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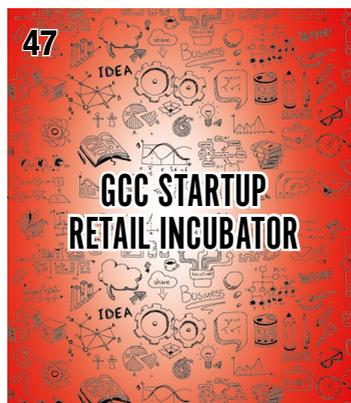
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COVER STORY

The value of the global beauty market stood at \$491 billion in 2018, according to Euromonitor International (EMI). Among the regions, Asia-Pacific led the way accounting for \$163 billion, followed by Europe at \$125 billion. North America stood at \$98 billion, Latin America at \$63 billion and Australasia at \$8 billion. The Middle East and Africa (MEA) beauty market witnessed a year-on-year growth of 5% from 2017 to 2018, accounting for \$34 billion. Within the region, Saudi Arabia and the UAE are the most robust markets. The retail value of the MEA market for beauty and personal care – comprising fragrances, haircare, skincare, colour cosmetics and men's grooming – will be worth \$34.9 billion in 2019, set to grow to \$43.4 billion in 2022, at a CAGR of 7.5%.



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DEAR READER

Beauty is big business

Yes, numbers confirm that the business of beauty has been and is lucrative. The value of the global beauty market stood at \$491 billion in 2018. Among the regions, Asia-Pacific led the way accounting for \$163 billion, followed by Europe at \$125 billion. North America stood at \$98 billion, Latin America at \$63 billion and Australasia at \$8 billion. The Middle East and Africa (MEA) beauty market witnessed a year-on-year growth of 5% from 2017 to 2018, accounting for \$34 billion. Within the region, Saudi Arabia and the UAE are the most important markets.

In the UAE, consumers spent \$2.1 billion in 2018 on items such as fragrances (\$610 million), colour cosmetics (\$297 million), skincare (\$306 million), men's grooming (\$298 million), hair care (\$323 million) and bath and shower products (\$167 million). The beauty and personal care products market in Saudi Arabia was worth \$5 billion in 2018. The average per capita spend on beauty and personal care products in KSA stood at \$150 in 2018.

A rapidly growing segment within the beauty sector is the men's grooming market. In MEA it is worth \$3.4 billion and projected to grow at a CAGR of 2% during the next five years. The increased grooming awareness among men is attributed to this growth.

Incidentally, in this issue, most of our regular features, from Retail Thoughts, Viewpoint and CEO Talks to Omnichannel and Food Watch are centred around beauty.

We also have a detailed post-show report on the first-ever Images RetailME Awards KSA 2019 held at the Ritz Carlton in Jeddah on April 8, 2019. The awards gala took place in collaboration with the Jeddah Chamber and Saudi Sand Souvenir Co. The event received overwhelming support from over 480 people and organisations – including retail industry leaders, dignitaries and visionaries – who were present at the awards gala.

The spotlight of the evening was on the best-performing retailers in the Kingdom for 2018-19 and a dazzling ceremony graced by Saudi Government officials, officials and members of Jeddah Chamber. Also joining were professionals, specialists and VIP guests representing the who's who of the retail industry.

Look out for our June edition which will have more in-depth reports and features.

In the meanwhile, 'Ramadan Kareem' to you all!



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Beauty business continues to grow

The value of the global beauty market stood at \$491 billion in 2018, according to numbers shared by research firm Euromonitor International (EMI). Among the regions, Asia-Pacific led the way accounting for \$163 billion, followed by Europe at \$125 billion. North America stood at \$98 billion, Latin America at \$63 billion and Australasia at \$8 billion.

The Middle East and Africa (MEA) beauty market witnessed a year-on-year growth of 5% from 2017 to 2018, accounting for \$34 billion. Within the region, Saudi Arabia and the UAE are the most robust markets.

In the UAE, consumers spent \$2.1 billion in 2018 on items such as fragrances

(\$610 million), colour cosmetics (\$297 million), skincare (\$306 million) men's grooming (\$298 million), hair care (\$323 million) and bath and shower products (\$167 million).

The beauty and personal care market in Saudi Arabia was worth \$5 billion in 2018. The average spend per capita on beauty and personal care products in KSA stood at \$150 in 2018. Needs and hygiene-based categories such as baby and child-specific products, bath and shower and oral care dominated in terms of demand, witnessing substantial growth of 7%, 5% and 3%, respectively. This market is expected to touch \$5.2 billion in 2023 at a

CAGR of 1% at constant value terms during the next five years.

According to EMI, the retail value of the MEA market for beauty and personal care – comprising fragrances, haircare, skincare, colour cosmetics and men's grooming – will be worth \$34.9 billion in 2019, set to grow to \$43.4 billion in 2022, at a CAGR of 7.5%.

Men's grooming market in MEA is worth \$3.4 billion, projected to grow at a CAGR of 2% expected during the next five years. "Increased awareness within men's grooming is facilitating this growth. Men are no more simply settling for unisex or women's brands. They are increasingly looking for products for their specific

skin types," observes Amna Abbas, senior analyst for beauty and fashion, EMI.

