

BEAUTE LUXE : to ensure that the customer finds the biggest international brands near his home ...



From an outsider to a leader in the world's most complex markets in less than three years, BEAUTE LUXE is now «the» most prominent perfume and cosmetics distributor in the sector. Beauty giants such as L'Oréal, Puig and Hermès have entrusted them with their distribution. Whether in Africa, Asia Pacific or Eastern Europe, BEAUTE LUXE, whose primary expertise concerns Travel Retail, has now also become a leader in local markets!

Created in 2019 by David Dayan, known to all the major players in the luxury and beauty industry with more than 30 years of experience in the selective distribution of luxury brands, BEAUTE LUXE has grown, despite an unfavorable socio-economic context.

There is no doubt that this group has a great future ahead of it.



BEAUTE LUXE

Can you briefly tell us about BEAUTE LUXE and its genesis?

David Dayan: «I would say that today I am one of the veterans of the luxury and selective retailing industry who, over 30 years ago, helped make Travel Retail what it is today! Many areas in the world do not have access to major brands of beauty products when demand is extremely high. Large groups often have neither the agility, nor the flexibility of adaptation, nor the logistical structures necessary to adapt to the areas of certain specific markets «with high potential» such as Africa, Asia-Pacific or even Eastern countries. We therefore started by developing the duty-free trade in border shops (small border shops) then the large groups gradually entrusted us with their local distribution. And here we are, two years later, distribution leaders in these new markets! «

What is your background and where does your passion or appetite for the world of luxury and beauty come from?

D.D: «I fell into the pot more than 35 years ago! I have traveled from country to country since I was a child, airports no longer hold any secrets for me. I lived in Africa, Asia, and the United States (for my studies) where I obtained an MBA in International Marketing then I studied at the Gemological Institute of America where I obtained a diploma in Gemology, which allowed me to join Van Cleef & Arpels as Purchasing Manager in Thailand. Sometime later, I accepted the position of Asia Pacific Export Director at Givenchy, where I took my first steps in the very closed world of Travel Retail. Subsequently, I set up my global distribution company in Travel Retail with the Lacoste brand as the sole client for 13 years. My company having forged a good reputation in this area, many luxury brands have entrusted us with their distribution in this sector of activity in order to quickly establish

them in Duty-Free zones. And here I am, a few years later, president of an international perfume and cosmetics distribution group. Travel Retail and luxury goods are in my DNA”.

You have been a lecturer in the largest business schools in France (HEC Essec, ESC Reims, etc.), teacher at ESCE or Sup de Luxe and have created the Bachelor degree in the luxury sector at the Institute Superior of Commerce, and that of Travel Retail at the Conservatoire National des Arts et Métiers in Paris. Is it important for you to pass on, to encourage new generations to join this sector?

D.D: «Transmission is the key! What is the point of working sometimes more than 20 hours a day if everything evaporates when you retire? We do not build houses of cards! It is essential to pass on its knowledge to future generations so that they in turn can promote the luxury sector around the world. I am part of a generation of Pathfinders, the next generation to develop what we have built. I encourage my students to be curious, to travel as much as they can and in immersion, if possible, to capture the essence of each country and understand the needs and particularities of each market. When it comes to Travel Retail, nothing is ever set in stone, so you always have to stay up to date to build up real expertise and stay in this business «.

Today, with BEAUTE LUXE, you embody a true Success Story. Do you want your example to serve as a model for new generations?

D.D: «The thing to remember is that luck favors the bold! Try, fail, learn from it and try again! You learn from your failures, not from your successes! Undertaking to bequeath something bigger than you is obviously not within everyone’s reach. It means a lot of sacrifice and self-sacrifice but seeing the world change and evolve through our efforts is extremely rewarding. « The watchword today is «adaptability», each country adapts differently, and we must therefore tailor each day according to the health situation.

You say that the main thing in your job is to be efficient and know how to gain the trust of your partners. Can you tell us more about this?

D.D: «We distribute high-valued and “Sensitive” products in some of the world’s most dangerous markets, sometimes because of the political and socio-economic context, sometimes because of poor road infrastructures and yet “the

job needs to be done”. Having a perfect knowledge of the terrain and the customs and traditions of each region in which we distribute is extremely important. You have to be able to deliver the goods to the most isolated places. This is a significant investment for both the brands we distribute and for ourselves, we have no right to make mistakes.»

What are your added values in the new markets?

D.D: «Obviously: expertise. The big brands already established in Africa, Asia-Pacific, Eastern Europe, or those who want to find a place there, have already understood this. We have opened up new markets, which is no small feat. As I like to say, we are an international group on a human scale, and this is reflected in our relationships with our partners. In addition, I make it a point of honor to visit each new market in person in order to assess the risks and opportunities as precisely as possible for each brand that we distribute. Once the

BEAUTE LUXE in figures

- A presence in nearly 70 countries on 3 continents (Africa, Asia-Pacific and Eastern Europe), so around 1,500 points of sale such as Borders, ports, airports, diplomatic stores, etc. which concerns local markets (supermarkets, perfumeries, hair-dressing salons and very soon in our own perfumeries).
- A turnover up to 43% over the last 3 years.
- A portfolio of around fifty brands distributed in tax-free areas and local markets.



