



Beauty Prestige Outlook 2024 e attese 2025

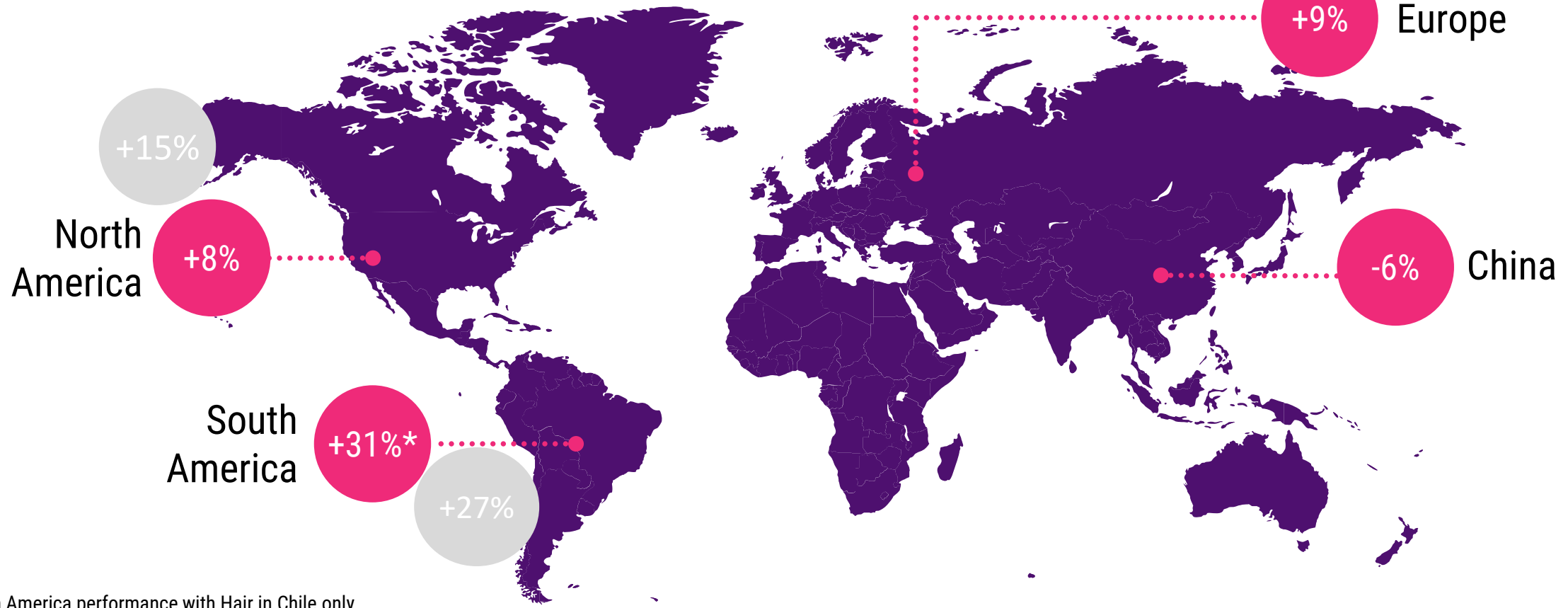
YtD Aug24

November 2024



Prestige Beauty Global View By Region

By Region – 1H 2024 vs 1H 2023



South America performance with Hair in Chile only

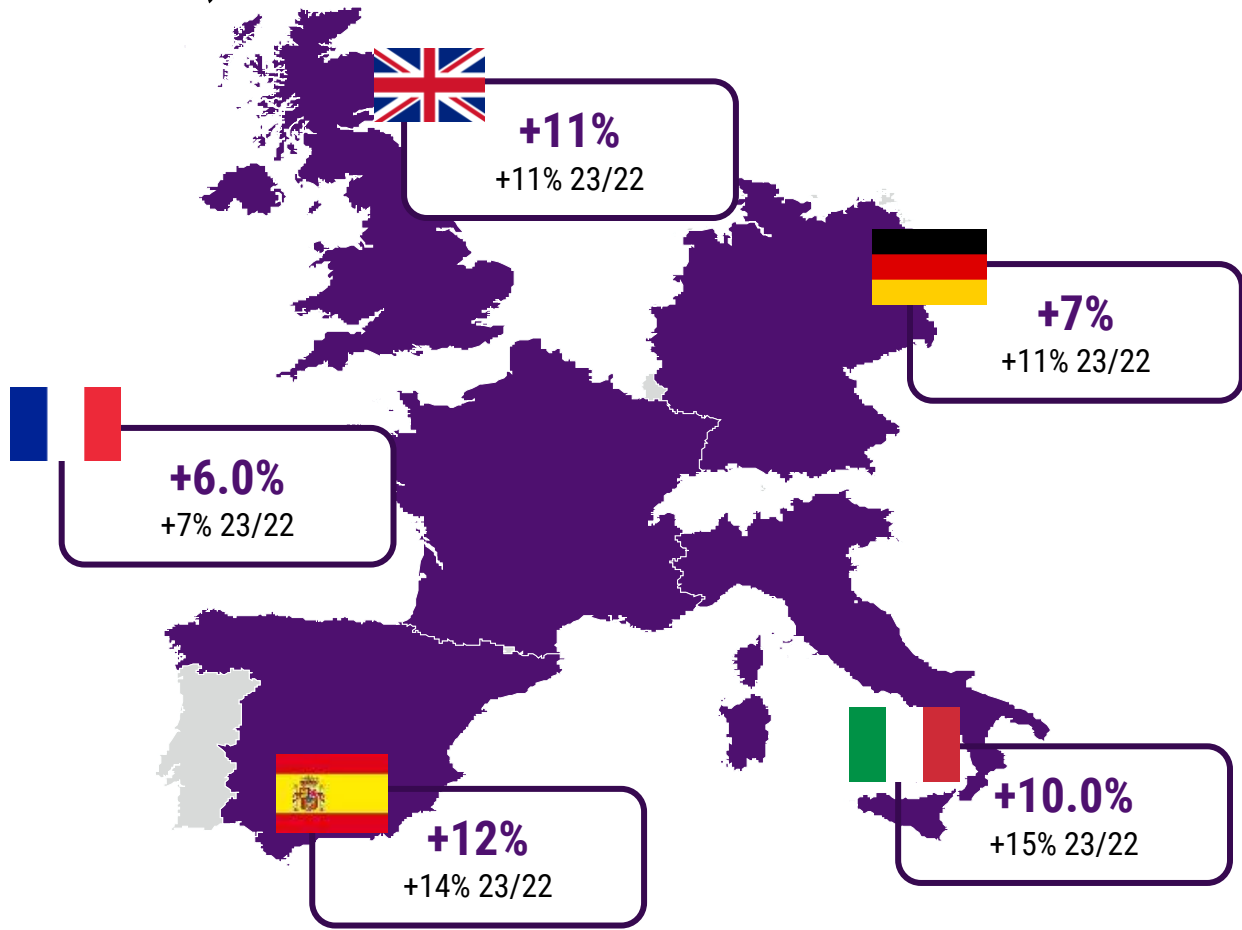
Source: Circana Group/ Prestige Markets North America: U.S., Canada / Europe: U.K, France, Germany, Spain, Italy. South America: Peru, Chile, Argentina, Brazil, Mexico. China: Ecomm only: Include B2C (Tmall & JD.com), TR (travel retail, including CDF Sunrise) and DY (livestreaming, including Douyin) Jan-June 2024





