

Lipstick effect sees cosmetics firm buck the economic downturn



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Scottish online cosmetics company Beauty Counter Direct have announced an impressive 43% like-on-like increase in sales.

Defying the economic downturn, Beauty Counter Direct's December figures prove that [beauty products and cosmetics](#) are increasingly popular. The so-called, 'lipstick effect', first evident during the Great Depression 1929-1933 when lipstick sales rocketed 25%, should perhaps be renamed the 'cosmetics effect' as sales increase across the board. In the pre-Christmas period Beauty Counter Direct's skin care product sales increased by 65%, cosmetics by 58% and fragrances were up by 17%. During the same period, mascara sales more than doubled.

Julie Wood, Managing Director of Beauty Counter Direct says: *"Our sales prove that people like to keep up appearances despite the dismal outlook. Treating yourself to less expensive luxuries has never been so popular. Customers want low cost and high impact."*

Sales figures from one of the world's biggest cosmetics companies, [L'Oreal](#), endorse this theory. Their sales were up 5.3% in the first half of the year.

RAB Capital analyst Dhaval Joshi explains the increase: *"The evidence shows that when budgets are squeezed people simply substitute large extravagances for small luxuries."* Wood backs up this

comment: "Our customers are buying larger volumes of cheaper products."

Beauty Counter Direct was started by Julie Wood in 2005 after spotting a gap in the market for direct designer selling. The company employs eight people and is hoping to increase staff levels in 2009. Their best selling item is YSL [Touche Eclat](#) (RRP £22.50), which costs £16.99. Their product range stretches from eye pencils at 50 pence to Elizabeth Arden Prevage Anti Ageing Cream (RRP £145) at £98.99. Over one hundred brands include Estee Lauder, Lancôme, Clarins, Clinique and Yves Saint Laurent. They offer discounts of up to 70% on high street prices and cater for the grooming needs of both men and women.

Editor's Notes:

Beauty Counter Direct specialises in discount cosmetics, [skin care products](#), fragrances, beauty products and accessories from a wide range of premium designer brands. They provide a new way to buy your favourite beauty products offering both great savings and greater convenience. Browse through their extensive range at your convenience. Ordering couldn't be simpler, and with a choice of three flat rate delivery options, including guaranteed next day delivery, orders are with you in no time. The dedicated Customer Service Team can provide impartial advice and product information.

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