

# Estée Lauder explores downsizing, expands Amazon presence amid severe headwinds

Article

**The news:** Estée Lauder could trim its brand portfolio under new CEO Stéphane de La Faverie as the beauty company tries to bounce back from a yearslong decline.

The company is working with advisory firm **Evercore** on a review of its holdings, per Bloomberg, as it tries to boost its share price and regain share lost to rivals like **L'Oréal** and upstart brands.

**The headwinds:** Estée Lauder missed the post-pandemic beauty boom due to its dependence on the Chinese market and organizational bloat that limited its ability to capitalize on emerging trends.

The company has tried to solve the latter problem by laying off 5% of its workforce—but the former is still a major drag on performance.

- Net sales for Estée Lauder's most recently reported quarter fell 4% YoY due to worsening consumer sentiment in China, which hurt demand for premium beauty and travel retail.
- China is such a headwind for Estée Lauder's business that the company withdrew its fiscal 2025 forecast in October. It said that “still-strong declines near-term for the industry in China and Asia travel retail” were likely, per then-CEO **Fabrizio Freda**.

**Greener pastures:** With China's recovery a big question mark, Estée Lauder is turning its attention to channels like **Amazon** where it has a better chance of getting in front of engaged shoppers.

- The company recently launched an Amazon Premium Beauty storefront for **The Ordinary**, following similar launches in 2024 for **Clinique**, **Bumble and bumble**, **Too Faced**, and others.
- Amazon has “over 160 million Prime customers, the penetration of beauty is pretty high, and it felt like a natural way to reach our consumer in a different medium,” Estée Lauder's North America president of digital and online, **Amber English**, told Women's Wear Daily.

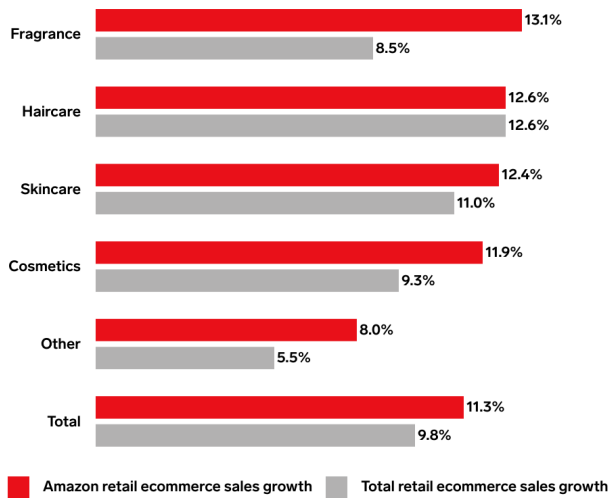
**Looking ahead:** Estée Lauder's new CEO has the unenviable task of refashioning the company into a more nimble organization—one that can respond to emerging trends and win over shoppers who are increasingly opting for lower-priced dupes.

Expanding the range of brands available on Amazon could help boost awareness and sales but will likely not be enough to offset weak demand in China.

**Go further:** Check out our [Beauty Ecommerce 2025](#) report.

## Amazon Will Gain Ecommerce Share Across Almost All Areas of Beauty in 2025

US Amazon vs. total cosmetics & beauty retail ecommerce sales growth, 2025



Note: includes products or services ordered using the internet, regardless of the method of payment or fulfillment; excludes travel and event tickets, payments such as bill pay, taxes, or money transfers, restaurant sales, food services and drinking place sales, gambling and other vice goods sales  
Source: EMARKETER Forecast, Oct 2024

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