Europe 5 Prestige Trend – YtD-Aug24

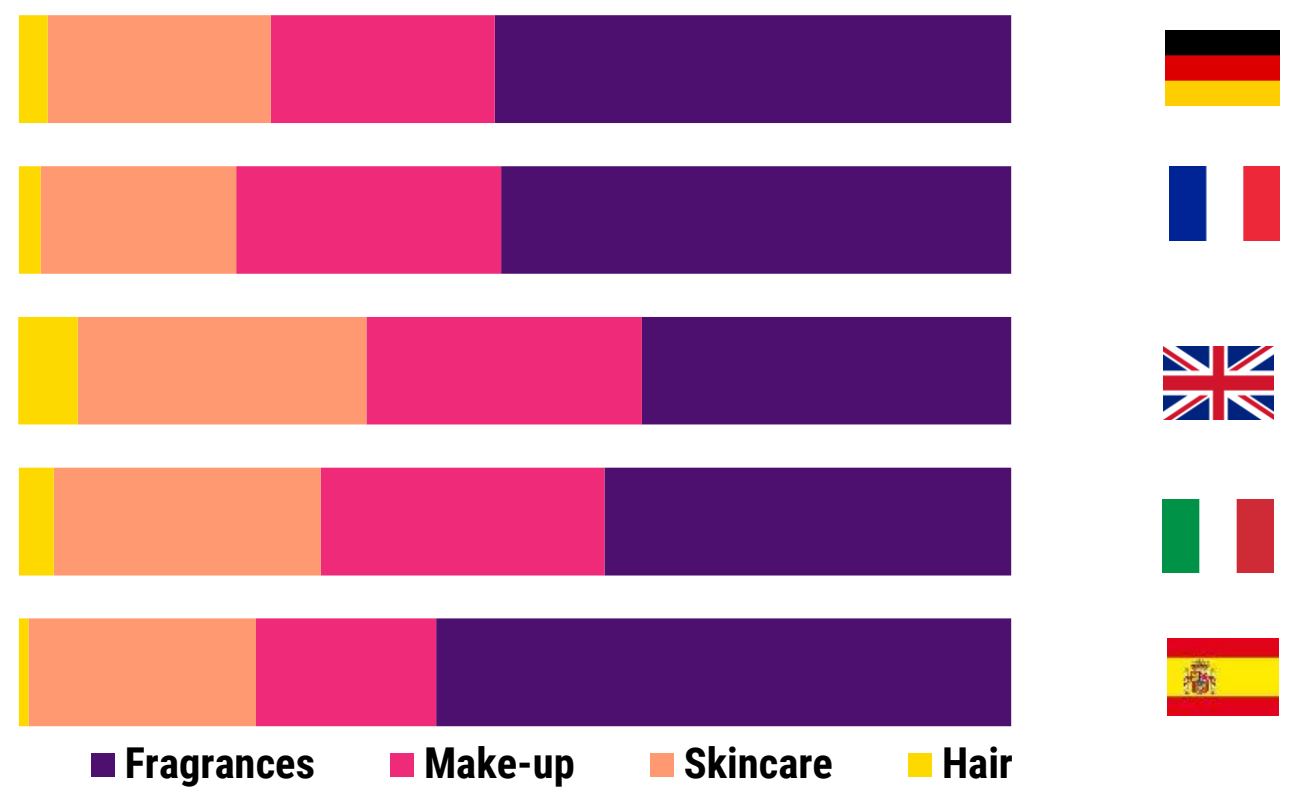
Overall, EU5 countries increased by +9% in value and +4% in Units, slight slow down compared end of 2023 (+11% in value and +6% in units)



Category performance per country – YtD Aug-24

Makeup continues with good performance standing out over the rest of the categories, on top to Hair.