"A wider range is thus available across channels such as hypermarkets/ supermarkets as well as salons and barber shops. Multinational corporations – including brands like Kiehl's, Nivea, L'Oreal Men, Boy de Chanel – continue to dominate the men's grooming category. New launches also witnessed greater variety from well-established brands such as Nivea. The Nivea Men Deep comprises a complete product line. It includes aerosol spray deodorant, roll-on deodorant, face & beard wash, shaving gel with black carbon, shower gel and after shave lotion," she adds.



RED SEA MALL EMPOWERING THE RETAIL SECTOR

RED SEA MALL IS CONSTANTLY PROGRESSING TO MEET THE ASPIRATIONS OF THE SAUDI VISION 2030 TO CREATE AN ATMOSPHERE THAT SUPPORTS THIS PROGRESSIVE WAVE OF CHANGE THAT IS HAPPENING IN SAUDI ARABIA, WHILE ENSURING THAT THE MALL IS SEEN AS THE LEADING CENTER NOT ONLY IN THE WESTERN REGION, BUT IN THE KINGDOM AND THE GULF REGION AS WELL.



Celebrating retail excellence in Saudi Arabia

The region's retail community came together at the Ritz Carlton in Jeddah on April 8, 2019. The occasion was to celebrate excellence and felicitate the celebrities in the business of retail at the first-ever Images RetailME Awards KSA 2019, **Lawrence Pinto** reports

The awards gala took place in collaboration with the Jeddah Chamber and Saudi Sand Souvenir Co. The event received overwhelming support from over 480 people and organisations – including retail industry leaders, dignitaries and visionaries – who were present at the awards gala.

The Images RetailME Awards are more than just about winning in a competitive retail market like the Kingdom of Saudi Arabia. The awards recognise excellence across a range of retail categories, benchmarking innovations and best practices in this vibrant industry. The awards also serve as a motivational platform for retailers across the Kingdom and the world.

The spotlight was on the best-performing retailers in the Kingdom for 2018-19, and a dazzling ceremony graced by Saudi Government officials and members of Jeddah Chamber. Also joining were professionals, specialists and VIP guests representing the who's who of the retail industry.

The celebrities of the evening sparkled on this gala occasion hosted by our emcees – Maher Mustafa, an influential voice in Jeddah, and Tom Urquhart, well-known media celebrity from Dubai. Setting the mood for the awards night were the gifted Oud and Qanun players with their mystic music.

The awards ceremony began with a brief address by the guest of honour



Mazen Batterjee, deputy chairman of the board, Jeddah Chamber.

Mohammad Alawi, chairman, Saudi Sand Souvenir Co and a partner of Images Group in KSA, who supported the initiative from the forefront, addressed the gathering next.

Amitabh Taneja, chairman and managing director, Images Group then shared his thoughts on the night's celebrations. He thanked the Jeddah Chamber officials and all the partners for wholeheartedly supporting the inaugural Images RetailME Awards KSA.



The way the awardees were selected

There can be no higher accolade than gaining recognition from one's peers in the awards jury comprising eminent names from the world of retail. Based on the assessment and pulse of the industry, RetailME awards and research team did the first round of short-listing of brands. Following which brands were reached out for nominations under 11 categories. The short-listed entries were then shared with an independent jury – comprising internationally renowned veterans from the retail industry.

The jury members included Alex Andarakis, founder & managing director of UAE-based Andarakis Advisory Services; Hathal Saad Alutaibi, CEO of Alandalus Property Company, Riyadh, KSA; Jerzy Osika, founder & CEO of Poland-based Promedia; Mohamed Galal, CEO of Dar Al Osool Real Estate Co, Riyadh, KSA; Mohammad Alawi, chairman and partner, Saudi Sand Souvenir Co and B&T Brands and Trade Services Middle East.

The process helped us nominate more than 50 of the top-performing brands under 11 categories.

Following the review, the jury results were handed over to an independent adjudicator, Crowe, who tallied the results. These were kept strictly confidential to maintain secrecy and the spirit of competition and announced publicly only on the awards night.



Tom Urquhart



Alex Andarakis
Founder & Managing Director
Andarakis Advisory Services



Hathal Saad Alutaibi
CEO
Alandalus Property



Jerzy Osika
Owner & CEO
Promedia



Mohamed Galal
Chief Executive Officer
Dar Al Osool Real Estate Co.



Mohammad Alawi
Chairman of the Board
Saudi Sand Souvenir Co.





Images RetailME Awards KSA 2019 Sponsors

And finally, thanks to our results and audit partner **CROWE**, awards partner **GIA** (Global Innovation Awards held in Chicago) and media partners **Images RetailME**, **Images Retailme.com** and **Images Retail**.

We thank every member of our jury for sparing their time and effort to evaluate the submissions and help compile the results.

Finally, we would like to thank all participants and congratulate both the finalists and the ultimate awardees.



CONGRATULATIONS



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