Claude3 Opus Sales Report

Haircolor, ’15 vs ’16

Prepared: 18 April 2024

This report uses charts designed according to the International Business Communication Standards (IBCS) to ensure clarity, consistency, and information density.

Key elements:

1. **Consistent chart design**: All charts follow a uniform design, making it easier for readers to understand and compare data across different visualizations. This includes consistent use of fonts, sizes, and positioning of elements.

2. **Simplified and focused content**: Charts are designed to be easily readable, with a focus on essential information. Unnecessary decorative elements are avoided to maintain clarity.

3. **Proper labeling and titling**: Each chart includes clear, descriptive titles and labels to ensure that the data is easily understood without additional context.

4. **Standardized notation**: IBCS-compliant charts use standardized notation for elements such as time periods, units, and scenarios, making the information more accessible and comparable.

The following conventions are used throughout the report:

- **Black** represents actual values for the current year
- **Grey** represents data from the previous year
- **Red** indicates negative or "bad" performance
- **Green** indicates positive or "good" performance
- **"PY"** is used to denote the previous year values
- **"AC"** refers to the actual current year values
- **Underscore "_"** is used to represent year-to-date data
- **Tilde "~"** indicates a rolling year or 12-month period

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Market Overview
The hair color market is highly concentrated, with L'Oréal and Coty dominating sales across retailers. However, Coty is facing declines while L'Oréal and smaller companies expand their market share. Consumer preferences are shifting, with permanent color declining, temporary products growing, and shades like Medium Brown gaining popularity over Blonde and Dark Brown. Tailoring strategies for different retail environments is crucial, as performance varies significantly by retailer for brands like Henkel, Other rank >4, and Combe.

Sales Breakdown
Permanent products dominate the hair color market, with 'Other rank >5' and Dark Brown as top sellers. Superdrug and the 'Other rank >3' retailer group show the highest growth. L'Oréal leads the market with its Casting, Excellence, Nutrisse, and Olia brands, while Coty focuses on its 'Nice N Easy' brand, which tops sales units and revenue. The 'Other rank >10' category reflects a competitive market with numerous smaller players collectively holding a substantial share.

Data Insights
'Nice N Easy' leads in sales through diverse sub-brands catering to different price points and consumer segments. Just 22.7% of shades generate 81.3% of sales, highlighting a concentration among key products, while the majority are niche offerings with limited sales. The market exhibits an inverse relationship between price and volume, with successful brands balancing mass market and premium offerings to maximize overall revenue and profitability.

Market Trends
The company's sales grew modestly in 2016, with a 1.4% increase in units sold despite a decrease in revenue per unit. The hair color market saw mixed results, with certain categories and product types like root products experiencing strong growth while others declined. L'Oréal and Henkel performed well in the competitive landscape, but Coty faced challenges with an 11% decline, emphasizing the need for agility and innovation in adapting to consumer trends.

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At a glance: The hair color market is highly concentrated, with Loreal and Coty dominating sales across retailers, although Coty is facing declines while Loreal and smaller companies expand market share. Consumer preferences are shifting, with permanent color declining, temporary products growing, and shades like Medium Brown gaining popularity over Blonde and Dark Brown. Tailoring strategies for different retail environments is crucial, as performance varies significantly by retailer for brands like Henkel, Other rank >4, and Combe. Pages 8 to 14.

Sales breakdown: The hair color market, dominated by permanent products, sees 'Other rank >5' and Dark Brown as top sellers, with Superdrug and the 'Other rank >3' retailer group showing the highest growth. Loreal leads the market with its Casting, Excellence, Nutrisse, and Olia brands, while Coty focuses on its 'Nice N Easy' brand, which tops sales units and revenue. The 'Other rank >10' category reflects a competitive market with numerous smaller players collectively holding a substantial share. Pages 16 to 22.

Data insights: The hair color market is strategically segmented, with 'Nice N Easy' leading in sales through diverse sub-brands catering to different price points and consumer segments. Just 22.7% of shades generate 81.3% of sales, highlighting a concentration among key products, while the majority are niche offerings with limited sales. The market exhibits an inverse relationship between price and volume, with successful brands balancing mass market and premium offerings to maximize overall revenue and profitability. Pages 24 to 29.

Trends: The company's sales grew modestly in 2016, with a 1.4% increase in units sold despite a decrease in revenue per unit. The hair color market saw mixed results, with certain categories and product types like root products experiencing strong growth while others declined. L'Oréal and Henkel performed well in the competitive landscape, but Coty faced challenges with an 11% decline, emphasizing the need for agility and innovation in adapting to consumer trends. Pages 31 to 37.

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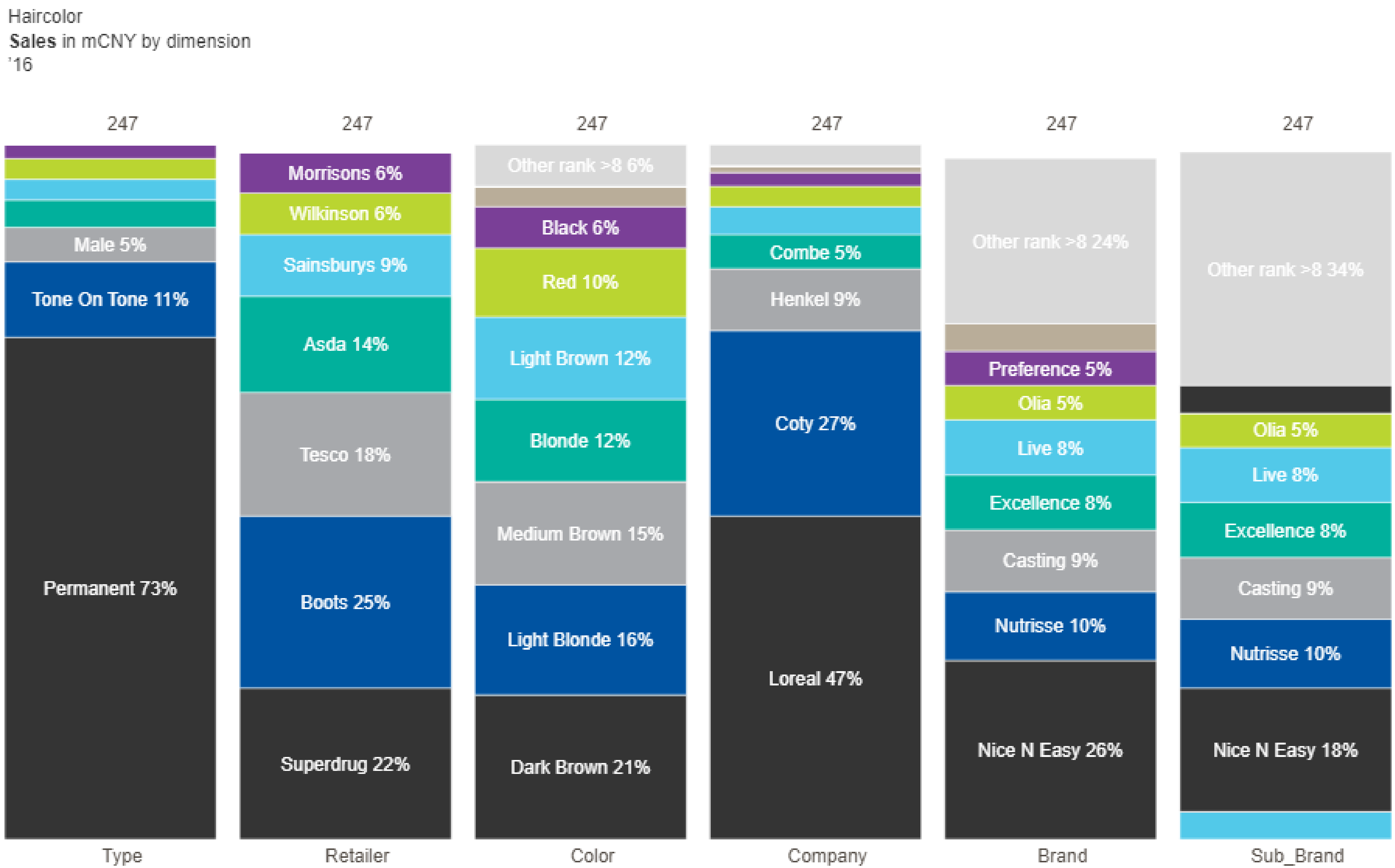
The hair color market is highly concentrated, with Permanent type and Loreal dominating their respective dimensions, suggesting market leadership and consumer trust in established products. Sales are well distributed among top retailers like Boots and Superdrug, indicating that accessibility through major retail chains is a key strategy. Consumers have diverse preferences for hair color shades, with darker shades being more popular but significant markets for lighter and vibrant colors too. Nice N Easy dominates, but a significant percentage of sales under "Other rank >8" in both Brand and Sub_Brand dimensions suggests a fragmented market with many smaller players and potential for niche marketing (p.9).

The company's hair color sales grew from 245.8 million CNY in 2015 to 247.4 million CNY in 2016, a 0.7% year-over-year growth, despite pricing pressures. Units and mix added 8.5 million CNY, but this was offset by a negative price impact of 6.9 million CNY (p.10). Magic Retouch and Colour Freedom showed significant growth from 2015 to 2016, driven by positive units & mix variances. However, Nice N Easy and Feria experienced declines due to negative units & mix variances. Price reductions negatively impacted most sub-brands, except for Live, which saw a slight increase despite a small price variance (p.11).

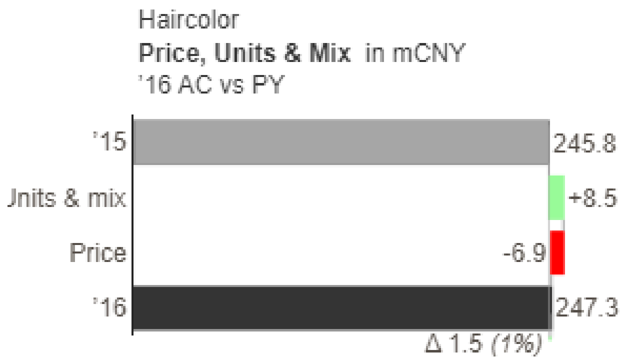
Strong performance at the root level and in temporary hair color offset significant declines in permanent hair color brands. Permanent products from Coty and Loreal faced declines while temporary products grew, suggesting shifting consumer preferences. Coty's Nice N Easy and Vidal Sassoon brands faced more issues compared to others (p.12). The hair color market is seeing varying performance, with permanent color declining and Superdrug and Boots growing. Medium Brown is gaining popularity, but Blonde and Dark Brown are slightly declining. Coty is facing a substantial drop in sales, while Loreal and smaller companies expand market share. The Excellence brand performs well, but Nice N Easy and Casting decline. Dark Brown is seeing a significant increase, indicating a strong consumer preference shift (p.13).

Loreal and Coty are the top players in sales across all retailers. Loreal is growing in all retailers except Tesco, while Coty is declining in most cases, suggesting Loreal has strong market performance, but Coty may have company or product issues. Henkel is growing in all retailers except 'Other rank >3', indicating positive performance overall. Other rank >4 and Combe's performance varies significantly by retailer, hinting their strategies or consumer preferences are highly retailer-specific. Tailoring strategies for different retail environments is crucial for optimizing sales performance (p.14).

