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Outlook **2025**

Dynamics and prospects of the Italian cosmetics industry

Research Department, March 2026

Cosmetica Italia

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Methodology

The analyses in the following report employ data from external providers, processed using **qualitative-quantitative models** to optimize the segmentation and interpretation of economic phenomena.

The selection of foreign markets is based on the value of **cosmetics exports** and **local consumption**, both current and potential. The target countries will be the subject of future *ad hoc* in-depth analyses tailored to the **specific needs of the companies**.

The 2025 data are preliminary; final values will be presented in September in the **Outlook 2026**. The heterogeneity and accreditation of the sources ensure the reliability of the published data, which **retroactively adjust the values** presented to date.

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Italian cosmetics sector's overview

industry **€ 18.0 bn**
turnover 2025

+2.9%
'25 vs '24

breakdown:

domestic market € **9.4** bn (+**1.8**%)

export € **8.6** bn (+**4.1**%)

consumption **€ 12.8 bn**
purchases 2025

+3.2%
'25 vs '24

driven by:

channel → online
€ **1.4** bn (+**9.8**%)

category → fragrances
€ **1.6** bn (+**7.4**%)

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Topics and sources

Macroeconomic backdrop

Topics	Sources
• Pil	International Monetary Fund
• Price index	World Uncertainty Index
• Goods exchange	Istat
• View & uncertainty	Confindustria research department

International markets

Topics	Sources
• Historical & future growth	Euromonitor
• Categories	Istat
• Price positioning	UN Comtrade

Italian beauty sector

Topics	Sources
• Industry	Cerved
› Structure	Circana
› Turnover	New Line
• Consumption	Tote Next
› Categories	Human Highway
› Channels	Tradelab

Consumer trends

Topics	Sources
• Innovations	Mintel
• Claims	Beautystreams
• New beauty routine	Carlin

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Macroeconomic

backdrop

Global outlook

The global economy is growing at a **slower pace compared** to the past, but **foreign trade flows are increasing**: the trend will be driven by the ability to **capture market shares abroad** within a context of inflation absorption.

historical growth
(CAGR '22 - '25)

+2.9% GDP	**+6.4%** inflation
+2.0% import	**+2.3%** export

future growth
(CAGR '26 - '29)

+2.6% GDP	**+3.4%** inflation
+2.8% import	**+2.8%** export

FMI data processed by Research Department.

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View and uncertainty, beyond standard measurements

The **positive orientation** of economic reports indicates a 2025 with **lower volatility** (stemming from a reduced use of negative connotation terms) compared to the previous five-year period, which was characterized by negative peaks in energy costs and global supply chain disruptions, although **uncertainty** continues at a **similar pace**.

2.1x
positive view[1]

top 3 keywords:
strong growth
robust recovery
sustained pace

2x
uncertainty[2]

6x
positive view[1]

Positive sentiment is above the US and UK averages: perception of structural economic resilience.

2,1x
uncertainty[2]

FMI data processed by Research Department. The two multipliers represent the ratio between the 2025 average and the average of the 2019-2024 historical series.

[1] Frequency of positive words compared to negative ones, measured through text mining of the country reports for 143 nations by the Economist Intelligence Unit (EIU), part of The Economist Group.

[2] Number of articles published by major global newspapers featuring the term 'uncertainty' and its variants, paired with political and trade-related topics.

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Italy, between risks and opportunities

The **diversification** of **export** goods and markets helps mitigate risks, yet the economy remains vulnerable to **global trade tensions**.

main challenges

structural

- Shrinking working-age population (double-digit decline by 2050)
- Low productivity
- Skills mismatch

external

- Geopolitical and trade tensions
- Rising raw material prices
- Foreign energy dependence
- Extreme weather events impacting agriculture and tourism

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Global value chains and reshaping for the Italian beauty

Recent geopolitical dynamics in the Middle East have confirmed commercial interdependence as a potential source of **vulnerability**, highlighting the risk of **exogenous shocks** propagating widely along supply chains.