Value weight of each category (%) YtD Aug 2024



% change YtD august 2024 vs prior year



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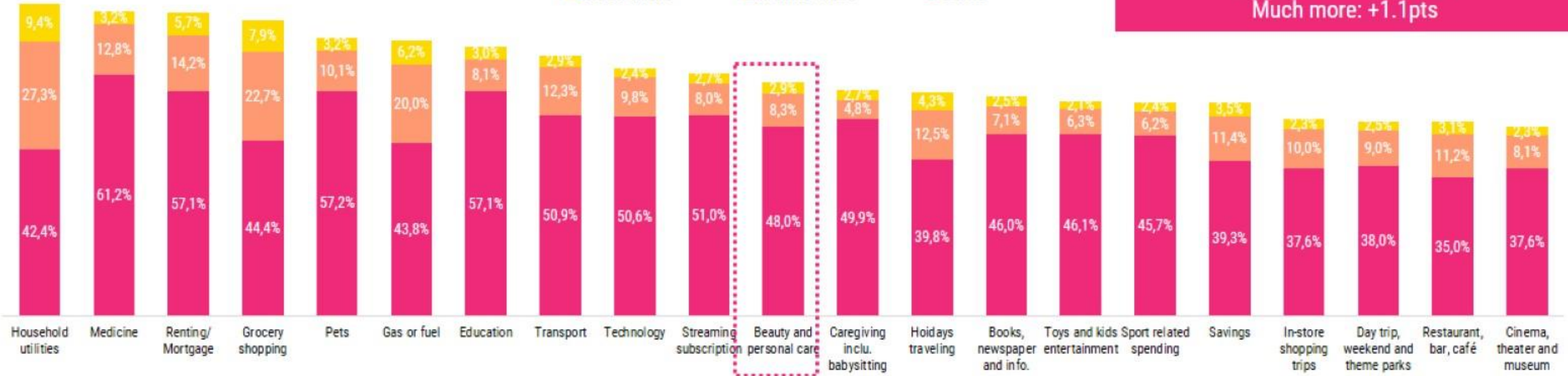
Everyday Expenditure dominates Budgets

Yet, Beauty and Personal Care remains a priority above recreational activities and savings

Evolution of budget allocation by category

■ Much more ■ A little more ■ Same

Beauty & Personal Care Expenditure vs. Jan 24
Same: +3.2pts
A little bit more: -1.7pts
Much more: +1.1pts