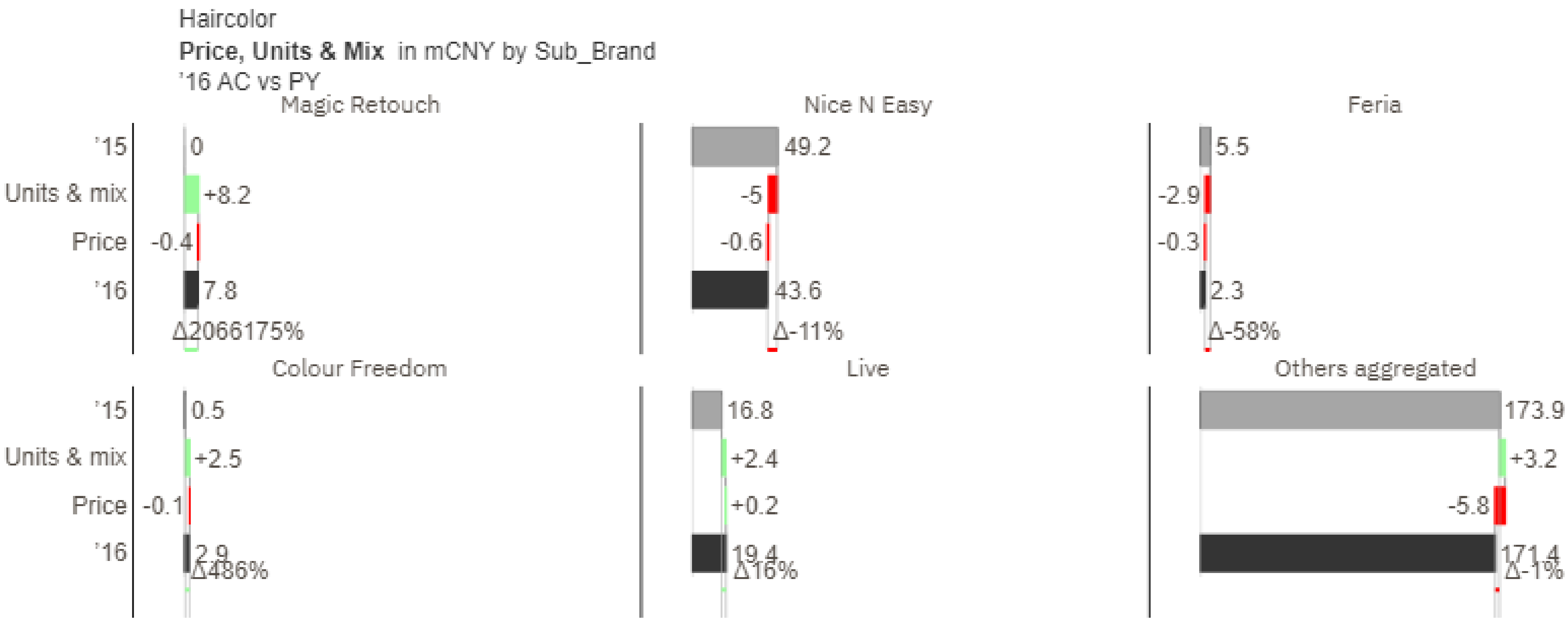
The hair color market is highly concentrated. Permanent type and Loreal dominate their respective dimensions, suggesting market leadership and consumer trust in established products. Sales are well distributed among top retailers like Boots and Superdrug, showing that accessibility through major retail chains is a key strategy. Consumers have diverse preferences for hair color shades, with darker shades being more popular but significant markets for lighter and vibrant colors too. Nice N Easy dominates, but a significant percentage of sales under "Other rank >8" in both Brand and Sub_Brand dimensions suggests a fragmented market with many smaller players and potential for niche marketing.



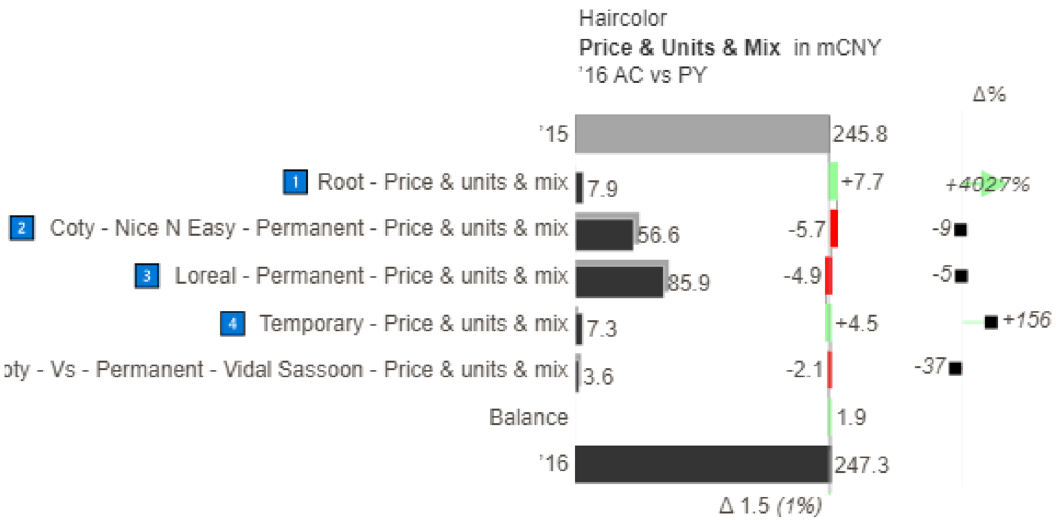
The company's hair color sales grew from 245.8 million CNY in 2015 to 247.4 million CNY in 2016, a 0.7% year-over-year growth, despite pricing pressures. Units and mix added 8.5 million CNY, but this was offset by a negative price impact of 6.9 million CNY. The volume increase or improved mix slightly more than offset the price reductions.



Magic Retouch and Colour Freedom showed significant growth from 2015 to 2016, driven by positive units & mix variances. However, Nice N Easy and Feria experienced declines due to negative units & mix variances. Price reductions negatively impacted most sub-brands, except for Live, which saw a slight increase despite a small price variance. The aggregated "Others" category, representing smaller sub-brands, showed a slight decline heavily impacted by a significant negative price variance.

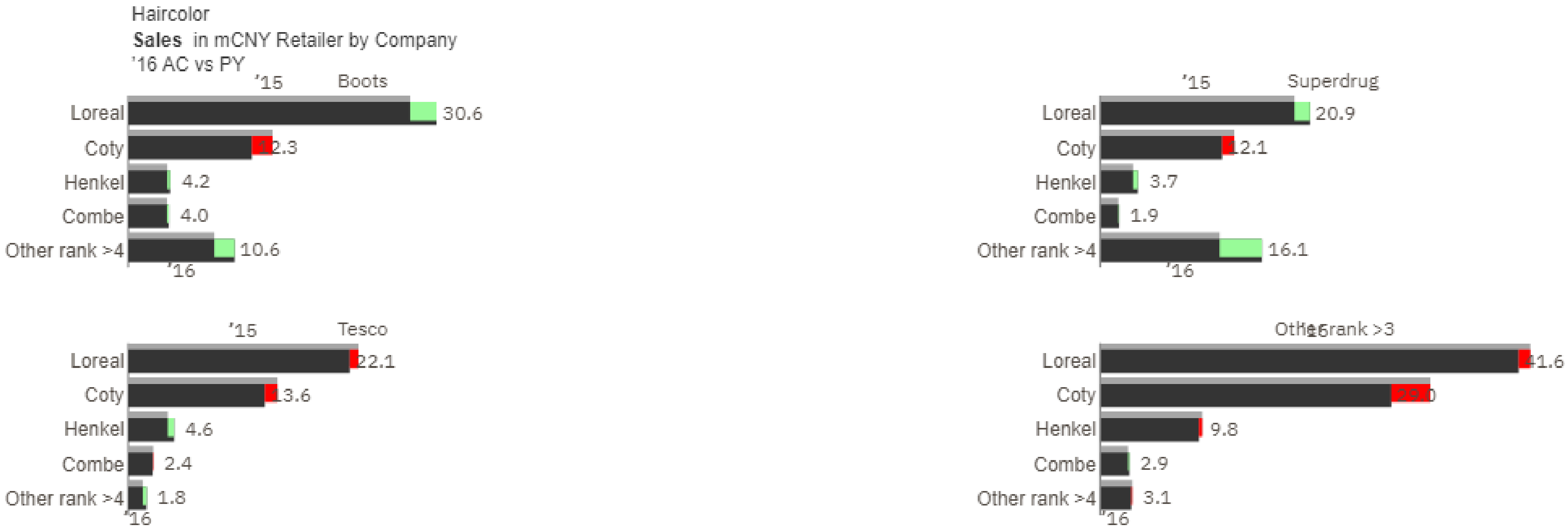


The company's sales grew slightly from 245.8 million CNY in 2015 to 247.4 million CNY in 2016. Strong performance at the root level and in temporary hair color offset significant declines in permanent hair color brands. Permanent products from Coty and Loreal faced declines while temporary products grew, suggesting shifting consumer preferences. Coty's Nice N Easy and Vidal Sassoon brands faced more issues compared to others.



The hair color market is seeing varying performance. Permanent color is declining, while Superdrug and Boots are growing. Medium Brown is gaining popularity, but Blonde and Dark Brown are slightly declining. Coty is facing a substantial drop in sales, while Loreal and smaller companies expand market share. The Excellence brand performs well, but Nice N Easy and Casting decline. Dark Brown is seeing a significant increase, indicating a strong consumer preference shift.

Loreal and Coty are the top players in sales across all retailers. Loreal is growing in all retailers except Tesco, while Coty is declining in most cases. This suggests Loreal has strong market performance, but Coty may have company or product issues. Henkel is growing in all retailers except 'Other rank >3', indicating positive performance overall. Other rank >4 and Combe's performance varies significantly by retailer, hinting their strategies or consumer preferences are highly retailer-specific. The key takeaway? Tailoring strategies for different retail environments is crucial for optimizing sales performance.



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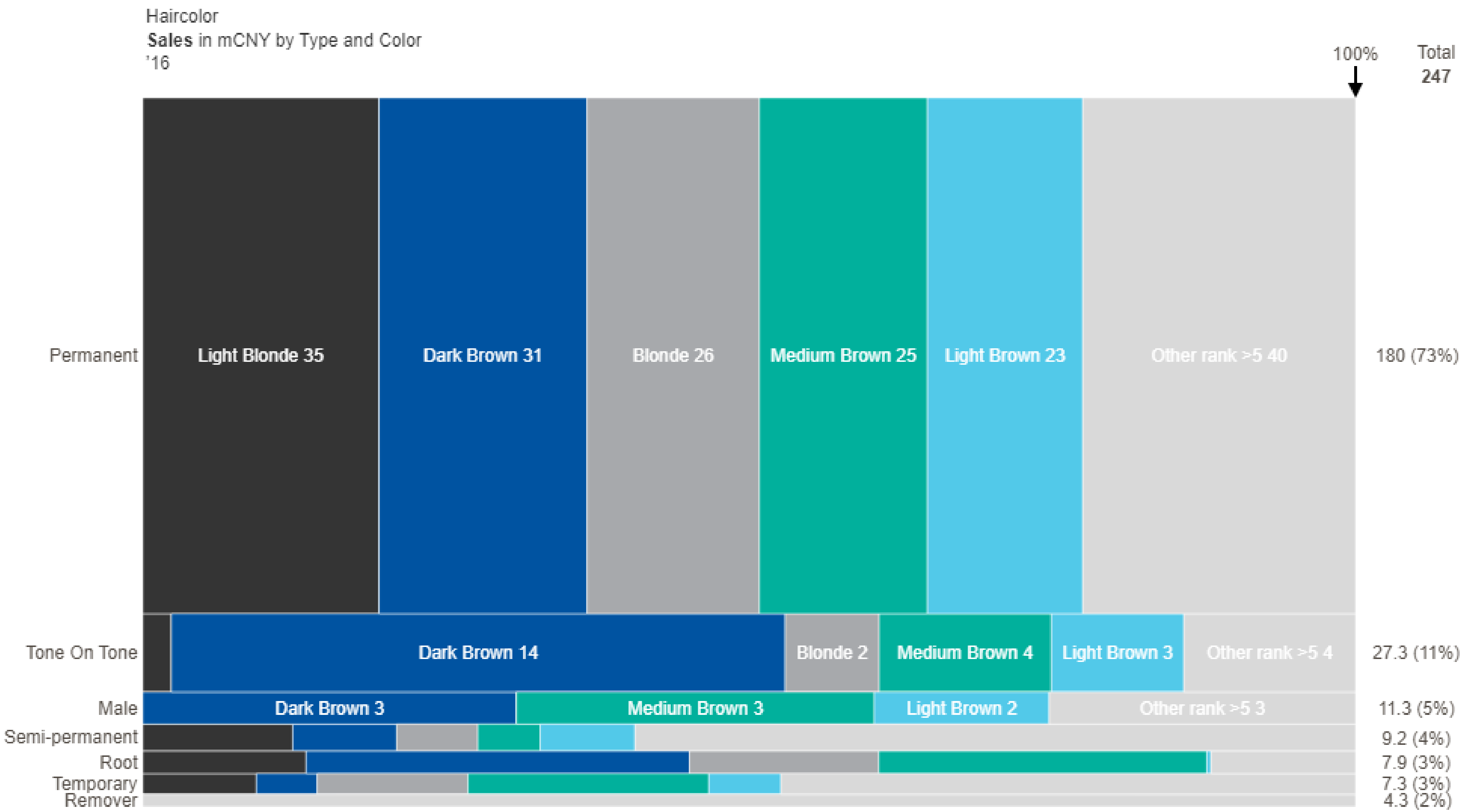
The hair color market is dominated by permanent hair color products, with total sales of 179.96 million CNY. The 'Other rank >5' category leads within this type, contributing 40.46 million CNY, followed by Tone On Tone with 27.35 million CNY. Dark Brown is the most popular color, contributing 13.85 million CNY (p.17). 'Other rank >5' colors dominate sales, especially for 'Permanent' and 'Tone On Tone' products, suggesting a trend towards diverse colors beyond Dark Brown. The 'Other rank >3' retailer group has the highest total sales, particularly for 'Permanent' products, indicating a strong market presence (p.18).