Over the past two years, beauty sector operators have reorganized their supply networks, favoring **geographical proximity** and production **flexibility** to mitigate growing risks, while ensuring strict compliance with **ESG criteria** and the optimization of **time-to-market**.

Drivers of supplier switching:

Source: Research Department - *Indagine semestrale settembre (2025).*

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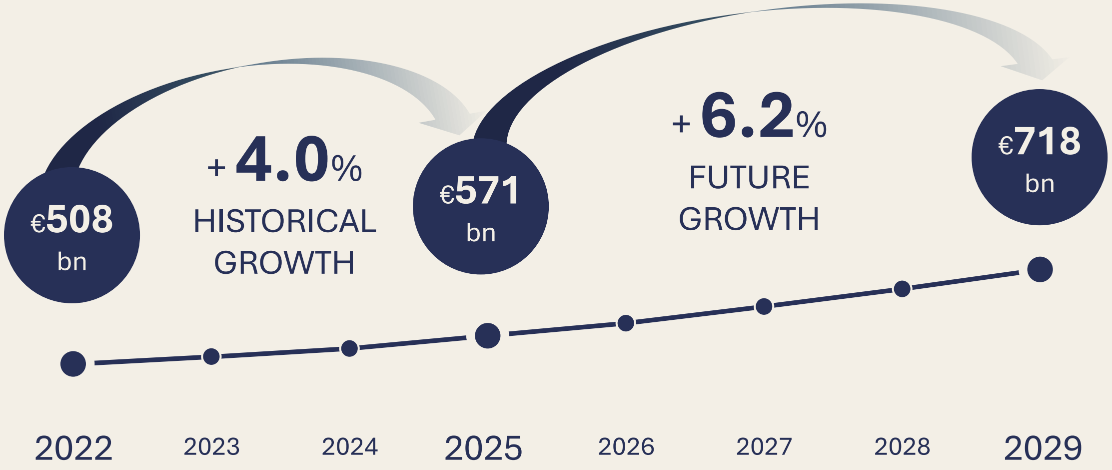
International

markets

Evolution of worldwide beauty consumption

Forecasts to 2029 indicate a **pace above** the **historical trend**, and **macroeconomic indicators** an acceleration but with **significant differences** across regions, categories, and price segments.



Euromonitor data processed by Research Department. Historical growth = 2022-2025, future growth = 2026-2029.

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The worldwide drivers of beauty consumption growth by 2029

CATEGORIES	fragrances (+8.1%), sunscreen (+7.5%), make-up (+6.8%)
AREAS	Latin America (+8.0%), India (+7.6%) and Middle East (+15% pre-crisis)
PRICE POSITIONING	premium (+6.3%)
CHANNELS	Specialized retail channels → perfumeries, drugstores
TRENDS	multi-skinification, pack on the go, modern heritage (in-depth analysis of the final chapter)

Global beauty consumption is inaugurating a cycle of **structural acceleration** driven by the fragrance economy boom and the addition of **new emerging hubs** in a context of unprecedented competitive convergence between **mass and premium** segments.

Euromonitor and Mintel data processed by Research Department. Historical growth = 2022-2025, future growth = 2026-2029.

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Top countries by beauty consumption

Italy ranks as the **3rd largest** consumer market **in Europe** and **10th worldwide**, recording an average growth rate of **6.5%** over the last three years, against a global trend of **+4%**.

- US — 1° global market: € **118** bn (consumptions 2025)
- China
- Brazil — highest contribution to growth*: € **2.5** bn (*excl. US; delta in consumption value '26-'29)
- Japan
- Germany — 1° European market: € **22** bn (consumptions 2025)
- UK
- India — highest potential market: **1.5** bn inhabitants (population as of 2029)
- France
- Mexico
- **Italy**
- South Korea — direct competitor to Italian beauty, € **12.5** bn market with a +3.3% future growth (CAGR '26-'29)
- Canada
- Saudi Arabia — highest future growth: +**10.9**% (CAGR '26-'29 pre-crisis)
- Thailand
- Poland
- Hong Kong
- UAE

Euromonitor data processed by Research Department.

