

Brazil Market Research Series

# Brazil Beauty Retailing: Direct Sales

**1st Edition**

**Published: August 2009**

**Base year: 2008**

A comprehensive analysis of the Brazilian cosmetics and toiletries market sold through the direct sales model, focused on sales figures, key trends, company analyses, and recent developments, covering the period between 2003 and 2008 and with forecasts up to 2013. Key aspects covered include:

- Overview of the Brazilian cosmetics and toiletries market
- What are the key factors for direct marketing?
- Who are the main players and how do they act in this market?
- What is the role of cosmetics for the direct sales segment?
- What is the importance of this channel for the cosmetics and toiletries industry?
- What are category sales, margins and growth like in this retail outlet?
- Which opportunities does this market have for retailers and manufacturers?

## Report Scope

*Brazil Beauty Retailing: Direct Sales* contains the essential information to understand direct marketing and valuable insights for those interested in engaging this business model.

The first section of the report brings a general overview of the Brazilian cosmetics and toiletries market, indicating segment and category sales and the main factors generating growth in the industry between 2003 and 2008.

The second section analyzes the importance of the direct marketing retail channel for the C&T industry. It breaks down the segment sales by product category (see Table 1) for 2003 and 2008, in both manufactures and retail levels, indicating the fastest growing categories and the average mark-up for each of them.

The report also describes the main aspects of direct marketing, what sort of products are sold, and how the segment is organized in Brazil.

The fourth section is dedicated to analyzing who are the main players and how they operate and compete in this market. The main retailers (Table 2) in this channel are profiled and several aspects are covered (see more at the Table of Contents).

The final sections of the report are about the future. Forecast sales throughout 2013 are shown by product category, indicating which products are likely to post higher growth rates in the channel for the upcoming years. Changes in competitive landscape, economic scenario and consumers' behavior are also brought up by this section, which will allow readers to foresee trends and actions in this market.

**Table 1 - Product Categories Covered**

- |                                  |                                    |                               |
|----------------------------------|------------------------------------|-------------------------------|
| ■ Baby care products             | ■ Fragrances for women             | ■ Personal cleansing products |
| ■ Conditioners                   | ■ Hair coloring products           | ■ Shampoos                    |
| ■ Deodorants and antiperspirants | ■ Hair styling products and sprays | ■ Shaving products            |
| ■ Eye makeup                     | ■ Hand and body lotions            | ■ Skin care products for men  |
| ■ Face makeup                    | ■ Lipsticks and lip glosses        | ■ Sun care products           |
| ■ Facial treatments              | ■ Mouthwashes                      | ■ Toothbrushes                |
| ■ Fragrances for men             | ■ Nail polishes                    | ■ Toothpastes                 |

**Table 2 - Companies Analyzed**

- |             |          |
|-------------|----------|
| ■ Avon      | ■ Natura |
| ■ Herbalife | ■ Racco  |
| ■ Jequití   |          |

## Key Benefits

To identify opportunities in this highly relevant growing and hard-to-track market, market players must fully understand the underlying dynamics of manufacturers' and retailers' actions.

This report allows its readers to explore opportunities by illustrating the most relevant points of cosmetics and toiletries direct sales.

Specifically, this report assists its buyers by:

- Identifying the main C&T retail channels in Brazil
- Quantifying manufacturers sales by retail outlet and product category
- Developing forecast and scenario changes analysis up to 2013
- Explaining the practices of the major players in the direct sales segment
- Delivering information and insights necessary to capitalize changes in this business segment

## Methodology

We have the resources and capabilities to generate competitive and marketing intelligence with high level of accuracy. Our approach put emphasis in primary research techniques to assure that the corporate intelligence basis are precise, current, and reliable.

Our professionals conduct in-depth interviews and discussions with selected players, including marketing managers, retail executives, consumers, and experts, among others.

Primary research represents the core stone of our quantitative and qualitative illustration of the markets, in which we identify opportunities and generate insights.

Adding to our primary research efforts, extensive secondary research in different sources such as magazines, newspapers and corporate annual reports assures grater accuracy resultant from cross check between interviews and published data.

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### Table 3 – Recently published reports on Brazilian C&T Industry

- Brazil Beauty Retailing: Specialty Stores
- Brazil Beauty Retailing: Drug Stores
- Brazil Cosmetics and Toiletries 2008

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