Superdrug's haircolor sales grew by 10.0%, the highest among all retailers and well above the 1.0% average. Boots also showed positive growth at 5.0%, while Tesco, Asda, and smaller retailers (Other rank >4) experienced declines (p.19). The 'Other rank >3' category shows the highest growth rates across all retailers, indicating strong market preference or successful promotions. 'Permanent' and 'Tone On Tone' categories generally show negative growth, suggesting declining popularity or competitive challenges in 2016 (p.20).

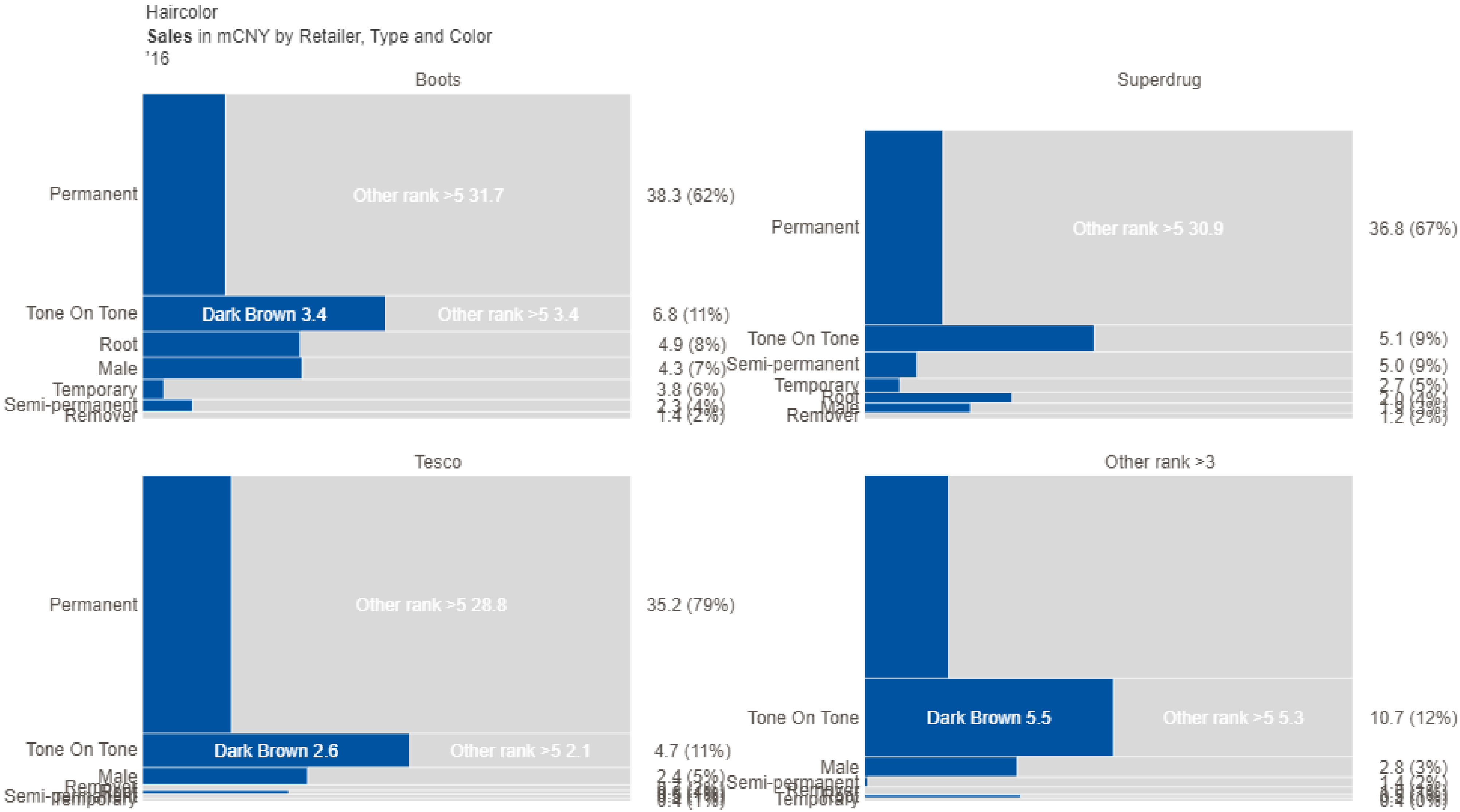
Loreal dominates the market with significant sales across its Casting, Excellence, Nutrisse, and Olia brands, and leads the 'Other rank >6' category. Coty heavily focuses on its 'Nice N Easy' brand, possibly specializing in this area. Smaller companies, represented in the 'Other rank >4' category, collectively hold a substantial 31.6 million CNY market share, suggesting a fragmented market with numerous players (p.21).

Nice N Easy leads significantly with 13.3 million units sold and 63.4 million CNY in total sales revenue. Nutrisse and Casting follow, with Nutrisse selling around 5.2 million units and generating about 25.3 million CNY in sales, and Casting selling approximately 3.9 million units with about 21.5 million CNY in sales. The 'Other rank >10' category highlights a competitive market with numerous smaller players collectively holding a substantial share, suggesting room for growth and competition (p.22).

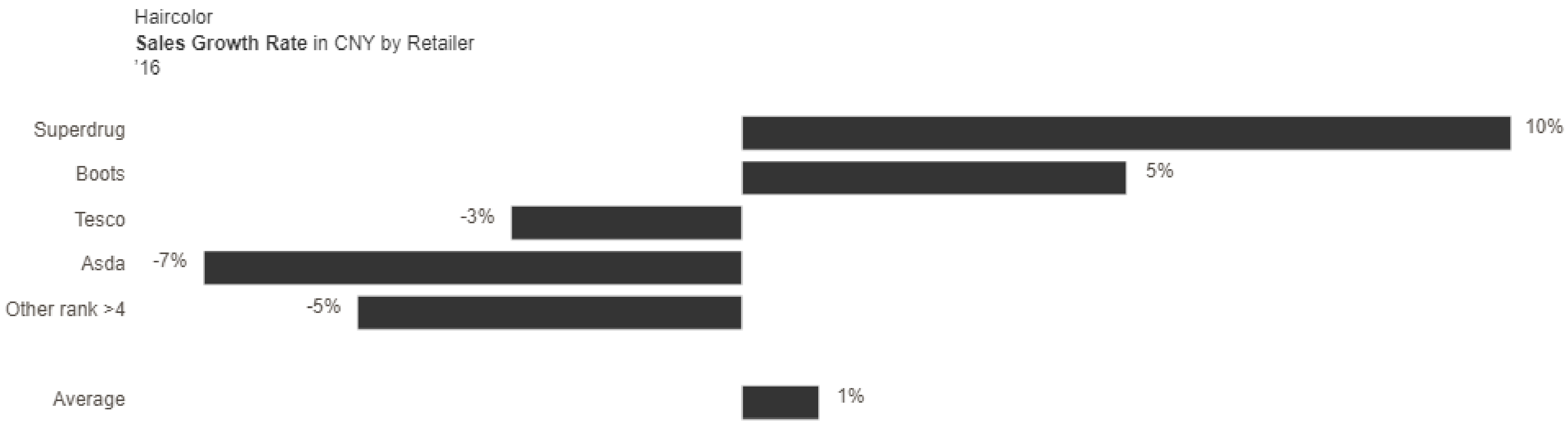
Permanent hair color products dominate the market with total sales of 179.96 million CNY. The 'Other rank >5' category leads within this type, contributing 40.46 million CNY. Tone On Tone follows with total sales of 27.35 million CNY. Dark Brown is the most popular color, contributing 13.85 million CNY. Male hair color products have total sales of 11.28 million CNY, with Dark Brown also leading in this category.



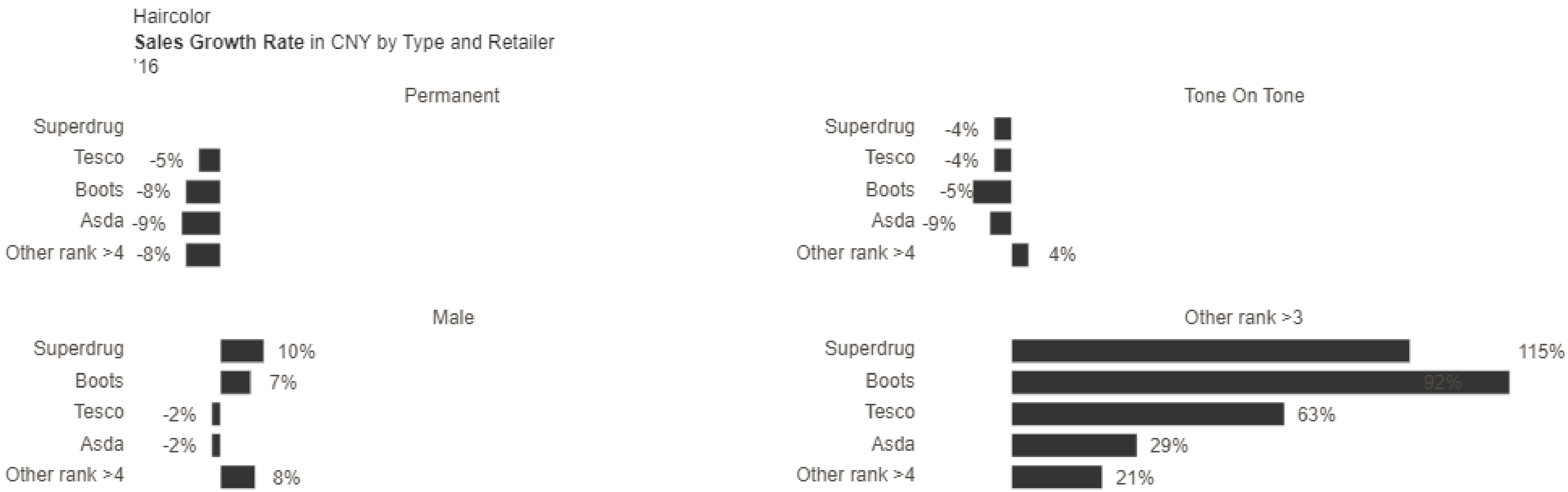
'Other rank >5' colors dominate sales, especially for 'Permanent' and 'Tone On Tone' products, suggesting a trend towards diverse colors beyond Dark Brown. 'Permanent' hair colors are most popular, indicating strong preference for long-lasting solutions. The 'Other rank >3' retailer group has the highest total sales, particularly for 'Permanent' products, suggesting a strong market presence.



Superdrug's haircolor sales grew by 10.0%, the highest among all retailers and well above the 1.0% average. Boots also showed positive growth at 5.0%. However, Tesco, Asda, and smaller retailers (Other rank >4) experienced declines, with Asda seeing the steepest drop at -7.0%.