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Italian beauty export and national benchmark

In 2025, beauty **exports** account for **1.3%** of total Italian exports, a value **2.5x** higher than beauty imports in Italy (compared to a **1:1** ratio in the 1990s). This demonstrates the widening gap between the two beauty trade flows over time.

€ 643.2 bn
total Italian export 2025

+3.3%
‘25 vs ‘24

€ 8.6 bn
Italian beauty export 2025

+4.1%
‘25 vs ‘24

€ 50.7 bn
total Italian trade balance 2025

€ 2.4 bn
delta ‘25 vs ‘24

€ 5.1 bn
Italian beauty trade balance 2025

€ 0.2 bn
delta ‘25 vs ‘24

Istat data processed by Research Department.

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Beauty export and worldwide ranking

	Share of global exports*
1st France	**16.6**%
2nd US	**8.3**%
3rd Germany	**7.0**%
4th South Korea	**7.0**%
5th Italy	**5.6**%

France ranks **1st** (fragrances and skincare); South Korea ranks 4th overall, but **2nd** in skincare alone (75% of its beauty exports).

Italy ranks **5th** in beauty exports, but almost **half of the value** is held by the **top three** major global beauty exporters.

1st place
for hair dyes and preparations, followed by the US and Germany.
3rd place
with fragrances, following France and Spain.

* Q2 update on 2025 data
UN Comtrade data processed by Research Department.

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Italian export comparison by sector

Except for beauty, a **slowing trend** is emerging for 2025: despite a 3.3% growth in Italian exports, sectors most aligned with the *Made in Italy* brand are feeling the impact of weak global demand. This is being driven by unfavorable exchange rates and recent **inflation** which has significantly hit purchasing power alongside challenges within Italy's **key markets**.

ranking by export % change	value 2025	'25 vs '24
Beauty	**€ 8.6 bn**	**+4.1%**
Boats & Yachts	€ 4.4 bn	+2.6%
Automation	€ 107.2 bn	+0.6%
Furniture	€ 14.0 bn	-1.2%
Pasta	€ 4.3 bn	-1.3%
Fashion apparel	€ 25.5 bn	-2.8%
Footwear	€ 12.1 bn	-2.8%
Wine	€ 7.8 bn	-3.7%
Eyewear	€ 4.9 bn	-4.4%
Leather goods	€ 10.5 bn	-5.9%
Motorcycles	€ 2.0 bn	-8.9%
Jewellery	€ 11.8 bn	-19.8%

Istat data processed by Research Department.

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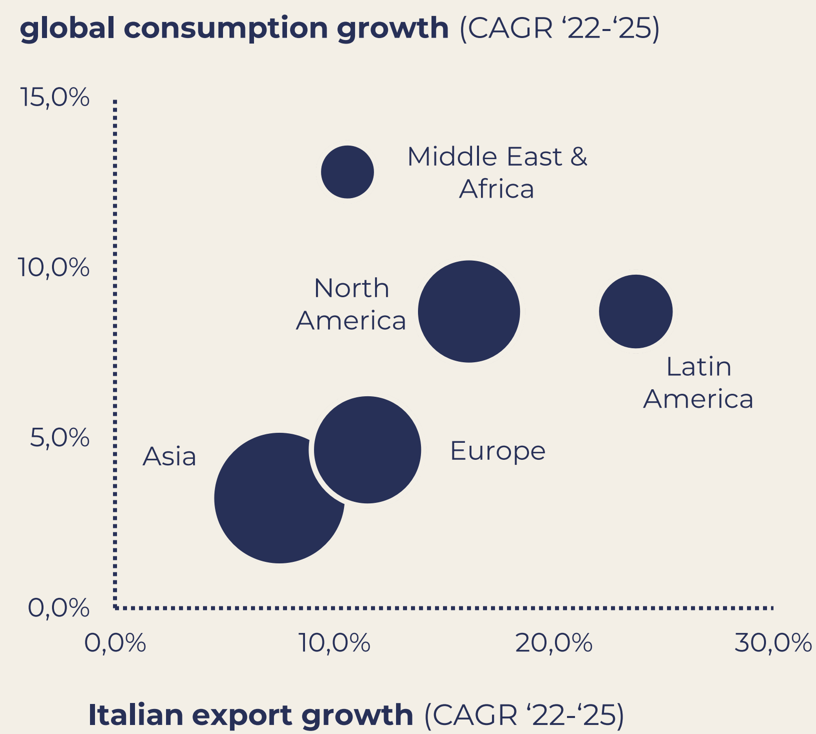
Global beauty consumption vs Italian beauty export *areas*

