and 13% FYTD, reinforcing our nearly four-year track record of outperforming the beauty market and reporting results in-line to ahead of expectations. Read more: <https://t.co/xGMSygtLW>. pic.twitter.com/9jP85SZ28M

Coty Inc. (@COTYInc) [May 6, 2024](#)

Around the globe, sales in all three major markets remain steady.

Like-for-like, EMEA is up 9 percent by this metric, making \$628 million from January to March 2024. Sales in the Americas and APAC increased 11 percent on the same basis the regions brought in \$589 million and \$168 million, respectively.

Travel retail is said to have made a major mark on all regions during the period, with the segment seeing a roughly 20 percent y-o-y boost on a reported basis.

"We are achieving these strong results and milestones all while delivering robust profit growth and margin expansion," said Ms. Nabj, in a statement.

"This is enabling us to raise the midpoint of our FY24 guidance for the third time this year," she said. "In sum, we continue to see a strong and dynamic beauty market, with our diversified portfolio and strong execution enabling Coty to once again outperform the underlying market.

"As we continue to reinforce our position as a beauty powerhouse, in our 120th anniversary year, we remain excited by the many opportunities ahead."

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