



1st Edition

Boutique Beauty Retailers: Channel Analysis and Opportunities

To Be Published 4th Quarter 2016

Base Year: 2016

Forecasts to 2021

Regional Coverage: Asia ■ Europe ■ United States

Specialty stores is one of the leading and fastest growing channels for beauty, but also one of the least tracked in terms of data coverage. Leveraging Kline's long history of successfully monitoring the specialty stores channel through its Beauty Retailing report series, this new program will offer in-depth insights into the boutique retailer (or vertically-integrated specialty store) channel. This first edition will take a close look at four key markets where many leading boutique retailers are headquartered: France, South Korea, the United Kingdom, and the United States.

This Report Will Help Subscribers to:

- Assess the size and evolution of the boutique retailer channel
- Quantify sales and door counts for key and emerging retailer chains
- Take a deep look at the competitive strengths and focus of important specialty retailers, such as Lush, L'Occitane, and TheFaceShop
- Understand various productivity measures, including store sizes, traffic patterns, and number of sales associates



Tentative Report Contents*

This program will consist of two deliverables, a written report and an interactive database with data for each country listed in Table 1.

Contents of Written Report

- Key takeaways
- Factors for success
- Retailer profiles of approximately 10 select retailers (see Table 2) that will include the following:
 - Competitive focus and strengths
 - Sales and door count
 - Typical store size
 - Prime type of locations (street versus mall)
 - Estimated productivity measures (sales/square foot, traffic patterns)
 - Role of beauty
 - Product offerings
 - Pricing strategy
 - Merchandising activities
 - Photos of store exterior and interior
 - Assessment and outlook

Table 1: Countries Covered

France
South Korea
United Kingdom
United States

Table 2: Retailers to be Profiled

France	South Korea	United Kingdom	United States
Clarins	Belif	Cowshed	Aesop
Guerlain	Etude House	Jo Malone	Aveda
Kiko	Innisfree	Kiko	Bare Escentuals
L'Occitane	It's Skin	L'Occitane	Bath & Body Works
La Prairie	Missha	Liz Earle	Crabtree & Evelyn
Le Labo	Nature Republic	Lush	Fresh
Rituals	Skin Food	Molton Brown	Kiehl's
Sabon	The Saem	Neal's Yard Remedies	MAC
Sisley	TheFaceShop	Penhaligon's	Malin+Goetz
Yves Rocher	Tonymoly	The Body Shop	Origins

* Subject to charter subscriber input



Contents of Database

The database will contain detailed information for all key retailers in each country, featuring the following:

Fields in database	Values in database
Parent company	Retail sales
Retailer (brand)	Door counts
Segment (mass, masstige, premium)	Growth rates
Country	Market shares
Product category (see Table 3)	
Years (2015 and 2016 in first edition; rolling thereafter)	

Table 3: Categories Covered	
Category	What's included
Fragrances	Fragrances for men Fragrances for women
Hair care	Conditioners
	Ethnic hair care products
	Hair coloring products
	Hair styling products and sprays
Makeup	Shampoos
	Eye makeup
	Face makeup
	Lipsticks and lip glosses
Skin care (body)	Nail polishes
	Baby care products
	Hand and body lotions
	Skin care products for men
Skin care (face)	Sun care products
	Facial skin care (moisturizers, cleansers, treatments, etc.)
Other beauty	Deodorants and antiperspirants
	Depilatories, waxes, and bleaches
	Oral care products
	Personal cleansing products
All other	Shaving products
	Anything else sold by the retailer not included above, such as candles, devices/appliances, jewelry, accessories, services





Scope

Boutique Beauty Retailers: Channel Analysis and Opportunities will provide a detailed independent appraisal of the fast-moving specialty stores channel and will explore market opportunities and threats for beauty marketers and retailers.

- Boutique retailers, also called freestanding stores or vertically-integrated beauty retailers, are defined as retailers where the brand equals the retailer, and the brand is the only one sold at that store.
- Retailers analyzed are chains with three or more locations.
- This analysis will cover sales in the physical specialty store channel only. It will exclude any sales that specialty store brands may generate outside of the channel (e.g., via department stores or the Internet).
- This first edition will focus on markets where several vertically-integrated beauty retailers are headquartered: France, South Korea, United Kingdom, and United States.
- Category scope includes skin care (face), skin care (body), makeup, fragrances, hair care, and other beauty.
- The service will examine retailers in three segments based on price positioning—mass, mass-tige, and premium.

Key Benefits

This service will assist beauty marketers and retailers in identifying opportunities and threats within the specialty stores channel. It will also serve as an invaluable tool in the strategic planning process.

- Quantify the boutique beauty retailer channel better than ever before.
- Have a more complete picture of the overall beauty market.
- Continually monitor developments in this critical channel.
- Understand emerging trends and retailers.
- Assess key success factors and productivity measures across a number of retailers.
- Develop business strategies by understanding the trends and developments driving freestanding stores.



Methodology

Kline’s approach places principal emphasis on primary research techniques to ensure that the foundation of business intelligence and insight is accurate, current, and reliable. Building on our 50-plus years in the business and leveraging our worldwide network of offices, our teams of seasoned professionals draw upon pragmatic industrial and commercial experience to understand and interpret global impacts and local perspectives.

Primary Research

We Know Who to Talk to. We Know How to Listen.



A high number of in-depth discussions are conducted by each analyst. All interviews are done with true industry insiders.

Kline’s analysts draw upon pragmatic experience to understand global impacts and local perspectives. Our interviews engage experts across all pertinent fields and sectors including:

- Retailers – at both a corporate level and store level
- Store managers and sales associates
- Marketers/manufacturers
- Distributors
- Government agencies
- Retailers
- Suppliers
- Trade organizations

Secondary Research

We Know Where to Look – Mining the Details.



Analysis is further supplemented by secondary research, consisting of constant tracking of physical stores, retailer websites, annual company reports, national statistics bureaus, trade/ industrial/ professional associations, and the like.

Relevant developments are diligently followed and their impact closely monitored. Reports also draw upon non-confidential data from Kline’s internal database, consisting of over half a century’s syndicated research.

Comprehensive Market Intelligence

We Know How to Verify.



Data are rigorously analyzed, cross-checked, distilled, and validated. Kline’s proven methodology allows exceptionally effective, precise, and reliable market

intelligence, giving subscribers a solid foundation on which to grow, refine, and expand their business with confidence.

Kline Credentials

Kline is a leading global management consulting and market research firm offering the complete spectrum of services. The firm has served the management consulting and market research needs of organizations in the chemicals, materials, energy, life sciences, and consumer products industries for over 50 years.

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