North & Latin America: highest positive differentials and significant competitive gains.
Europe: Italian export growth doubles domestic consumption, reinforcing leadership in key EU markets.
Asia: solid performance with exports tracking consumption growth; rising market incidence fueled by developing potential.



Istat and Euromonitor data processed by Research Department.

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Global beauty consumption vs Italian beauty export *categories*

Fragrances: Consolidating globally recognized production leadership.

Make-up: Export growth 3x global demand; led by world-class eye and face make-up producers.

Personal care: Italian growth outpaces global trends, overcoming high-volume/low-value and price-driven dynamics.

Skin care: High competitiveness in a segment representing 38% of global beauty consumption.

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Istat and Euromonitor data processed by Research Department.

Italian beauty exports in detail

top 10 countries	value 2025	'25 vs '24
US	€ **1,174** mn	+**1.3**%
France	€ **873** mn	-**0.7**%
Germany	€ **783** mn	+**1.8**%
Spain	€ **645** mn	+**15.3**%
UK	€ **412** mn	+**2.6**%
Poland	€ **390** mn	+**14.9**%
The Netherlands	€ **334** mn	+**10.5**%
UAE	€ **305** mn	-**2.0**%
Russia	€ **281** mn	-**13.4**%
Hong Kong	€ **208** mn	-**17.0**%

categories	value 2025	'25 vs '24
fragrances	€ **2,733** mn	+**6.4**%
skin care	€ **2,184** mn	+**2.3**%
hair care	€ **1,577** mn	+**3.0**%
make-up	€ **1,256** mn	+**1.8**%
personal care	€ **824** mn	+**6.9**%

A significant drop in exports to Hong Kong (-17.0%) and Taiwan (-27.2%), coupled with a spike in **China** (+51.7%), reinforces the country's central position in Asia. Key drivers include the growth of local **e-commerce** and the emergence of new domestic **duty-free zones**, such as Hainan Island.

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Istat data processed by Research Department.

Italian beauty exports: a deep dive into the Middle East

In 2025, beauty exports from Italian companies to **Iran** amount to €**2.6** million, while the **Middle East** concentrates **7**% of Italy's total beauty exports. The primary risk is not related to export levels, but rather to increased **energy prices** and the procurement of **plastic raw** materials.

export value 2025

€ **611** mn

'25 vs '24

+**3.3**%

CAGR '22-'25

+**10.9**%

top 3 countries	export value 2025	'25 vs '24	CAGR '22-'25
UAE	€ **305** mn	-**2.0**%	+**10.1**%
Saudi Arabia	€ **81** mn	+**5.2**%	+**6.6**%
Kuwait	€ **31** mn	+**3.5**%	+**7.3**%

Istat data processed by Research Department.

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Italian

beauty sector

Value of the Italian beauty industry

€ 18.0 bn total turnover 2025

+2.9% '25 vs '24

domestic market **€ 9.4 bn** (+**1.8**%)

export **€ 8.6 bn** (+**4.1**%)

export share of total turnover is **48**%

The Italian beauty industry is undergoing a **structural shift** as foreign markets increasingly drive growth, balancing out a mature home market. The **2026** outlook reflects cautious optimism, with total turnover expected to accelerate by **4.0**%, bolstered by a **5.0**% increase in exports.

Cerved and Istat data processed by Research Department and source: *Indagine semestrale febbraio* (2026).

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Area breakdown of the Italian beauty industry

turnover €18.0 bn

north west	**70**%
north east	**13**%
centre	**14**%
south	**3**%

direct employees 63,000

north west	**57**%
north east	**19**%
centre	**19**%
south	**5**%

Cosmetic valley: mainly concentrated in the North, but excellence is spreading nationwide, driven by the **distinctive strengths** of Made in Italy.

