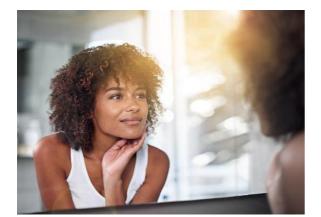


Report Price: £3199.84 | \$3995.00 | €3775.81

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"The skincare market is highly saturated, and brands are challenged by consumer preferences for simplicity as well as a tendency to stick with the same products each time they make a purchase, limiting product trial."
- Margie Nanninga, Beauty & Personal Care Analyst

This report looks at the following areas:

- Most spend goes toward facial skincare, blurring lines present market challenges
- Broader variety of formats results in declining use of existing cleansing options
- Preference for simplicity, skepticism challenge brands

Brands will focus on unique offerings to capture the attention of consumers, with Korean skincare trends continuing to impact the US market, while also looking to other regions including Africa and Australia for inspiration. Natural and ethical claims will also continue to rise, and exotic but natural-positioned ingredients such as seaweed and ginseng will become mainstream.

BUY THIS REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533

> Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

^{АРАС} +61 (0) 2 8284 8100

EMAIL: reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market



Report Price: £3199.84 | \$3995.00 | €3775.81

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview What you need to know Definition **Executive Summary** The issues Most spend goes toward facial skincare, blurring lines present market challenges Figure 1: Share of sales in skincare market, by segment, 2016 (est) Broader variety of formats results in declining use of existing cleansing options Figure 2: Types of facial cleansing products used, April 2011-June 2016 Preference for simplicity, skepticism challenge brands Figure 3: Skincare attitudes - any agree (net)*, October 2016 The opportunities Ethical claims and natural offerings resonate with younger women, Hispanics Figure 4: Natural skincare – any agree (net)*, October 2016 Inspiration from K-beauty, other regions help differentiate offerings Exotic, plant-based ingredients pique the interest of younger consumers Figure 5: Interest in select exotic ingredients, by all and aged 18-24 and 65+, October 2016 What it means The Market - What You Need to Know Smaller segments experience growth, blurring lines impact skincare Younger women are engaged but disappointed, seek natural offerings Wipes resonate, consumers demand less ambiguity with natural claims Aging population challenges market, buoyed by increasing Hispanic population **Market Breakdown** Most spend goes toward facial skincare, while lip balm, suncare see growth Figure 6: Share of sales in skincare market, by segment, 2016 (est) Figure 7: Percentage change in skincare sales, by segment, 2016 (est.) