

## Beauty Retailing - Italy - January 2017

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“The Italian beauty market is continuing to perform well. Despite fluctuating levels of growth in consumer spending, the leading specialists have continued to increase retail sales – strengthening their position in the market and stealing consumer spending away from the grocers and department stores.”

– **Samantha Dover, Retail Analyst**

This report looks at the following areas:

- Using online to engage beauty consumers and drive sales
- Growing demand for natural and environmentally-friendly beauty products

Italian retailers have faced a difficult trading environment in recent years and the beauty retailers were no exception, suffering declining sales in 2012 and 2013. However, spending on personal care goods and services returned to growth in 2014 and has continued to rise since – albeit with fluctuating year-on-year average growth at 0.1% in 2015 and 1.6% in 2016. The specialist beauty retailers have performed well in the last two years and as a result are strengthening their position in the market. Meanwhile, non-specialists, such as the grocers and department stores, are losing share of spending on beauty and personal care.

Italian beauty consumers still prefer the experience of shopping in-store for beauty. Whilst online remains underdeveloped in Italy, it is a growing channel and as young shoppers become more accustomed to online purchasing, it will become increasingly important for beauty retailers. The specialists are slowly entering the online beauty retail domain, adding transactional sites to create a multichannel proposition. However, a few of the leading retailers continue to stay away from e-commerce, which may impact on their growth in future as the number of consumers who shop for beauty products online continues to rise.

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### DID YOU KNOW?

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The facts

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