Cerved data processed by Research Department.

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Macro drivers of the Italian beauty industry

companies impact index

The Italian beauty industry is set for growth. Its primary driver remains **international market expansion**, mirroring the long-standing success of Italian exports. Alongside this, the industry is undergoing two structural shifts: **digital transition** and **sustainability** key pillars for future competitiveness and for meeting evolving consumer patterns.

76.4 / 100

71.2 / 100

72.1 / 100

Source: Research Department- *Indagine semestrale febbraio (2026)*. Scale of 1-100, ranging from marginal impact (1) to maximum impact (100) on the business

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Margin pressure and supply chain exposure

companies impact index

Short-term concerns are dominated by operational pressures. Increasing **production costs** fueled by higher energy and raw material prices are the top priority. Coupled with **global supply chain** disruptions, these factors force companies to face the difficult task of protecting margins while maintaining sales volumes.

75 / 100

72.3 / 100

Source: Research Department- *Indagine semestrale febbraio (*2026*)*. Scale of 1-100, ranging from marginal impact (1) to maximum impact (100) on the business

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Impact of ESG Regulation

companies impact index

The European regulatory framework imposes significant compliance burdens, focusing particularly on cosmetic packaging. The most prominent driver is the Packaging and Packaging Waste Regulation (**PPWR**), which is closely linked to circular economy and eco-design objectives. Also relevant is the impact of **Directive (EU) 2024/825** on Empowering Consumers for the Green Transition (**ECGT**); this directive strengthens rules on environmental claims and will require companies to conduct a rigorous review of commercial communications to prevent greenwashing.

- PPWR: **63.7** / 100
- Directive (EU) 2024/825 (ECGT): **61.8** / 100

Source: Research Department- *Indagine semestrale febbraio (*2026*)*. Scale of 1-100, ranging from marginal impact (1) to maximum impact (100) on the business

Geopolitics takes a back seat to competition

companies impact index

General macroeconomics sits at the bottom of the ranking. Issues like **US trade policy** and **China's slowing domestic market** are viewed as minor. In contrast, the rise of **Asian beauty** brands is a significant outlier in this cluster; it indicates that companies are less worried about trade blocks than they are about direct global competition from innovative players redefining beauty routines.

54 / 100

42.9 / 100

58.3 / 100

Source: Research Department- *Indagine semestrale febbraio (*2026*)*. Scale of 1-100, ranging from marginal impact (1) to maximum impact (100) on the business

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Value of the Italian beauty consumption

€ 12.8 bn purchases 2025

+3.2% '25 vs '24

traditional channels	professional channels	digital channels
€ **9.8** bn	€ **1.6** bn	€ **1.4** bn
(+**2.7**%)	(+**0.7**%)	(+**9.8**%)

Cosmetic consumption saw steady aggregate growth of **3.2**% in **2025**, fueled mainly by the strong performance of **e-commerce** (+**9.8**%). Looking ahead to **2026**, the outlook suggests an increased propensity to spend, with beauty market growth forecasted at +**3.5**%.

Circana, New Line, Human Highway, Tote Next and Tradelab data processed by Research Department.

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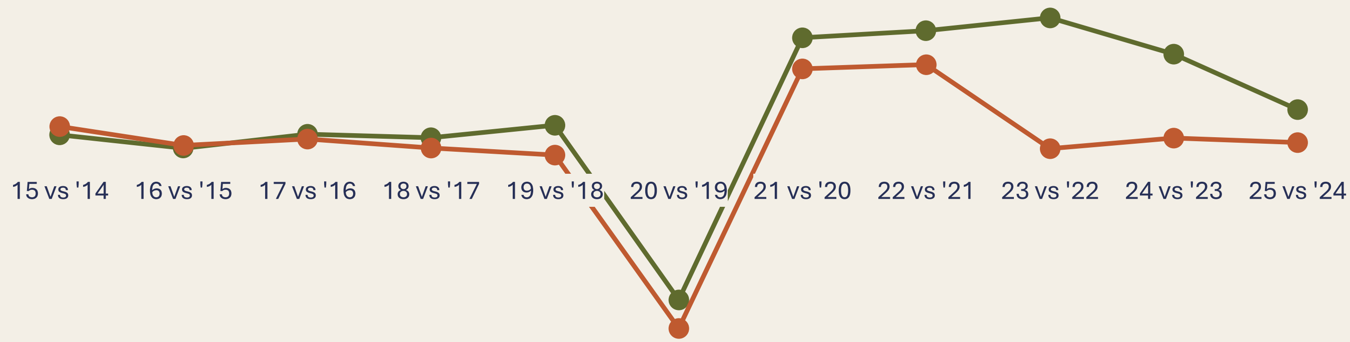
Evolution of Italian beauty consumption

