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The beauty business booms: Clarins opening at King of Prussia Mall

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Looking good has never been more profitable.

The beauty business, which helps women fight wrinkles and fade darkening spots, is forecast to grow 12 percent by 2020 to \$51.8 billion in the U.S., research from Mintel shows.

Another sign of the sector's strength: New beauty outlets are proliferating in area malls and attracting shoppers even as online shopping continues its relentless rise.

The King of Prussia Mall will welcome its 26th beauty or skincare retailer this week: Paris-based Clarins. In October, Kneipp of Germany, the maker of natural bath and body products, also opened in the mall's new luxury wing.

Before Wednesday's King of Prussia launch, the French luxury cosmetic brand Clarins had only one store in the world — in Hong Kong — which opened Nov. 19.

Up to now, Clarins products were sold online or in stores, such as Nordstrom, Macy's, Sephora, and Ulta Beauty.

A Clarins representative said the company decided to open its first retail location in the United States at King of Prussia, as many global brands do.

King of Prussia opened a luxury wing for ultra upscale brands like Clarins in mid-August as part of a \$250 million expansion that unified the Court and Plaza into one seamless mall.

And while Clarins hasn't had a physical retail store here until now, American women have been buying its products for 30 years.

"By opening a store of our own, we want to offer clients an immersive experience, a 360-approach to beauty," said Danyelle Boilard-Paul, general manager of Groups Clarins USA.

And Philadelphia, the nation's fifth most populous city, has lots of potential, she said.

The King of Prussia Mall also plans to add more health and beauty retailers this year.

"Clarins and Kneipp are both incredibly popular international brands, so it was significant that they selected King of Prussia for their U.S. debut," said Kathy Smith, King of Prussia's director of marketing and business development.

The mall is already home to the Art of Shaving, Aveda, bareMinerals, a pair of Bath & Body Works stores, Zara Beauty Bar, the Body Shop, Classic Nail, Jean Madeline Salon, Luminosity Lush, and two Sephoras – one in a JCPenney and a standalone store – among others.

A Sephora opened at Suburban Square in Ardmore a year ago. In downtown Philly, there are an Ulta Beauty on 1619 Walnut St. and a Sephora at 1714 Chestnut St.

Ulta Beauty plans to double its store count over the next five years to more than 1,700 stores after three consecutive years of same-store sales double-digit gains. The company opened 103 new stores in 2016.

Not to miss out on a hot niche, QVC Inc. of West Chester launched its own 24/7 beauty network last fall called Beauty iQ to pitch products on QVC.com, including Clarins.

Beauty products were estimated to be an \$82 billion global industry in 2016, up from \$80 billion in 2015. The skincare subcategory also is growing. It generated \$15.6 billion in revenue in 2015 and was forecast to make \$15.8 billion last year.

“The beauty and skincare segment is certainly flourishing,” said Joseph Coradino, CEO of Pennsylvania Real Estate Investment Trust (PREIT), which owns several malls in the region. “It’s an incredibly large market that can’t be overlooked, particularly as the millennial generation” grows in importance.

Ken Perkins, president of Retail Metrics Inc., said personal care retailers (Ulta Salon, Sally Beauty, Regis, etc.) have routinely outperformed other sectors in earnings growth, save home improvement. Monthly government sales data also show the group’s consistent outperformance.

“Millennials are in love with the category,” Perkins said.

Consumers like trying things on, to the delight of strip-mall centers and mall owners. Mall traffic has been on the wane with the rise of online shopping, and beauty and skincare generate traffic.

“This sampling experience ... can’t be replicated online,” said PREIT’s Coradino. “So brick-and-mortar locations are necessary for many beauty-product shoppers.”

Within PREIT’s portfolio, Coradino said, some of his best performers included Sephora, Ulta, Lush, and e.l.f.

The stores’ popularity has spawned related services, such as salons and spas. In 2014, PREIT added Rizzieri Salon & Spa as an anchor at Moorestown Mall, which he said has performed well.

Other beauty and skincare-related services include Massage Envy and Jean Madeline/Aveda salon, both at PREIT’s Plymouth Meeting Mall.

But back to Clarins. Born in a spa in Paris in 1954, the brand has become the top-selling skincare brand in Europe, covering every age, skin type, and ethnicity. “Our goal is to listen and provide women with personalized skincare solutions for every stage of their lives — whether she wants to have fun with makeup, is noticing first signs of aging, or needs more advanced treatments,” Boilard-Paul said.

The Clarins experience also includes skin consultations and personalized beauty solutions.

Clarins’ skincare and makeup products range from \$20 to \$140. Some of the brand’s cult products are *Double Serum*, *Hydra-Essentiel*, *Instant Light Lip Comfort Oils*, and *Supra Volume Mascara*.

Double Serum, launched in 1985, is the brand's top-selling product here. It has since been reformulated six times since its official launch in 1985, most recently in 2013.

A 30-milliliter bottle of Double Serum Complete Age Control Concentrate retails for \$89, while a 50-milliliter bottle goes for \$119.

Double Serum is the only Clarins product sold at the Sephora at Oxford Valley Mall in Langhorne. And it sells out often, the clerk said.