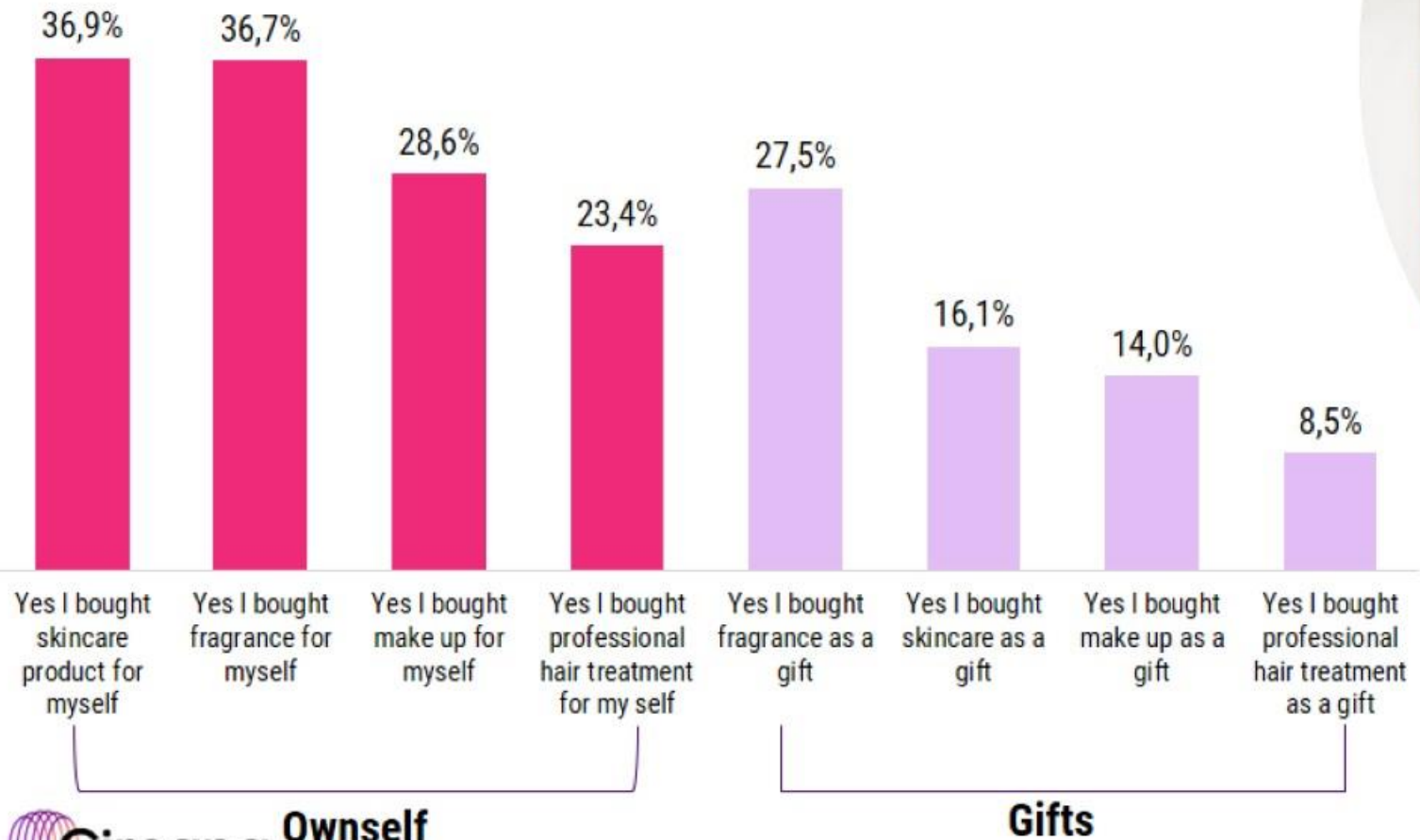


EU5 54% (Germany 65%) = 55+ Same
EU5 18% (UK 29%) = 18-34 More/Much More





Fragrance Remains the Most Popular Beauty Gift



28% of European respondents bought Fragrance as a gift in the last 6 months (-1.6pts vs. Jan 2024)

37% for France & 36% for Spain among 35-54 year olds



Gifts

Q16 Did you purchase beauty products (fragrance, skincare, makeup) in the past 6 months?
 Base: FR n=511, Uk n=502, GE n=506, IT n=653, SP n=510, EU5 n=2682

Changed Shopping Habits?

Circana Consumer Survey – EU5 – September 2024

47%

Looked for cheaper alternatives for items they wanted / needed

54% 18-34

16%

Delayed unnecessary purchases and only purchasing necessities

17% 55+

11%

Looked for promotion on the items they wanted / needed

26%

of European people **did not modify** their habits during the past 6 months.

(29% for 55+)

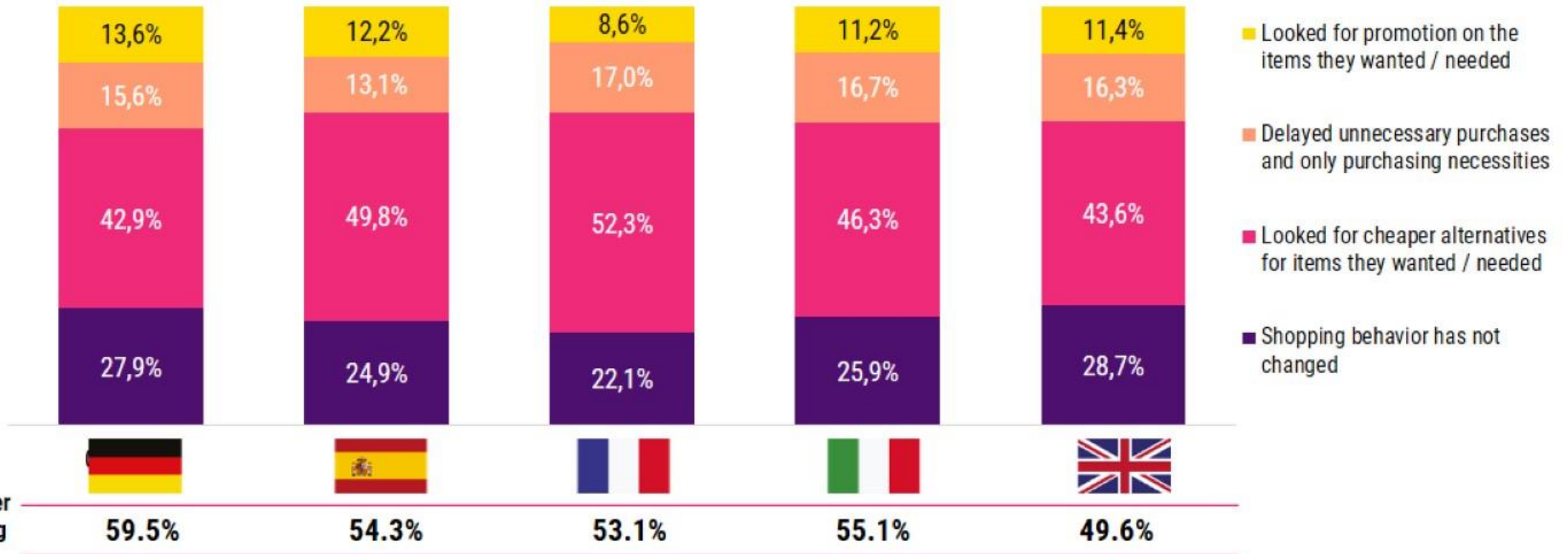
Q2 Which of the following best describes how inflation has changed your overall shopping behavior during the past 6 months vs year ago?

Base: FR n=511, Uk n=502, GE n=506, IT n=653, SP n=510, EU5 n=2682



Younger demographic are searching for cheaper alternatives across EU5

Inflation Impact on Shopping Behavior



Looking for cheaper alternatives among 18-34 Yo



Circana Consumer Survey – EU5 – September 2024

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Q2 Which of the following best describes how inflation has changed your overall shopping behavior during the past 6 months vs year ago?
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While beauty specialist is key channel in Spain and France, drug store is favored by Germany and Italy



Which Retailer Type channel did you purchase your beauty products? (Fragrance, Skincare and Makeup)