The 'Other rank >3' category shows the highest growth rates across all retailers, indicating strong market preference or successful promotions. 'Permanent' and 'Tone On Tone' categories generally show negative growth, suggesting declining popularity or competitive challenges in 2016. Boots has a significant 115.0% growth in 'Other rank >3', but negative rates in 'Permanent' and 'Tone On Tone', suggesting they may be capitalizing on niche or less common hair color products.



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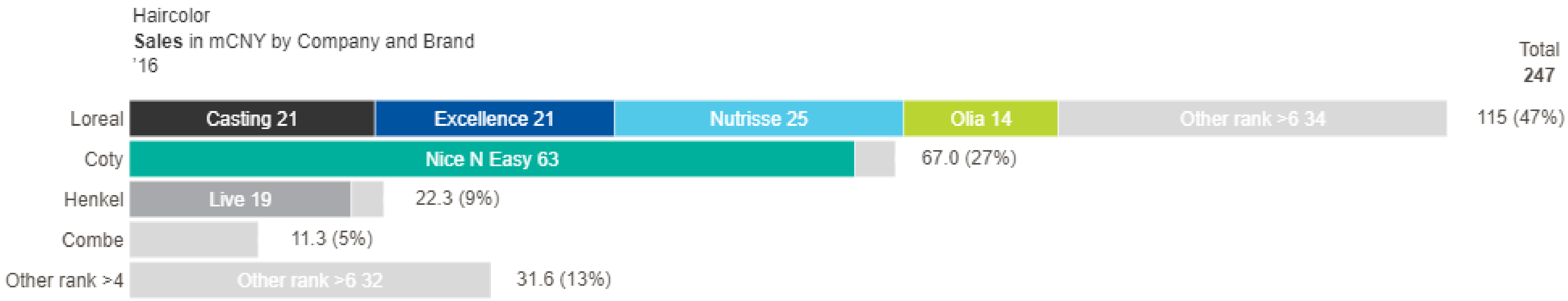
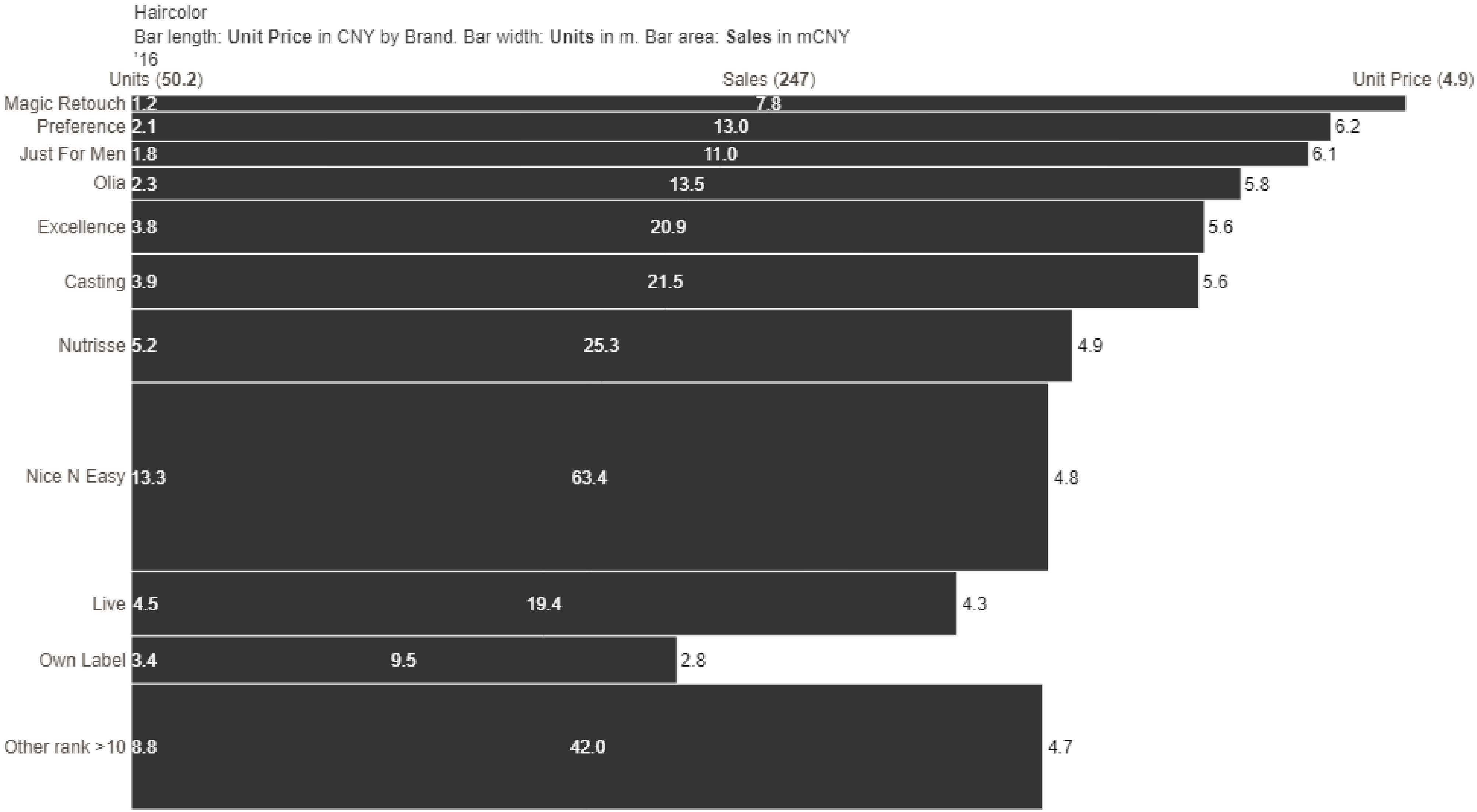


Nice N Easy leads significantly with 13.3 million units sold and 63.4 million CNY in total sales revenue. Nutrisse and Casting follow, with Nutrisse selling around 5.2 million units and generating about 25.3 million CNY in sales, and Casting selling approximately 3.9 million units with about 21.5 million CNY in sales. The 'Other rank >10' category highlights a competitive market with numerous smaller players collectively holding a substantial share, suggesting room for growth and competition.



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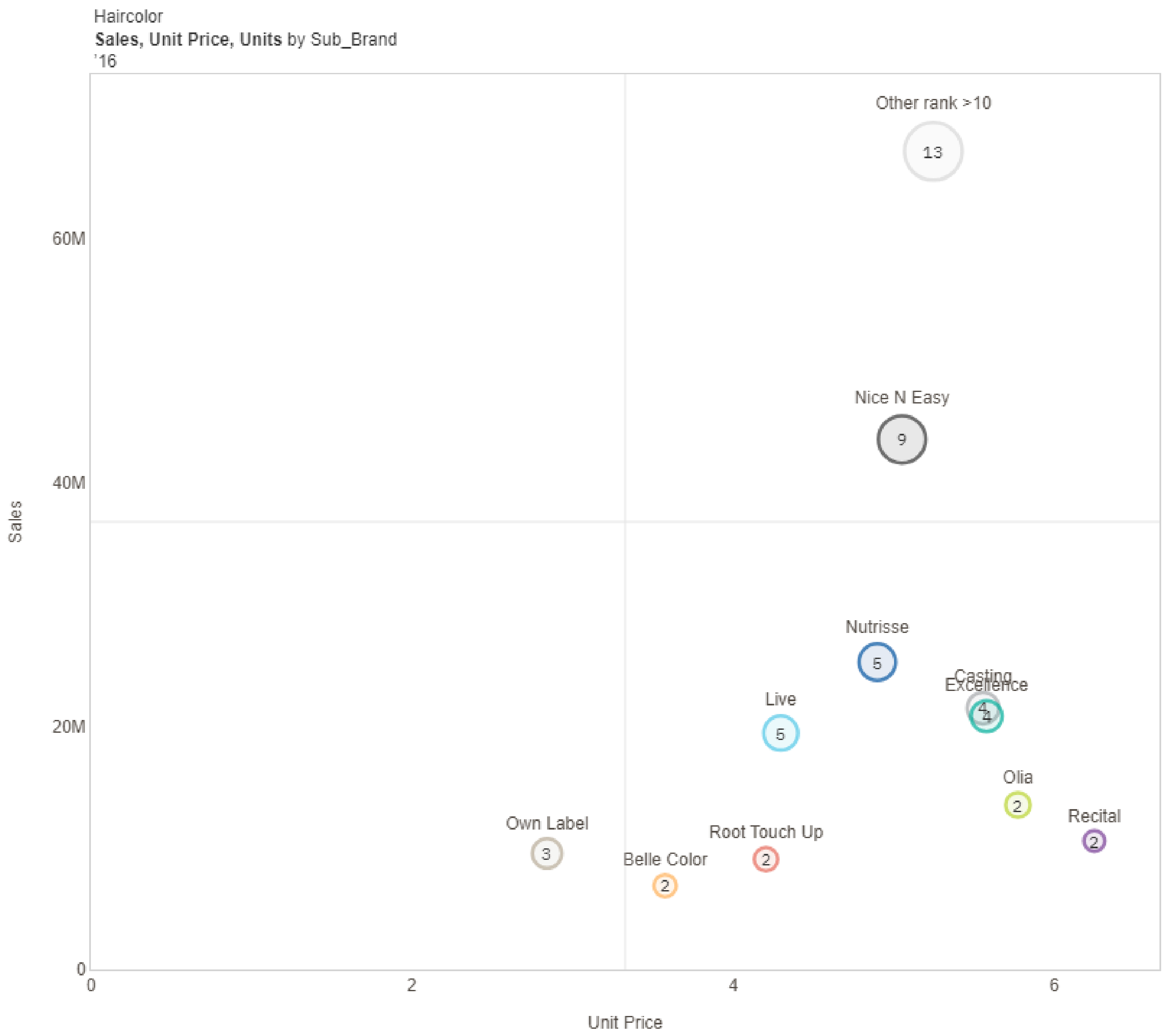
The hair color market is strategically segmented, with sub-brands catering to different price points and consumer segments. 'Nice N Easy' leads the market in both units sold and total sales, while its diverse sub-brands contribute significantly to its success (p.25, p.26). 'Recital' and 'Root Touch Up' under 'Other rank >3' have higher unit prices, suggesting a premium positioning, while 'Own Label' offers the most economical option, indicating a value or entry-level positioning (p.25, p.26).

The market exhibits a concentration of sales and units among a small portion of shades. Just 22.7% of hair color shades, classified as Class A, generate 81.3% of sales and have the highest average unit price (p.27). These shades are crucial due to their outsized contribution to both volume and value (p.29). The majority of shades are in Class C, which contributes the least to sales and units, suggesting a long tail of niche products catering to specific but limited customer segments (p.27).