10-year average growth rate

beauty consumption
+3.0%

total consumption
+0.8%



The **inelastic** nature of beauty spending remains steady; its average growth over the past decade has outperformed total Italian household consumption by more than **3x**.

Circana, New Line, Human Highway, Tote Next and Tradelab data processed by Research Department.

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Italian beauty consumption in detail

channels	value 2025	'25 vs '24
grocery	€ **4,700** mn	+**1.6**%
pharmacy	€ **2,220** mn	+**2.5**%
perfumery	€ **2,071** mn	+**5.1**%
e-commerce	€ **1,424** mn	+**9.8**%
herbalist shop	€ **516** mn	+**2.3**%
single-brand store	€ **314** mn	+**5.7**%
hair salons	€ **1,111** mn	+**0.2**%
beauty salons	€ **431** mn	+**2.1**%

categories	value 2025	'25 vs '24
skin care	€ **4,301** mn	+**3.2**%
hair care	€ **2,951** mn	+**4.1**%
personal care	€ **2,259** mn	+**1.6**%
make-up	€ **1,724** mn	+**0.1**%
fragrances	€ **1,551** mn	+**7.4**%

top 3 best performer			
	blush	€ 55 mn	+**10.2**%
	hair styling	€ 169 mn	+**8.3**%
	men fragrances	€ 343 mn	+**6.2**%

Circana, New Line, Human Highway, Tote Next and Tradelab data processed by Research Department.

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Beauty category performance across channels

categories	**total**		**skin care**		**hair care**		**personal care**		**make-up**		**fragrances**	
channels	value ‘25	‘25 vs ‘24	value ‘25	‘25 vs ‘24	value ‘25	‘25 vs ‘24	value ‘25	‘25 vs ‘24	value ‘25	‘25 vs ‘24	value ‘25	‘25 vs ‘24
grocery	€ 4,700 mn	+1.6%	€ 1,426 mn	+2.0%	€ 1,033 mn	+4.7%	€ 1,615 mn	+0.1%	€ 393 mn	-0.6%	€ 233 mn	+0.9%
pharmacy	€ 2,220 mn	+2.5%	€ 1,485 mn	+2.9%	€ 179 mn	-0.1%	€ 364 mn	+2.3%	€ 131 mn	+0.8%	€ 61 mn	+3.7%
perfumery	€ 2,071 mn	+5.1%	€ 421 mn	+1.1%	€ 56 mn	+21.8%	€ 50 mn	-1.0%	€ 585 mn	+4.0%	€ 959 mn	+7.2%
e-commerce	€ 1,424 mn	+9.8%	€ 491 mn	+11.2%	€ 432 mn	+14.2%	€ 125 mn	+26.2%	€ 220 mn	-13.0%	€ 155 mn	+25.3%
herbalist shop	€ 516 mn	+2.3%	€ 124 mn	+2.0%	€ 122 mn	+0.9%	€ 76 mn	+1.1%	€ 84 mn	+3.3%	€ 109 mn	+4.2%
single-brand store	€ 314 mn	+5.7%	€ 43 mn	+4.2%	€ 47 mn	+1.5%	€ 30 mn	+2.0%	€ 159 mn	+7.4%	€ 34 mn	+9.7%
hair salons	€ 1,111 mn	+0.2%	-	-	€ 1,072 mn	+0.2%	-	-	€ 39 mn	-4.8%	-	-
beauty salons	€ 431 mn	+2.1%	€ 310 mn	+2.2%	€ 9 mn	+1.3%	-	-	€ 112 mn	+1.8%	,-	-
total	**€ 12,787 mn**	**+3.2%**	€ 4,301 mn	+3.2%	€ 2,951 mn	+4.1%	€ 2,259 mn	+1.6%	€ 1,724 mn	+0.1%	€ 1.551 mn	+7.4%

Circana, New Line, Human Highway, Tote Next and Tradelab data processed by Research Department.