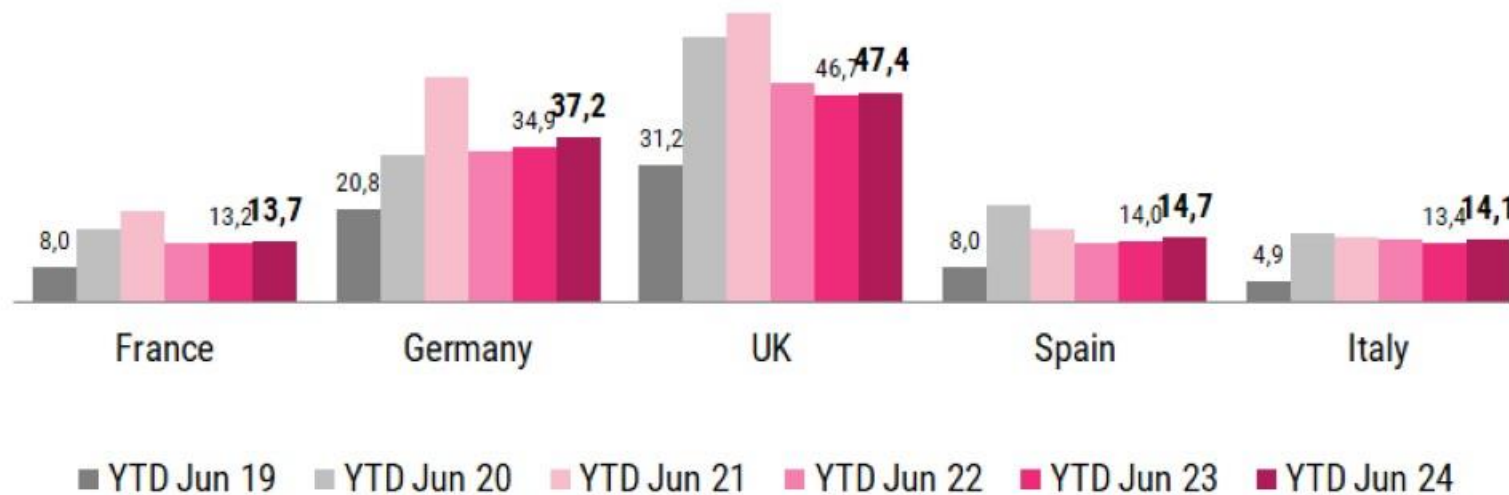
E-com accounts 27% (+1,1 Pts vs YA) of prestige beauty EU5

Ecommerce is 2x dynamic than B&M with double-digit growth across EU5 (+13% vs +7%)

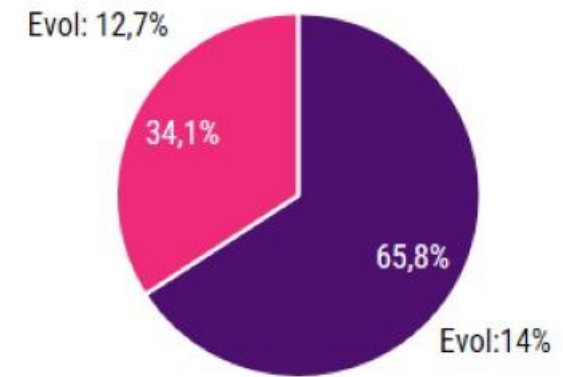


EU 5 Value Weight

Total Beauty – E-com Value Weight & Value Change % vs. YA



■ e-retail
■ Pureplayer

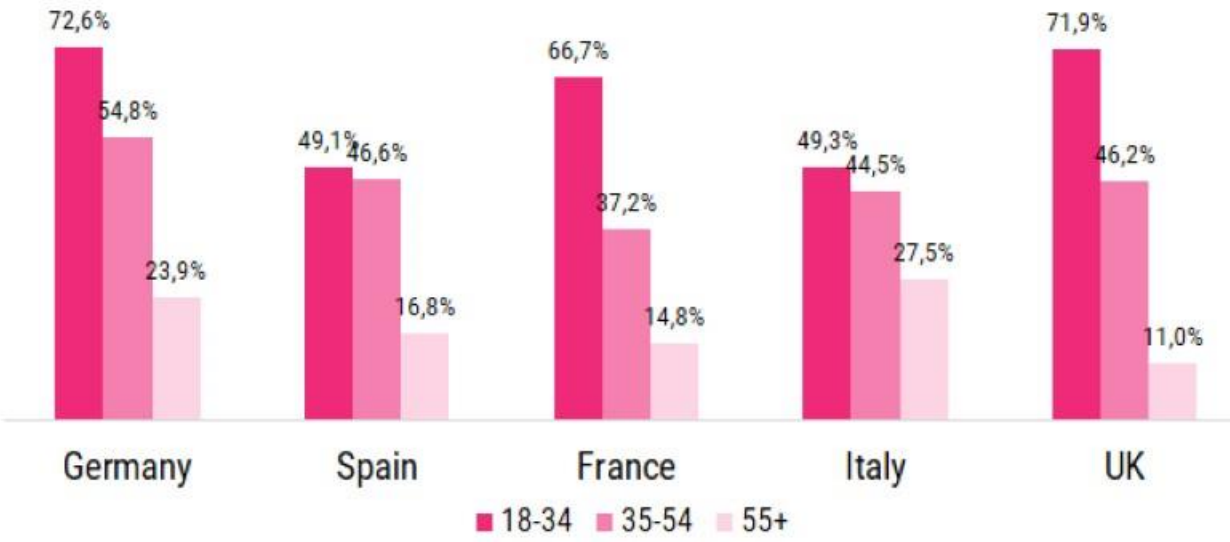




Alternative online platforms are highly favored among young demographic



Once / More Than Once beauty purchase on Shein, Temu, Aliexpress in the past 6 months (makeup, skincare, fragrances)