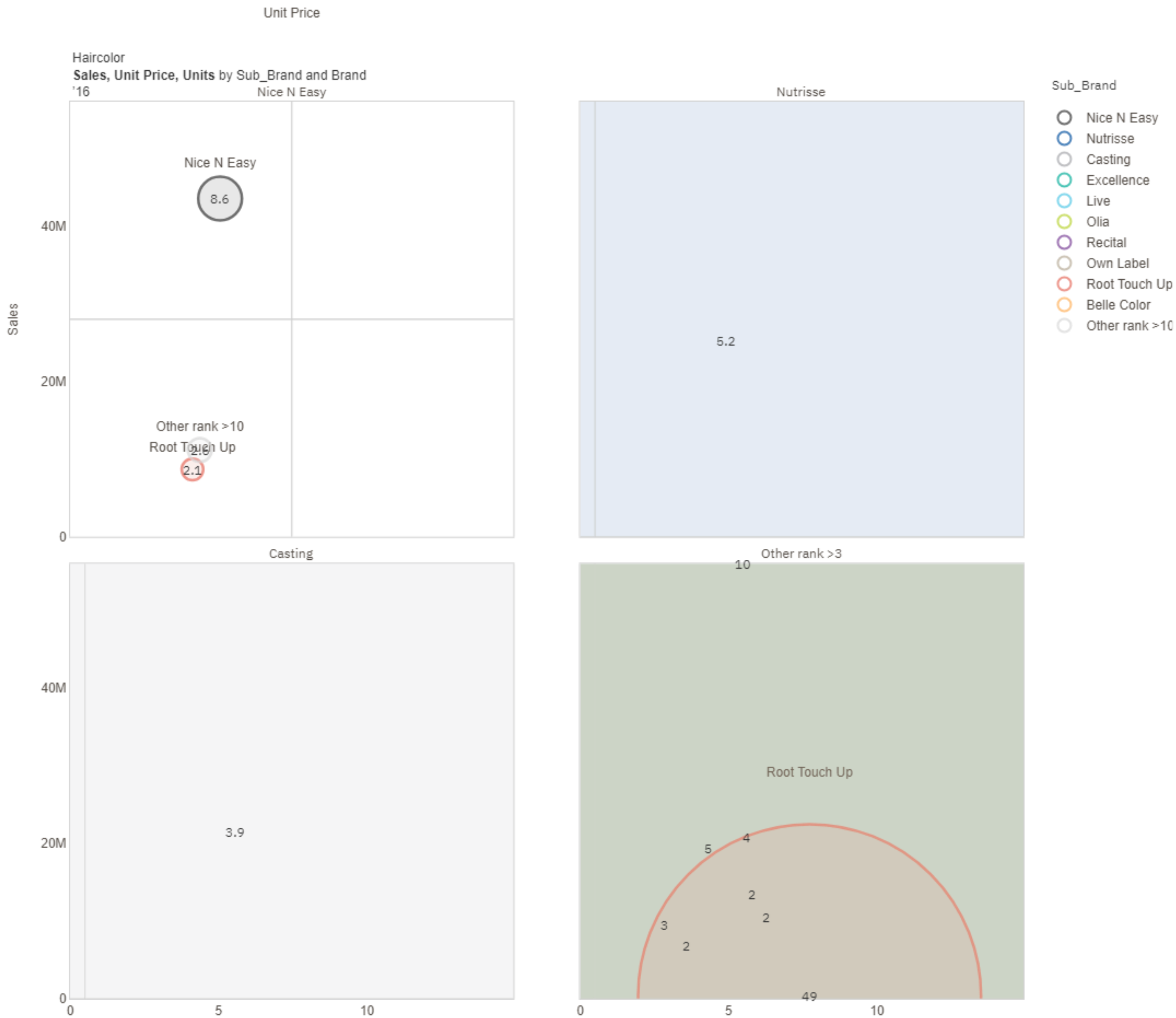
The hair color market shows an inverse relationship between price and sales volume. Higher prices could reduce sales, but optimal price-volume combinations exist to maximize revenue (p.28). Some lower-priced items, possibly mass market or discounted products, achieve high sales, while premium products have significantly higher prices without correspondingly high sales volumes, likely targeting niche markets or less price-sensitive consumers (p.28).

In summary, the hair color market is characterized by strategic segmentation, a concentration of sales among a small portion of shades, and an inverse relationship between price and volume. Successful brands like 'Nice N Easy' leverage diverse sub-brands to cater to different price points and consumer segments, while premium offerings like 'Recital' and 'Root Touch Up' target niche markets. The market also features a long tail of niche products, emphasizing the importance of a balanced portfolio to maximize overall revenue and profitability.

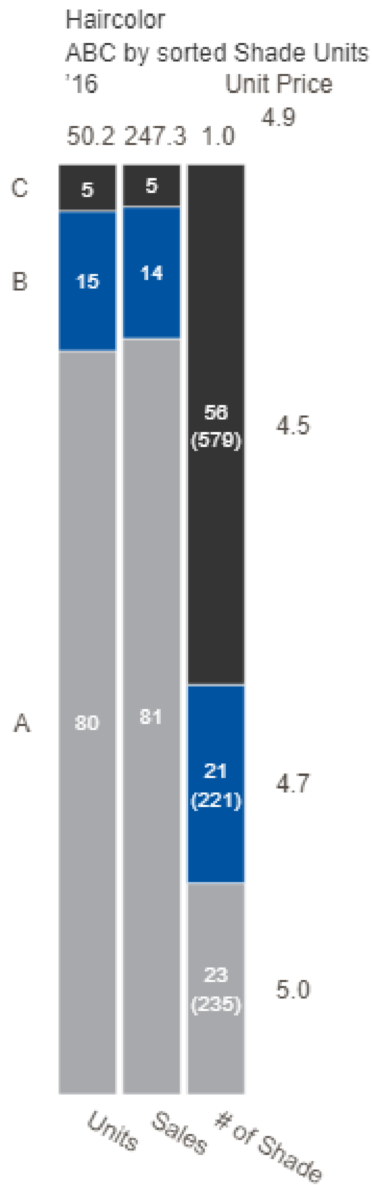
'Nice N Easy' leads the hair color market in both units sold and total sales. 'Recital' has the highest unit price at $6.25, positioning it as a premium choice, while 'Own Label' offers the most economical option at $2.84 per unit. 'Olia' and 'Excellence' generate significant sales with fewer units sold compared to 'Nice N Easy' and 'Nutrisse', indicating a successful premium pricing strategy.



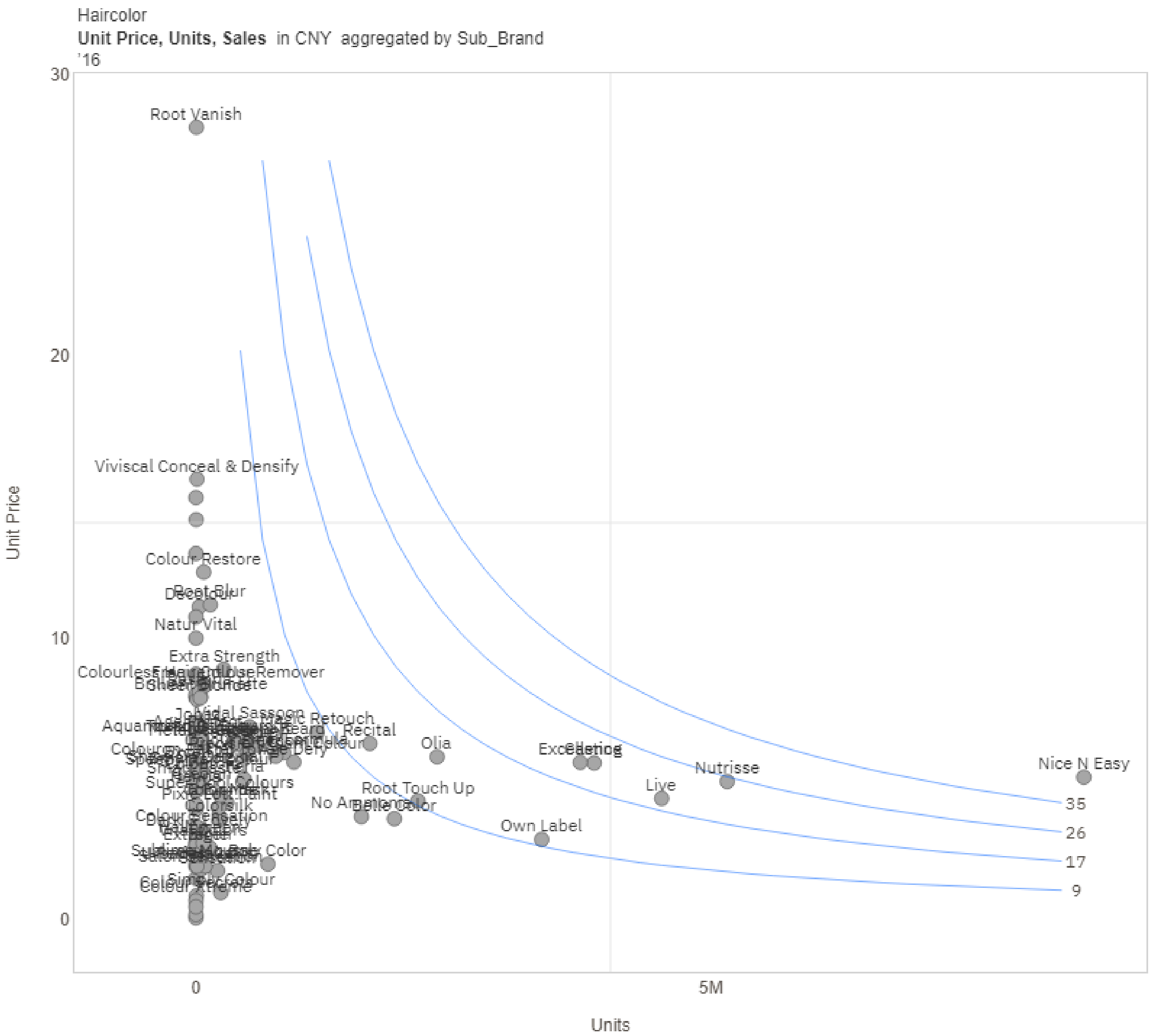
The hair color market is strategically segmented, with sub-brands catering to different price points and consumer segments. 'Nice N Easy' and 'Other rank >3' have diverse sub-brands contributing to their sales. 'Nice N Easy' leads in unit sales thanks to its main sub-brand's high performance. 'Root Touch Up' under 'Other rank >3' and 'Recital' have higher unit prices, suggesting a premium positioning. 'Own Label' has the lowest unit price, indicating a value or entry-level positioning.



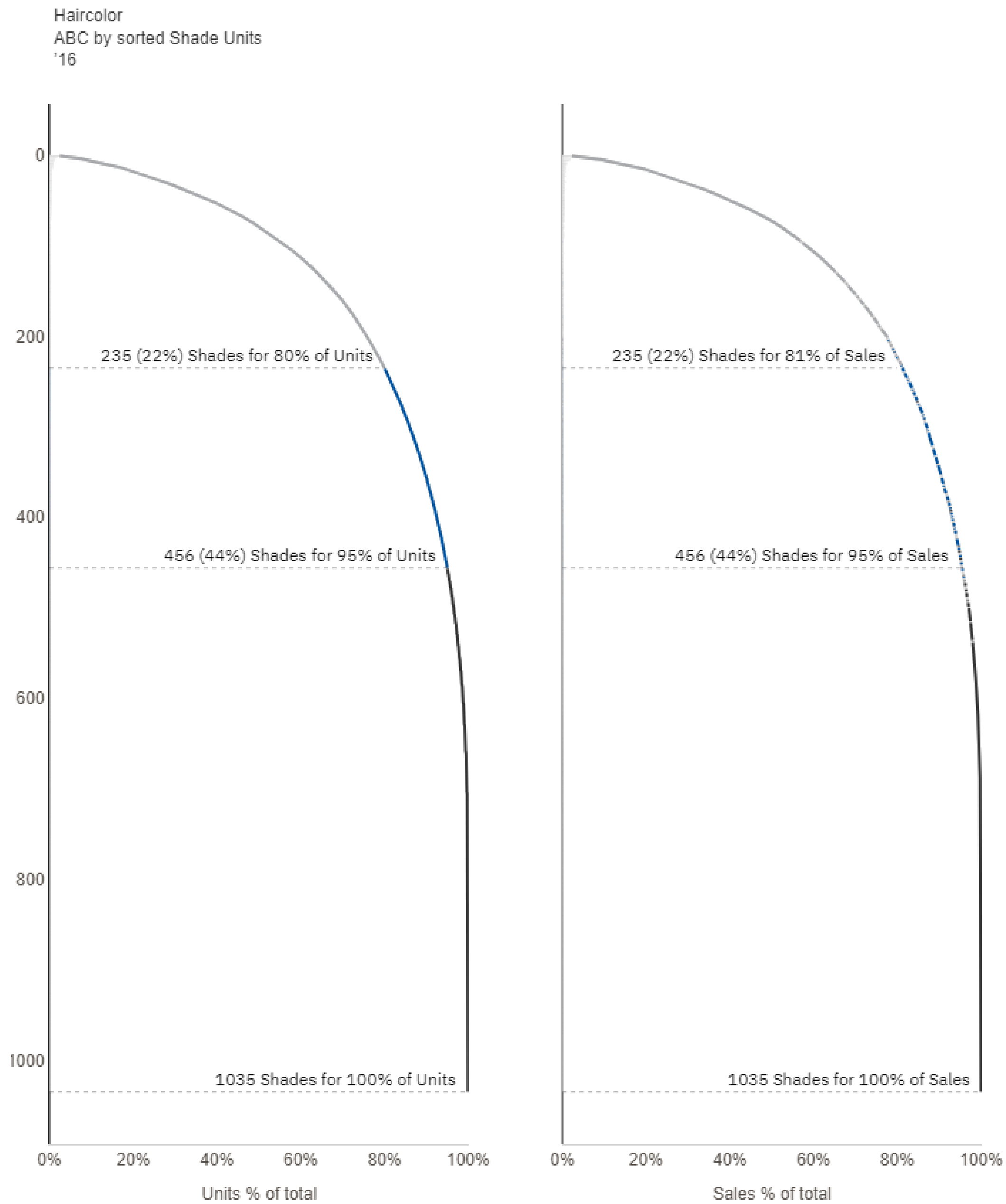
Just 22.7% of hair color shades generate 81.3% of sales and have the highest average unit price. These Class A shades are much more popular or better marketed than Class B and C shades. The majority of shades are in Class C, which contributes the least to sales and units, suggesting a long tail of niche products catering to specific but limited customer segments.



