

Latin America

In Latin America, sales rose by +6.7% like-for-like, improving quarter by quarter, although there were sharp contrasts in trends. Argentina, Venezuela, Chile and Uruguay achieved strong growth. Brazil returned to growth in the second half, driven by successes in hair colourants and the launch of the Elsève Reparação Total 5 haircare line from L'ORÉAL PARIS. INNÉOV, a newcomer to Brazil, rapidly established itself in this market. The situation remains difficult in Mexico. The development of dermocosmetics is one of the major breakthroughs in the zone, and L'Oréal is actively contributing to creating this channel.

Dermocosmetics makes its mark on the South American continent

Over the last ten years, the Active Cosmetics Division has been building up the dermocosmetics channel in Latin America, and steadily rolling out its brands in all the countries. It is already number 1 in Brazil, Mexico, Argentina, Chile and Venezuela. In 2008 its sales grew by almost +19%; it has immense potential.

The Active Cosmetics Division is developing a very close partnership with Latin America's 10,000 dermatologists, who are increasingly being asked by their patients to provide aesthetic treatments. Medical visits are playing a key role in prescription. With 100,000 visits in 2008, LA ROCHE-POSAY is the number 1 prescribed brand in Brazil. In addition, the brands are taking many other initiatives to strengthen their ties with the profession.

DRIVING THE CHANNEL'S DYNAMISM

The division's success is based on the development of the dermocosmetics channel by creating dermocosmetic areas where dermo advisors can provide qualified advice and personalised skin diagnoses.

Another advantage is the quality of the products, and their perfect match with the specific needs of consumers and dermatologists in Latin America. In 2008, LA ROCHE-POSAY launched Iso-Urea loção and VICHY created Normaderm SPF 15 anti-shine, especially for Brazilian and Mexican skin.



ARGENTINA: SALES DOUBLE IN THREE YEARS

Posting growth of +39% in 2008, L'Oréal is continuing to advance in Argentina, where sales have doubled in three years. The group is number 1 in the luxury market with LANCÔME. Two of its brands, GIORGIO ARMANI and RALPH LAUREN, are ranked in the top ten for fragrances. The division has opened its first KIEHL'S store right in the heart of Buenos Aires. In the mass-market segment, MAYBELLINE NEW YORK is number 1 in make-up. The GARNIER brand, which was only present in hair colourants with Nutrisse, is strengthening its presence by launching a bodycare line in 2008. L'ORÉAL PARIS has also expanded its range with Derma Genesis and is launching its Men Expert line. In hair salons, L'Oréal is number 1, covering both luxury salons with KÉRASTASE and more affordable salons with MATRIX. Lastly, the Active Cosmetics Division is continuing to grow and is the leader of the Argentinean dermocosmetics market, after contributing to its emergence.



In Brazil, its second largest market worldwide, LA ROCHE-POSAY is the preferred brand for dermatologists.



Instant success for Innéov Firmness in Brazilian pharmacies, with almost 100,000 packs sold in four months.

Lastly, the final pillar is consumer education. VICHY has been running large-scale prevention and education campaigns, such as "Skin Health Centres", where dermatologists and pharmacists carry out free, personalised skin diagnoses in partnership with the brand. LA ROCHE-POSAY also organises a Melanoma Day screening operation in conjunction with dermatologists.

OUTSTANDING GROWTH POTENTIAL

Today, VICHY and LA ROCHE-POSAY are the only brands with a presence in most of the countries. Rolling out the portfolio will provide a tremendous reservoir of growth for the division.

Redken magic at work in Latin America

In 2008, the American premium brand was launched in Uruguay and Colombia. Now present in 13 Latin American countries, REDKEN 5TH AVENUE has become one of the major brands with sales growth of +20% or more in the last three years. Its dynamic education drive has won over the top hairdressers, as proven by the irresistible attraction of its annual symposiums.



Another of the brand's success drivers is its complete range of haircare products attuned to the specific needs of Latin Americans, whose conquest has been spearheaded by its Shades EQ hair colourant. In just a few years, more than 4,000 luxury salons have adopted REDKEN in Latin America.

Customised care for Brazilian hair

In July 2008, L'ORÉAL PARIS launched Elsève Reparação Total 5, the first line of haircare products to repair the five signs of damaged hair—breakage, split ends, lacklustre appearance, dryness and stiffness. The product's bio-ceramide formula has been adapted to the specific requirements of Brazilian hair by the L'Oréal laboratories in Rio de Janeiro, replicating the hair's natural ceramides for a deep repair treatment. The range is represented by two Brazilian spokeswomen—Grazi Massafera and Debora Nascimento—who symbolise the country's ethnic diversity. In just six months, more than seven million units of Reparação Total 5 were sold, and the line rose to second position in the haircare market, boosting the sales of Elsève, which has been one of the favourite haircare brands of Brazilian women for many years. Building on this success, Elsève Total Repair 5 will be marketed in other Latin American countries in 2009.



"Dermocosmetic Advice Centres" raise the brand's visibility and help attract new consumers who appreciate the quality of the advice they are offered.