

# Beauty Business NEWS

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## TOP OF THE WEEK

# South African retailer imports niche appeal

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**T**wo beauty veterans in South Africa are aiming to start a retail revolution with what they claim is the country's first multi-niche-brand concept store, Metropolitan Cosmetics. "Traditionally in South Africa, cosmetics and fragrances are retailed solely through department stores, [beauty] salons and pharmacies," store founders Wilfred Moulin and Melissa Brown tell *BBN*.

Moulin and Brown are the South African distributors of LVMH-owned makeup brand Make Up For Ever, which launched there in 1997 and now has three stand-alone stores.

The flow of standalone beauty outlets into South Africa has been slower than in other markets, but the concept is beginning to take root. Estée Lauder-owned MAC opens its first standalone there on June 16 (see *BBN*#182). "The trend of top brands opening dedicated stores has meant an exodus from department stores. The consumer is looking for a shopping experience, as opposed to a straight-out purchase," Moulin and Brown comment. "The South African market has responded very strongly to this shift."

Industry sources estimate that the country's beauty market was worth R10bn/\$1.55bn in 2003. Some 17% of this was selective products, compared with a global average of 30%. Rising disposable income means many consumers are trading up to prestige cosmetics.

"The cosmetics and toiletries market in South Africa is expected to see a surge of growth," Euromonitor analyst Claire Briney tells *BBN*. "This will [partly] be due to middle-income consumers purchasing premium products," she adds.

Metropolitan Cosmetics' founders are convinced the Johannesburg store's offer fills a gap in the market. Many brands, including Chantal Thomass, Aquolina, Lulu Guinness, Détaille 1905 and T Leclerc, come to South Africa as exclusives, the founders reveal. The store will also reference brands such as Alexander McQueen, Lolita Lempicka and Annick Goutal, already in limited distribution in South Africa.

Some 60% of the Art Nouveau-style space will be dedicated to fragrance, with 30% for skincare and the remainder for makeup. Each skincare brand will have dedicated staff, and sales advisors will help customers choose fragrances by creating a profile. "This boutique is an important opportunity for our brand, and perfectly in line with our positioning and image," French niche fragrance and skincare brand Détaille 1905 owner Louis Pallier tells *BBN*.

If the concept proves successful, two more outlets, another in Johannesburg and one in Cape Town, could follow in 2005. But the question remains, is the South African consumer ready for the kind of beauty retailing Metropolitan Cosmetics is promising? ■

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Metropolitan Cosmetics founders Wilfred Moulin and Melissa Brown