**AFRICA
EASTERN EUROPE
ASIA PACIFIC**

Company Profile



Major partner brands

BEAUTE LUXE works with large groups such as PUIG and L'OREAL and distributes major brands such as Hermès, Yves Saint Laurent, Lancôme, Ralph Lauren, Carolina Herrera, Jean Paul Gaultier ...

BEAUTE LUXE's selection criteria: brand reputation, supply, marketing, communication, but above all, a real desire to collaborate in order to be able to best transcribe the brand's image in these markets.

> markets are open, our local teams take over to always maintain proximity with our retailers”.

What is your vision of the beauty and Travel Retail market?

D.D: “The frontiers of luxury are shifting, and it is now towards new markets that we must look. BEAUTE LUXE opens up new perspectives to be truly present wherever the customer is. Hyperlocation and ultra-targeted offers will now be part of the future of Travel Retail. It is obvious that the luxury industry is called upon to reinvent itself in order to renew growth. Long before this crisis, strong signals indicated that the market would be marked this year by the digitization of purchasing paths. After confinement, I think that travel will resume but that customers will retain certain “border shops” and dematerialization reflexes. Luxury brands will therefore have to find a happy medium, so that

the acceleration of the digitalization of the purchasing process and direct sales in stores are complementary. The growing socio-environmental demands of consumers will have to be more than ever at the heart of development strategies to satisfy a growing desire to find a more authentic way of life. Millennials, Gen Z and their influencers will also be one to watch because they are now the voice of consumers! But above all, luxury homes must have a pragmatic and concrete approach to business, considering the good old law of supply and demand. And believe me, the demand is high, it just shows up in other forms! It's up to us to be creative in order to respond to them as best as possible”!

How has BEAUTE LUXE adapted to the recent context of the health crisis, resulting in a significant drop in air traffic?

DD: “In reality, BEAUTE LUXE was created in the first place to develop and structure, among other things, the trade in duty-free shops, and in particular in “Border shops”, which abound at the borders of each country and represent more than 15 % of duty-free sales sector. We noted that border customers preferentially made their purchases in duty-free shops. We have adapted our distribution and therefore suffered relatively little from the situation because, in a way, we mainly reach “local” customers. As far as health precautions are concerned, we have supported our retailers by helping them to set up “call and collect” and “click and collect” during lockdowns. For the smallest structures, we have set up micro-credit systems and we have equipped them with computer equipment”.

At the end of 2020, you signed a partnership with the PUIG group and then in 2021 with the HERMES group to distribute your brands on the Travel Retail market in Africa. Besides this market, what are your other projects for BEAUTE LUXE?

D.D: “Thanks to the strength of our retail network in stores, from the start of the pandemic and at the request of certain luxury groups, we supplied numerous stores in local markets. In January 2021, we therefore decided to open a new unit within our group: BEAUTE LUXE DISTRIBUTION. To begin with, we are going to distribute the products of the L'Oréal group in supermarkets (Narta, Ushuaia Garnier, Mixa, etc.), but also professional L'Oréal products in all hairdressing salons and cosmetics shops. And finally in pharmacies or drugstores, the La Roche Posay, Vichy or Cerave ranges. We have also been working for some time on a project of ten own-named perfumeries on this continent, so we will also become a retailer to be able to meet the standards of the biggest luxury brands! A huge project which should see the light of day in 2022”.

Finally, you, who travel a lot, how do you consume Duty Free?

D.D: «Obviously Duty Free all over the world are the only places where I have time to consume. Paradoxically, I think I'm a «normal» customer and don't hesitate to take advantage of the often-exclusive product offers called TREX (Travel Retail EXclusive) that airport stores offer.»



An eco-responsible group

BEAUTE LUXE respects a flawless logistics, which is essential in order not to have a disproportionate impact on ecology and regularly educates its teams on this subject. The group takes care to measure and limit the carbon footprint of each of its transports and gives maximum priority to electric vehicles for its deliveries. BEAUTE LUXE also has a partnership with specialists for the collection and recycling of its waste. The group has also invested thousands of euros in recycling and purifying its wastewater. BEAUTE LUXE also provides advice to its partner brands, particularly on product and packaging aspects and CSR commitment. Short distribution channels, local production of furniture and use of recycled materials, recourse to renewable energies, so many important axes which are at the heart of BEAUTE LUXE's sustainable strategy.

A lot of projects in our boxes!

Innovating and developing the various distribution channels ... BEAUTE LUXE recently concluded a local distribution agreement in Rwanda, Uganda, Burundi, and Tanzania. The group will also expand its portfolio by including mass distribution products, such as L'Oréal for Mixa, Ushuana, Elseve etc. BEAUTE LUXE has just opened two new subsidiaries, in Kampala in Uganda and in Kigali in Rwanda to take care of this new distribution. Finally, BEAUTE LUXE will launch a luxury perfume network in its own name in Africa. Objective: to open around twenty perfumeries on the African continent within 5 years. Two first perfumeries should therefore see the light of day in early 2022 in Tanzania and Rwanda.

A group that offers opportunities

BEAUTE LUXE has just recruited around twenty employees for its Dubai unit and its new subsidiaries. When establishing itself in new markets, the group insists in creating specialized local units. Human capital is at the heart of BEAUTE LUXE's HR priorities. The more experts the group has, the more it will consolidate its leadership position and be able to best meet the expectations of its partners.



More Info www.beauteluxedf.com