89% of British 55+ haven't purchased any beauty products on Shein, Temu or Aliexpress in the past 6 months

60% European women respondents haven't purchased any beauty products on Shein, Temu or Aliexpress in the past 6 months vs. **58%** for men

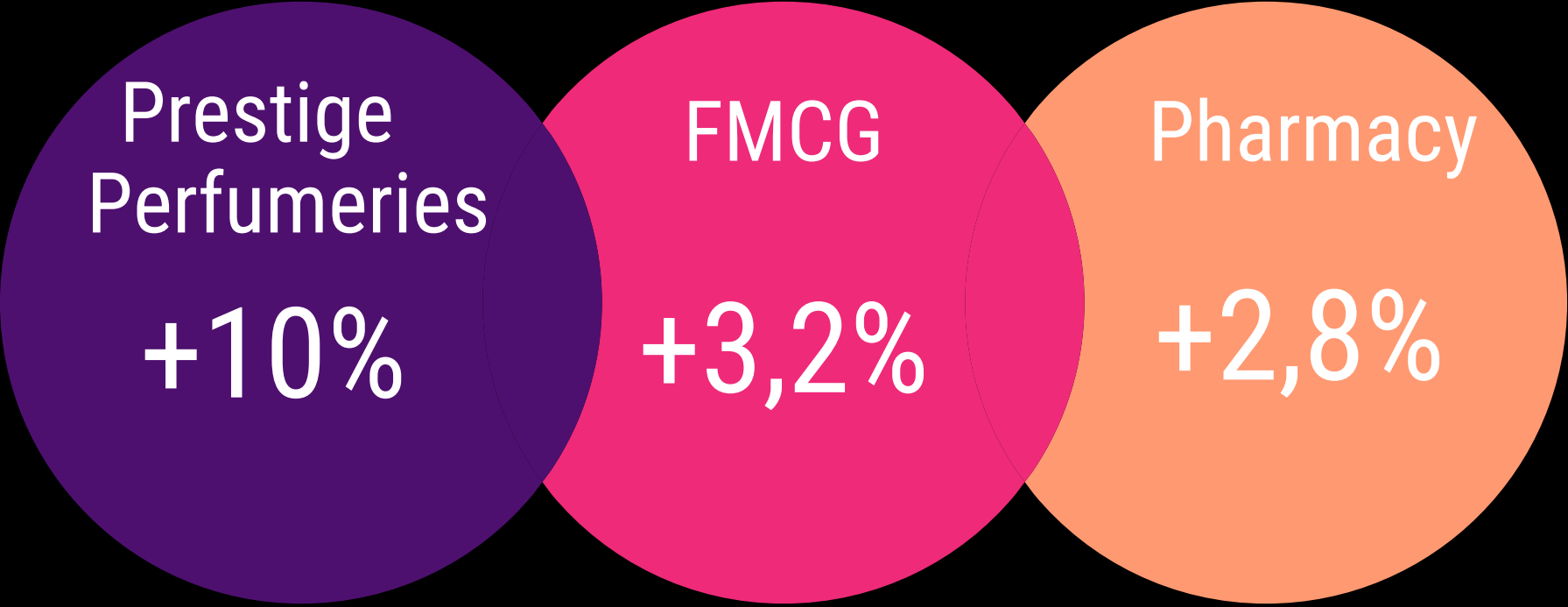


ITALY Beauty Prestige Performance



Beauty & Personal Care by channel – YtD August 24

Prestige channel is still the driver of growth for Beauty in Italy



Source: Circana Group/ Prestige Markets Italy. Jan-August 2024

Source: Circana. Hypermarkets, Supermarkets, Small Self Service, Drugstores, Discounters, Traditional, Online - *Volumes = Values at constant prices – Year to Date update: Month Ending 25-08-2024.

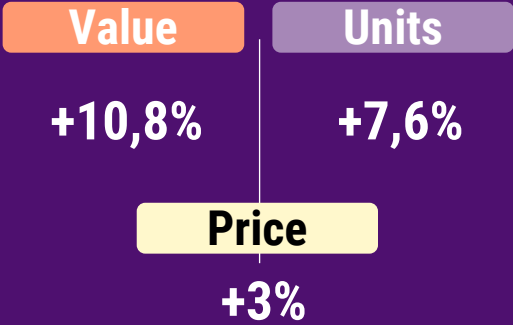
Fonte: New Line – Agosto 2024 vs Agosto 2023. Universo Farmacie Italiane. Dati a fatturato..



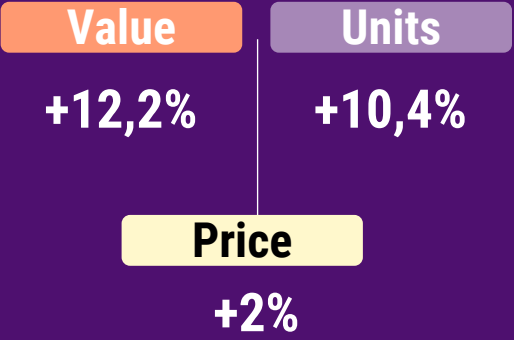
In Prestige channel, slow down of inflation and market polarization