The hair color market shows an inverse relationship between price and sales volume. Higher prices could reduce sales, but the isolines indicate that optimal price-volume combinations exist to maximize revenue. Some lower-priced items, possibly mass market or discounted products, achieve high sales. Premium products have significantly higher prices without correspondingly high sales volumes, likely targeting niche markets or less price-sensitive consumers.



The top 22% of hair color shades contribute 81% of total sales, showing a slightly higher concentration compared to units. This may mean 'A' class shades have high volume and potentially higher profitability. The next 44% of shades contribute 95% to total sales, consistent with unit distribution. 'A' class shades are crucial due to their outsized contribution to both volume and value.



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The company's sales grew modestly from 2015 to 2016, with a 1.4% increase in units sold and a slight rise in total sales revenue. However, revenue per unit decreased, suggesting a shift towards lower-priced or lower-margin products (p.32). The annual sales growth of 1% in 2016 was marked by monthly fluctuations, with notable jumps in April, July, and December, and sharp drops in May and August, indicating potential seasonal patterns and operational issues (p.36).

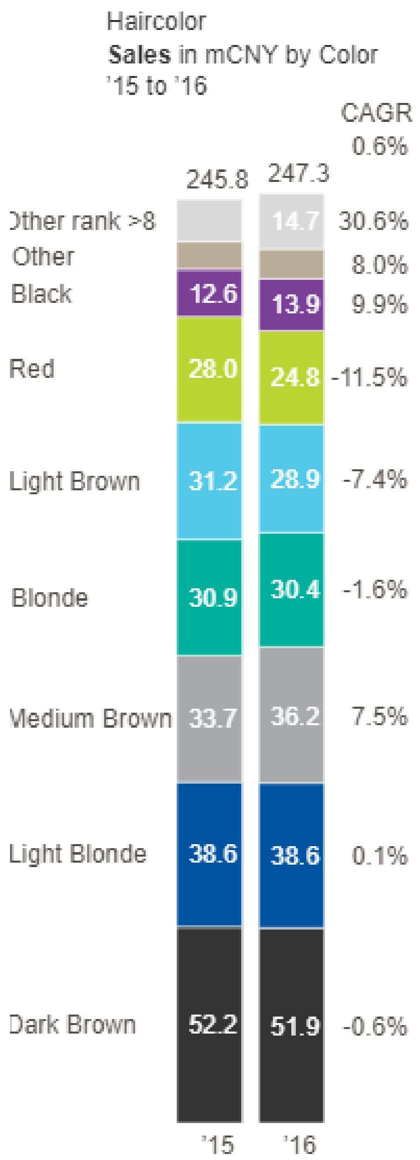
In the hair color market, certain categories such as "Other rank >8", "Black", and "Medium Brown" experienced strong growth, while "Red" and "Light Brown" saw significant declines. The overall market grew slightly by 0.6% (p.33). Root products witnessed astronomical growth, and Temporary and Semi-permanent products also performed well. However, Permanent and Remover products faced declines, highlighting the need for strategic adjustments (p.35).

Most of the company's sales in 2015 and 2016 were generated by brands that joined in 2015, with the 2016 cohort contributing less. Established cohorts drive revenue, but newer cohorts need to improve their performance (p.34).

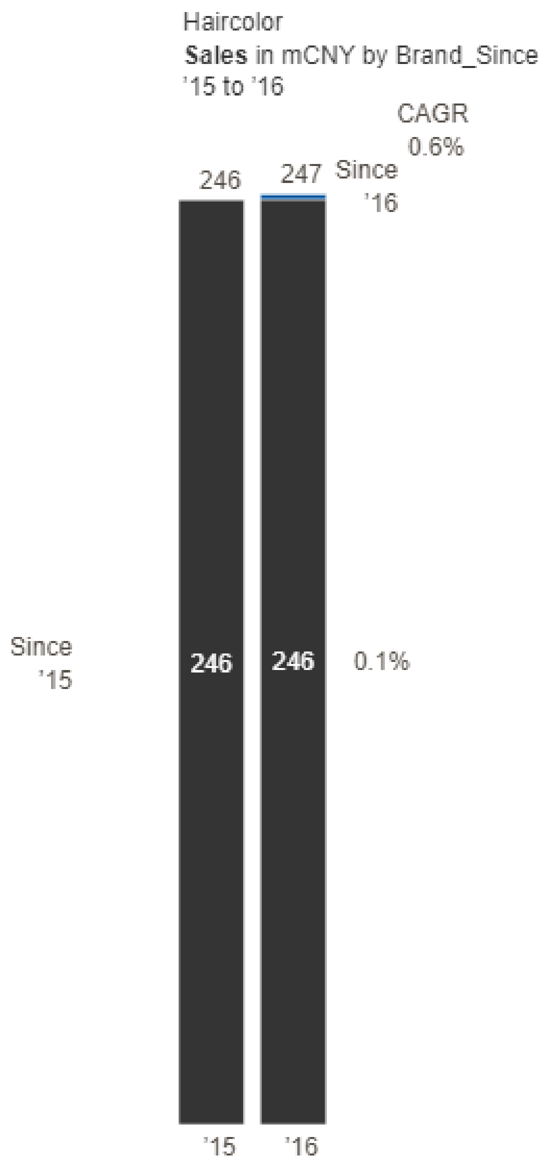
In the competitive landscape, L'Oréal and Henkel experienced positive growth in the haircolor market, while smaller companies showed significant growth of 19.0%. However, Coty faced challenges, declining by 11.0%, emphasizing the importance of agility and innovation in adapting to consumer trends and preferences (p.37).

The company's sales grew modestly from 2015 to 2016. Units sold increased by 1.4% and total sales revenue rose slightly. However, revenue per unit decreased, suggesting a shift towards lower-priced or lower-margin products.

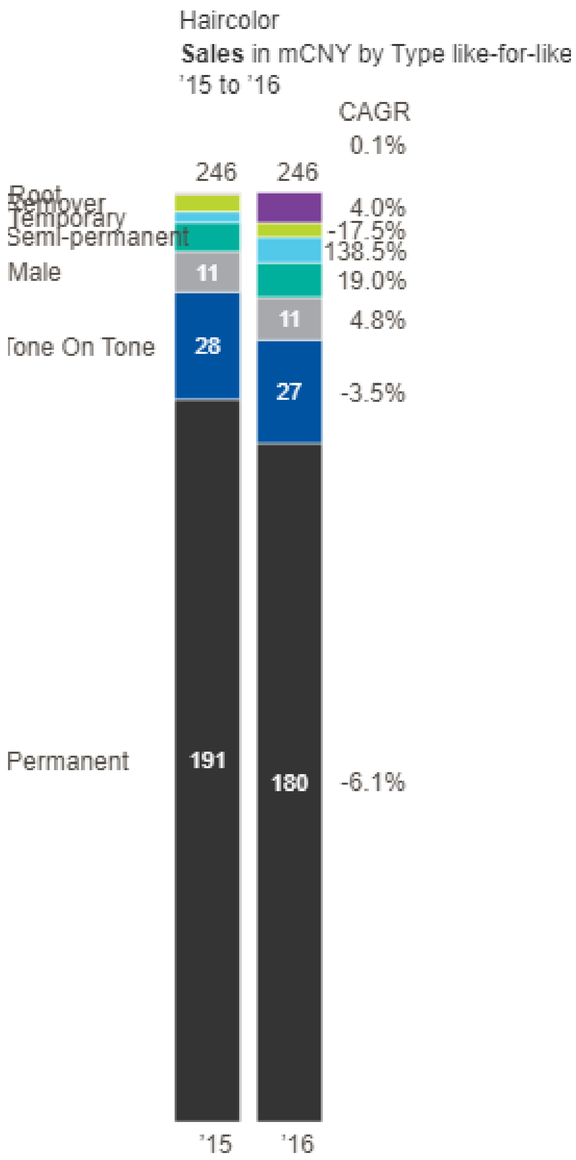
Some hair color categories like "Other rank >8", "Black", and "Medium Brown" showed strong growth, while "Red" and "Light Brown" saw big declines. The overall market grew slightly by 0.6%.



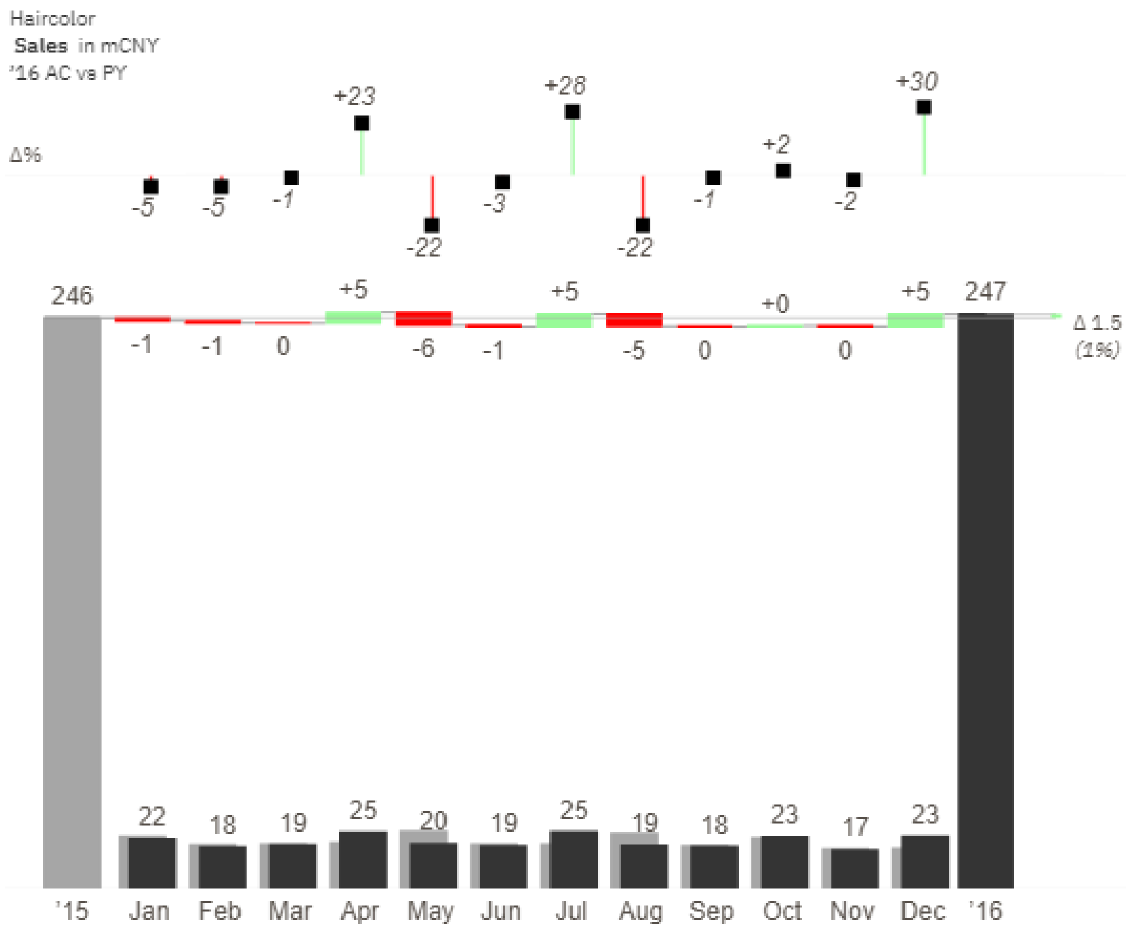
Most sales in 2015 and 2016 came from brands that joined in 2015. The 2016 cohort contributed less. Established cohorts drive revenue, but newer cohorts need to improve performance.