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Macro driver of Italian beauty consumption

beauty resilience

Beauty spending patterns reinforce the industry's **essentiality**, remaining resilient despite ongoing **uncertainty** and declining consumer **purchasing power**.

retailer concentration

The industry is seeing a wave of **acquisitions** and **affiliations**, alongside broader distribution reaches and **new store openings**.

omnichannel strategy

Significant **channel overlap** across both physical and online platforms, characterized by a continuous trade-up vs. trade-down of channels and brands to balance **desirability** vs **affordability**.

e-commerce growth

Significant e-commerce growth driven by **promotional activity** and **assortment expansion** (price-driven levers vs. comparison capabilities / product variety).

Source: Circana and YouGov (2026).

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Consumer

trends

Convergence: All-in-1 solutions and acceleration

multi-skinification

Dermo-hair-makeup hybridization: the integration of **skincare benefits** across categories is making usage boundaries less distinct and more focused on the **consumer experience**.

pack on the go

Packaging innovation for an accelerated daily life: over the past 5 years, design has evolved to embrace **inclusive features** and **on-the-go/outdoor** needs. These practical opening solutions are paired with a strong focus on sustainability, specifically through recycled or recyclable **mono-materials**.

Mintel, Beautystreams and Carlin data processed by Research Department.

Divergence: polarization of beauty routines

the hourglass effect

Consumers are streamlining their routines with essential, minimalist formulations, while simultaneously indulging in **revenge spending**. This involves seeking out accessible luxuries that offer a much-needed **sensory escape** from daily pressures.

modernizing tradition

Driven by AI, hyper-personalization is pushing the market toward **tailor-made** beauty solutions. However, this is balanced by a revival of **heritage**, as brands rediscover **traditional ingredients** and local legacies to create a deeper emotional connection with consumers.

Mintel, Beautystreams and Carlin data processed by Research Department.

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Trending claims

enhancement
plumping / firming effect

functionality
benefits tailored to skin specificities and skin tones

performance
product longevity and efficacy / refills and recycled / recyclable packaging

There is a growing demand among Italian consumers for **innovation** and clear usage occasions, alongside a strong alignment with brand value systems. **Sustainability** and **inclusivity** are now pivotal drivers. Meanwhile, the steady growth of legacy claims like '**for dry skin**' confirms that targeted skincare solutions remain a fundamental consumer priority.

Mintel, Beautystreams and Carlin data processed by Research Department.

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Takeaways

Expansionary dynamics: prudential growth and an increase in foreign trade flows, supported by cooling inflation and the acquisition of new international market shares.
Risks and volatility: high exogenous uncertainty caused by geopolitical instability, rising energy costs, and the reorganization of global supply chains, balanced by solid structural resilience.

Global consumption outlook: robust expansion projected through 2029 (+6.2% CAGR), fueled by fragrances, premiumization, and emerging markets (India, Brazil, and Middle East).
Italy's export leadership: cementing its position as the 5th global exporter; a key driver for the national trade balance, supported by market-leading performance in niche segments.

Growth drivers: export performance continues to drive the sector, compensating for the maturity and inelasticity of internal consumption.
Industrial challenges: margin compression linked to manufacturing costs and the transition to mandatory EU ESG compliance (centered on eco-design and circular packaging solutions).

Demand polarization: coexistence between rational purchases of essential goods and the search for high-sensory, tailor-made affordable luxuries.
Supply hybridization (Multi-skinification): cross-category contamination of functional claims, with hair care and make-up products adopting skincare benefits, presented in functional and inclusive packaging.

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