YTD Sept24
€ chg +10% U chg +8%

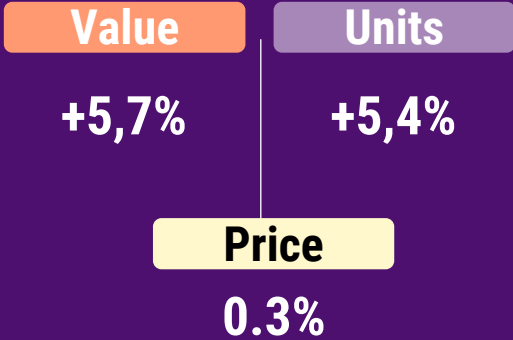
Fragrance



Makeup



Skincare



Market polarization: premium vs low price offer



Euro YTD August 2024 vs YA

FRAGRANCE



Niche & high end collections

>150€
+2.1 pts

<35€
Women
+0.5 pts

Body Spray

MAKEUP



Celebrities & Make up artists exclusives

>50€
+3 pts
vs YA
(Euro Weight 11%)

WOMEN FACE



Skincare super premium

>350€
+0.6 pts
vs YA
(Euro Weight 5.3%)

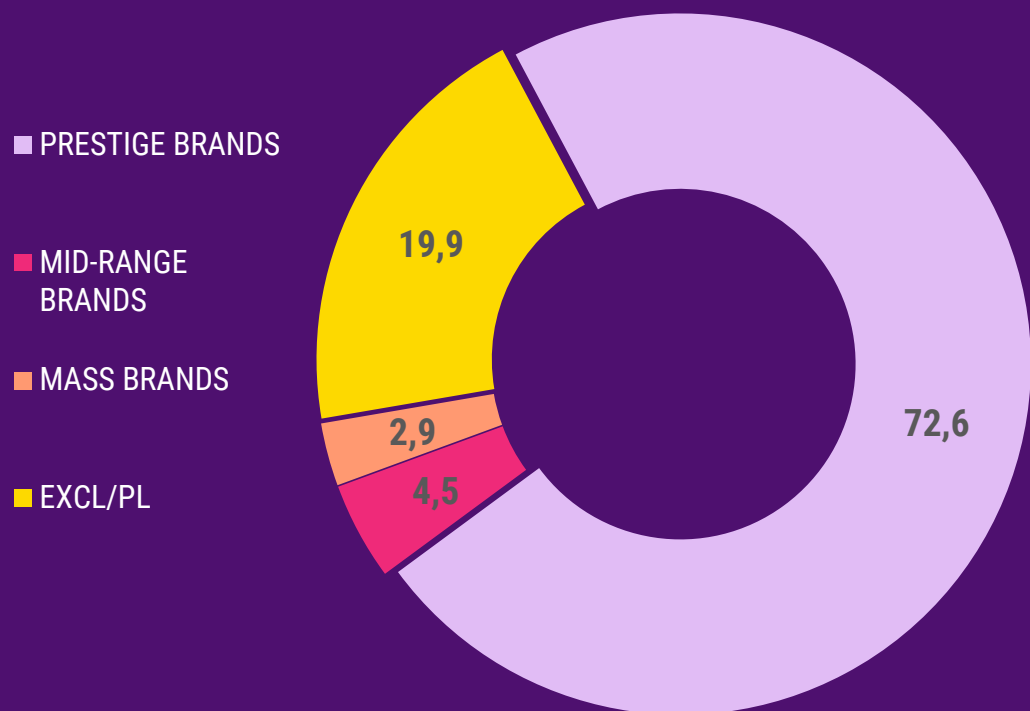
<25€
+1.9 pts
vs YA
(Euro Weight 28%)

Mid range brands

Prestige brands were challenged more and more by Mid Range and Prestige Exclusivity – YtdAgo24



Beauty| Euro Share Brand Classification



Euro Chg% vs YA| Beauty +10,2%

+21.6%
Mid Range

+8,2%
Prestige



+9.5%
Mass

Exclusivity/PL

+20%
Prestige

+6,7%
Mid Range

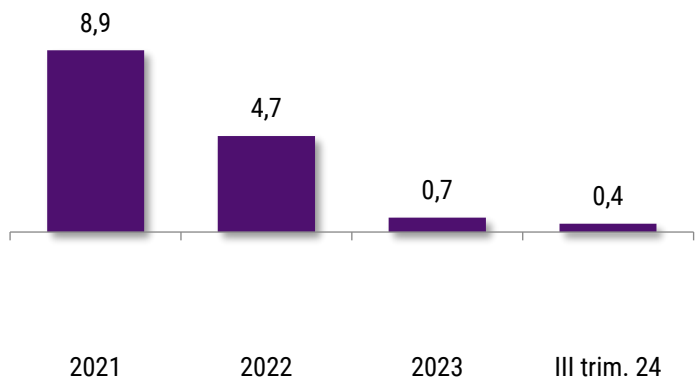


Outlook 2025

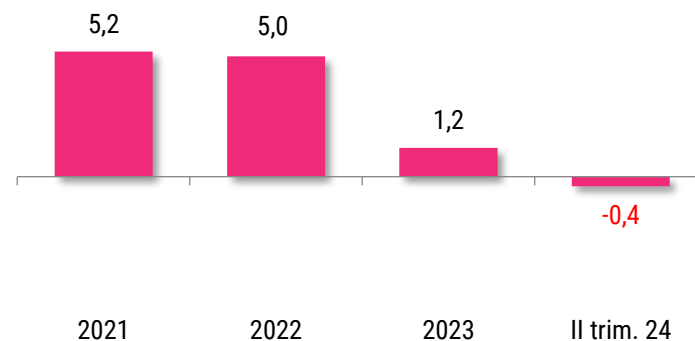


I principali indicatori macroeconomici mostrano un rallentamento a fronte di un' inflazione in netto calo