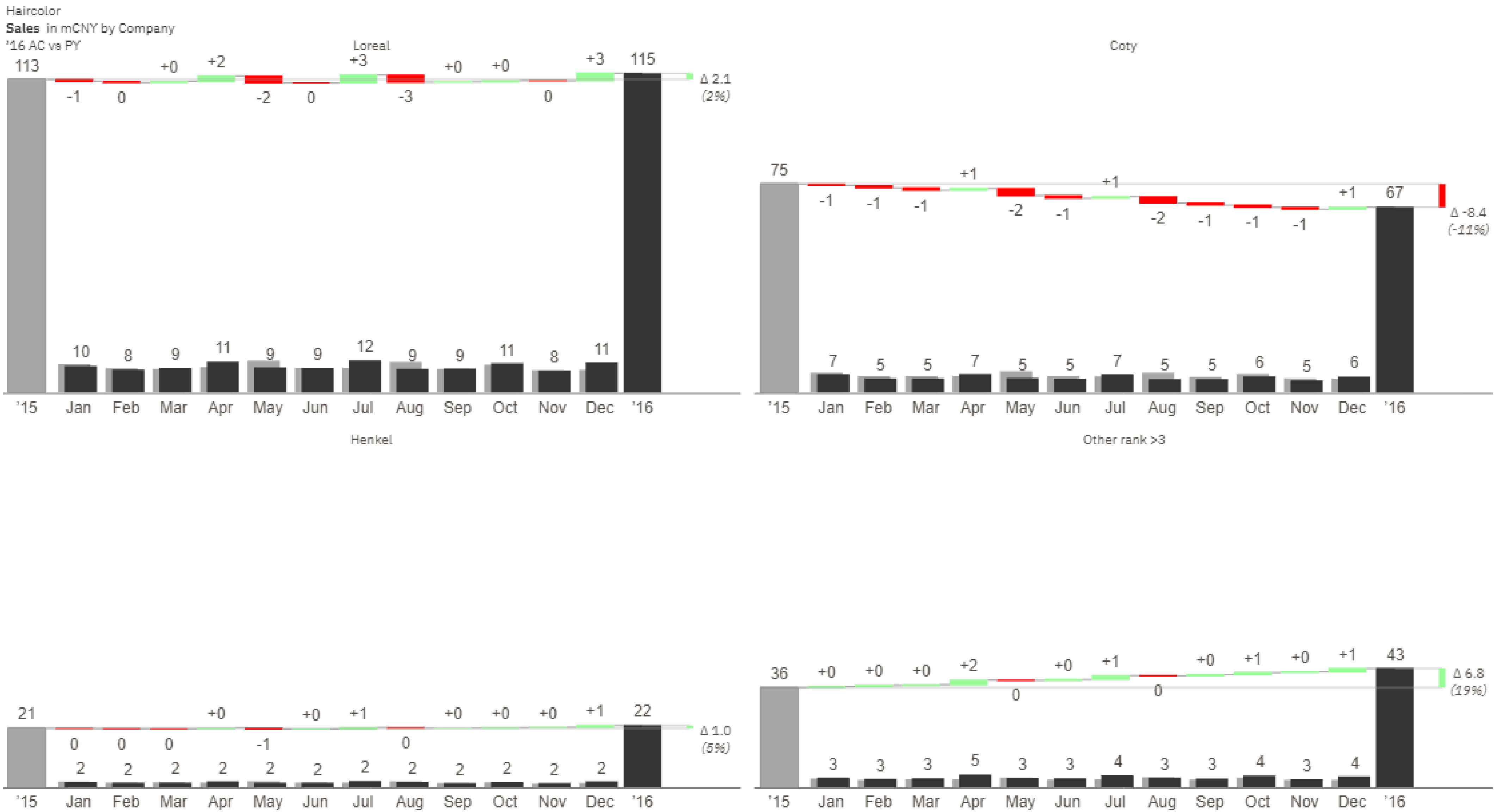
Root products saw astronomical growth, while Temporary and Semi-permanent products also performed well. However, Permanent and Remover products faced declines, indicating a need for strategic adjustments.



The company's 2016 annual sales grew 1% vs 2015, despite monthly swings. Sales jumped in April, July, and December, but dropped sharply in May and August, hinting at seasonal patterns and potential operational issues.



L'Oréal and Henkel saw positive growth in the haircolor market. Smaller companies showed significant growth of 19.0%. However, Coty declined 11.0%, facing challenges in maintaining its market position. Agility and innovation are important in adapting to consumer trends and preferences.



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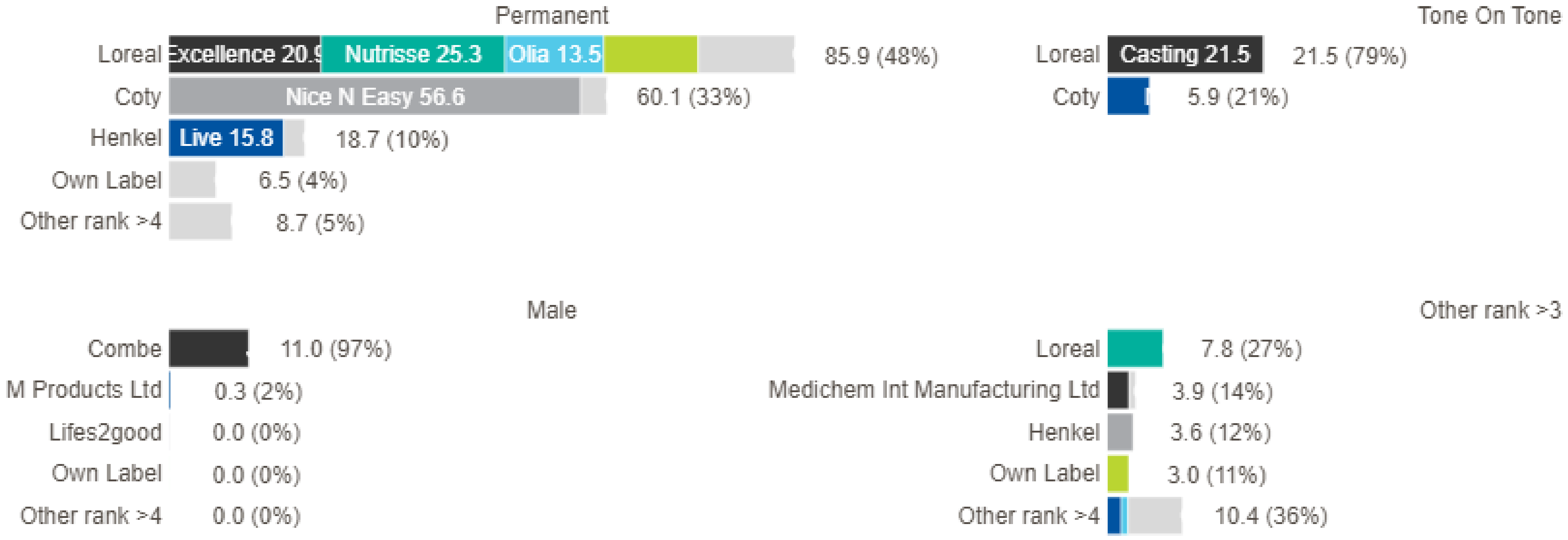
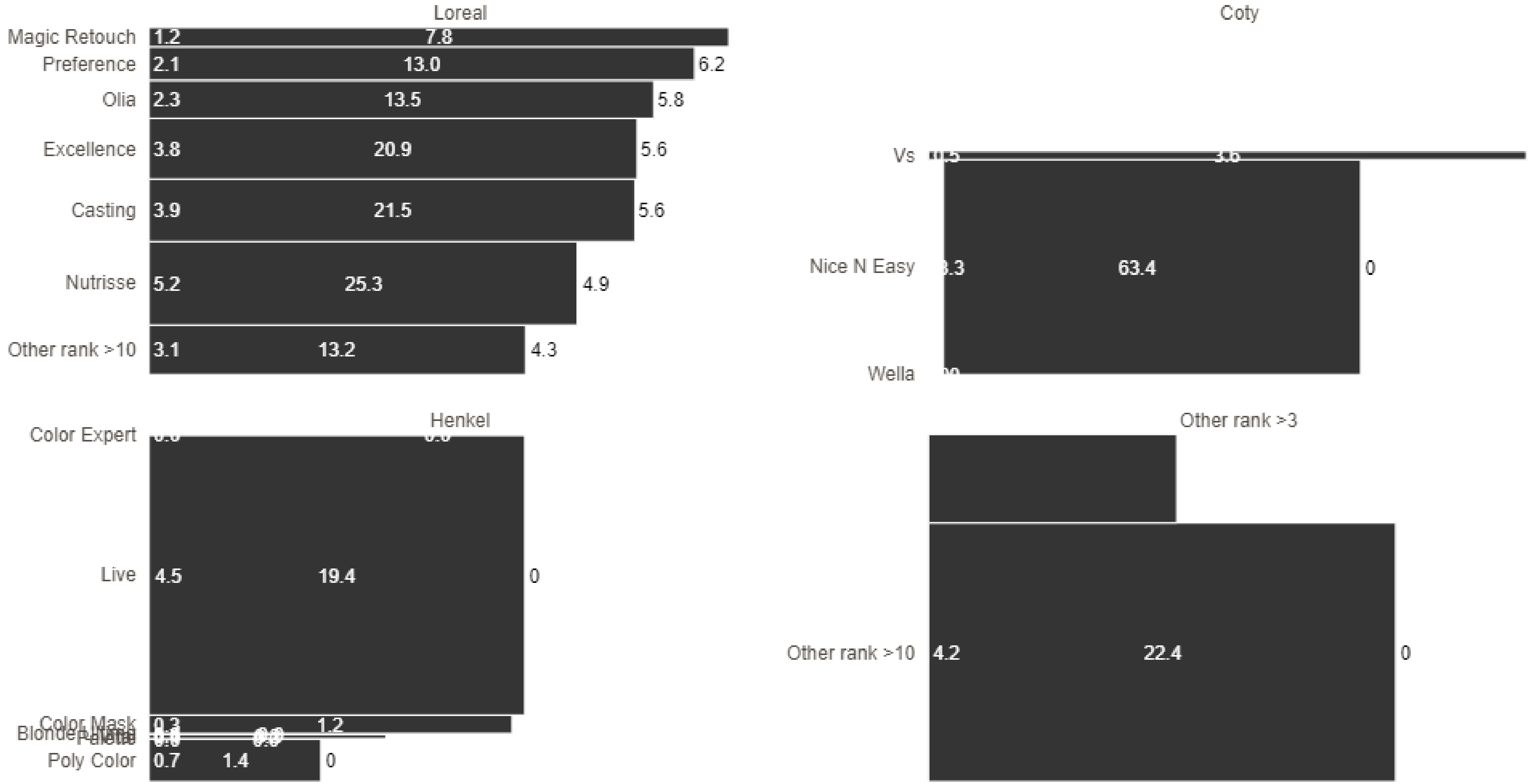
Haircolor
Sales in mCNY by Type, Company and Brand
'16