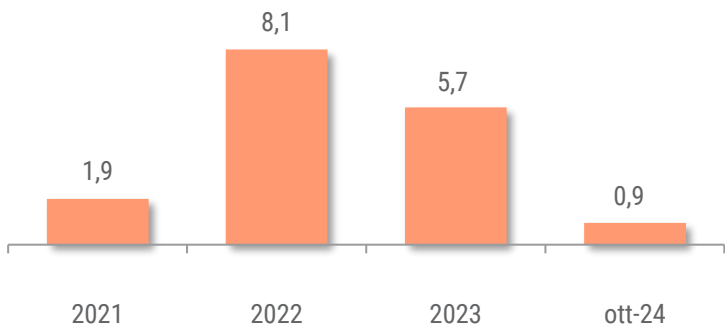
Trend tendenziale del pil (1)



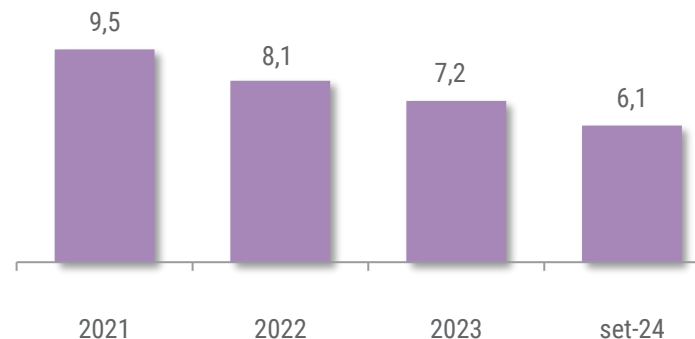
Trend tendenziale dei consumi (2)



Inflazione (3)



Disoccupazione (4)



Fonte: ISTAT. (1) Prodotto Interno Lordo, Stima preliminare Aggiornamento al 30 Ottobre 2024 (2) Spesa per consumi finali delle famiglie residenti. Aggiornamento al Ottobre 2024. (3) Prezzi al consumo per l'intera collettività nazionale. Aggiornamento al 31 Ottobre 2024. (4) Tasso di disoccupazione. Aggiornamento al 31 Ottobre 2024.

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Slight Optimism across Europe



49%

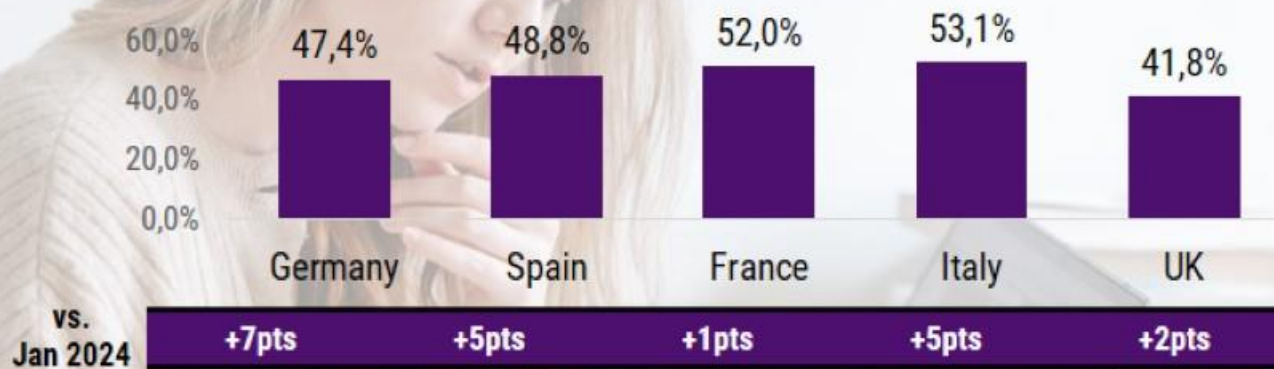
European people
Expect their financial situation to remain the same over the next 6 months.
(+4pts vs Jan 2024)

Optimism is prevalent amongst the young as

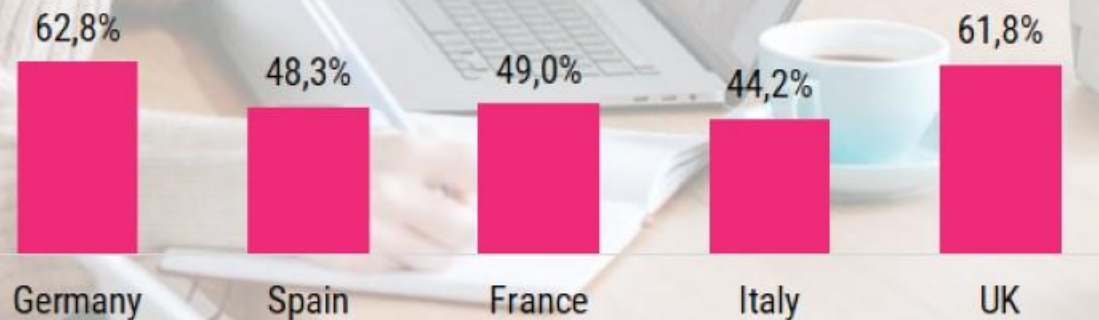
53%

of 18-34 year olds expect their financial situation to improve (vs 27% Total)

% of people expect their financial situation to remain the same over the next 6 months



% of 18-34 year olds expect their financial situation to improve over the next 6 months



Q1 Over the next six months, do you expect your personal financial situation to...?
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Thank you