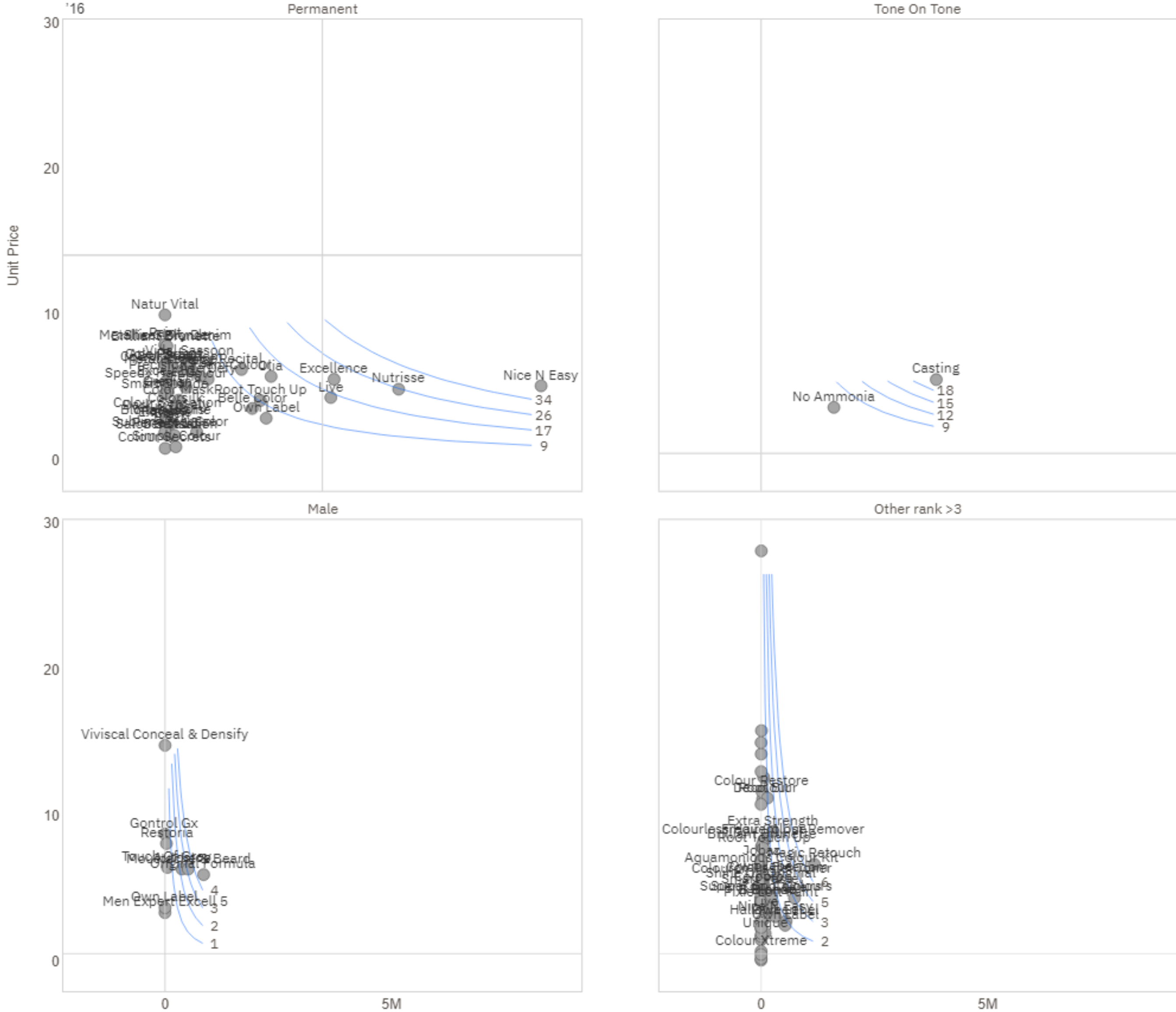
Haircolor
Bar length: **Unit Price** in CNY by Company and Brand. Bar width: **Units** in m. Bar area: **Sales** in mCNY
'16

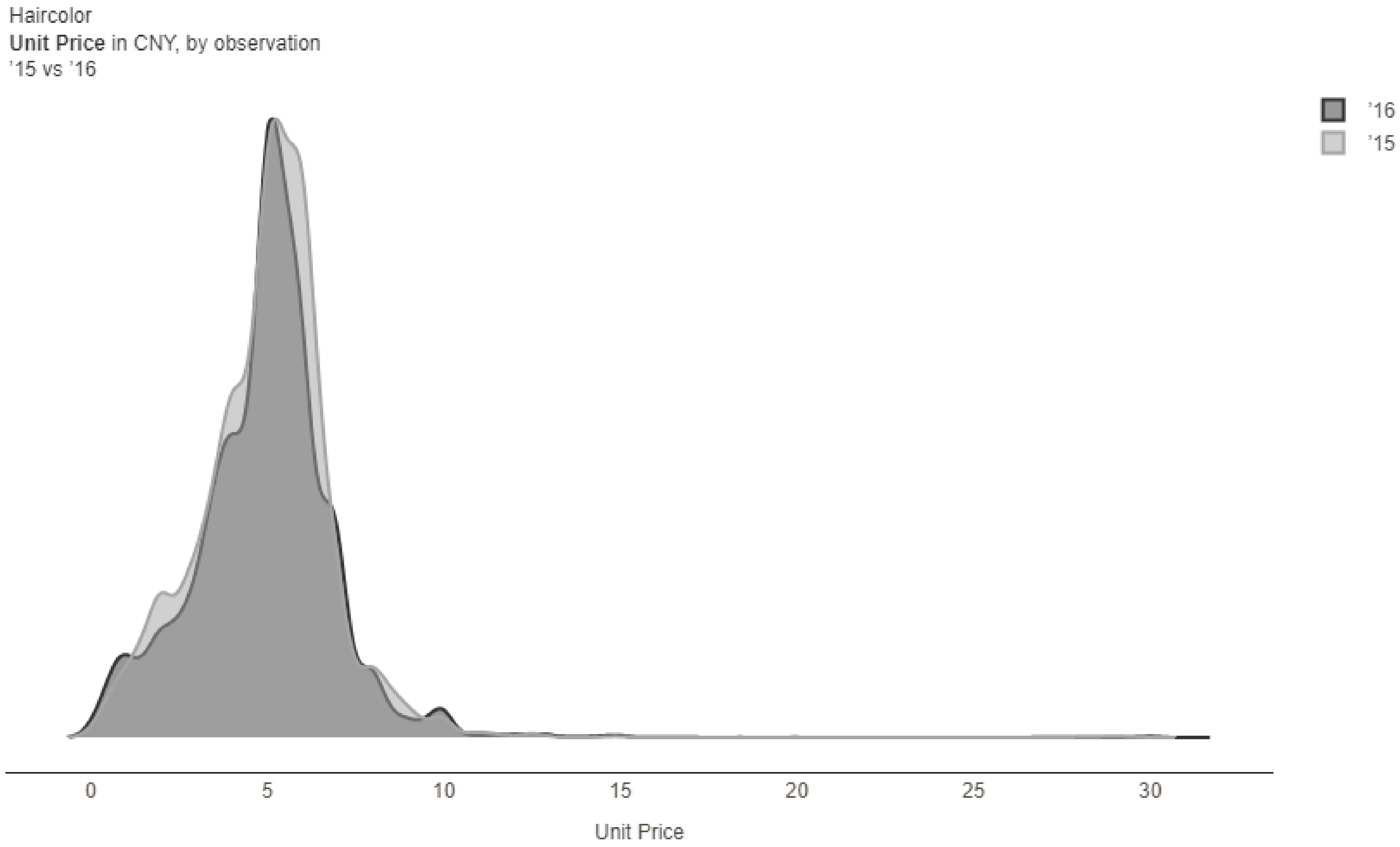


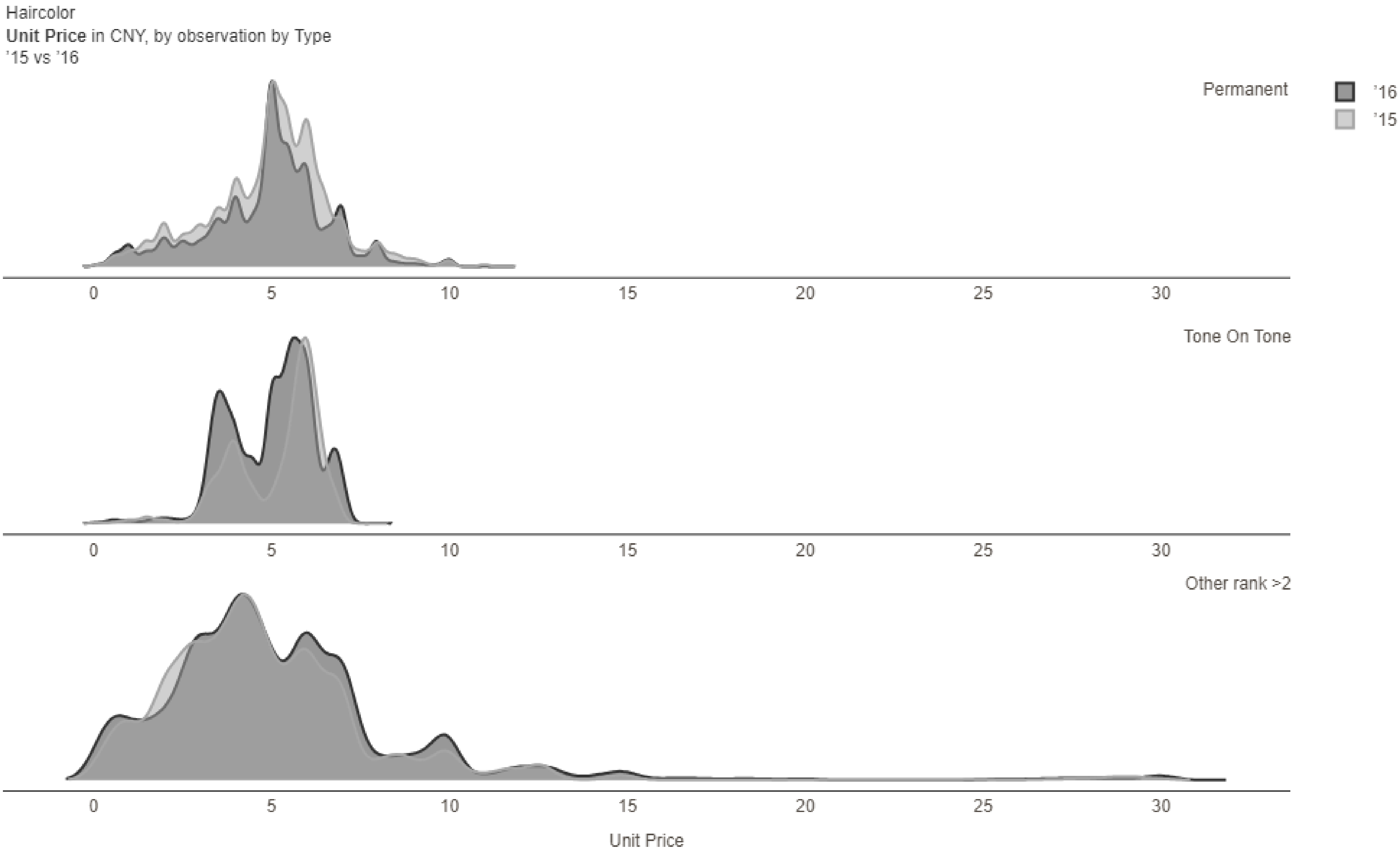

Haircolor
Sales by Brand in mCNY
'15 to '16
CAGR
-9.9%
4.10
3.69
'15
'16

Units

Haircolor
Unit Price, Units, Sales in CNY aggregated by Sub_Brand and Type
'16




Haircolor
Unit Price in CNY, by observation
'15 vs '16
'16
'15
0
5
10
15
20
25
30
Unit Price


Haircolor
Unit Price in CNY, by observation by Type
'15 vs '16
Permanent
'16
'15
0
5
10
15
20
25
30
Tone On Tone
0
5
10
15
20
25
30
Other rank >2
0
5
10
15
20
25
30
Unit Price

Haircolor
Type **overlap** by Brand
’16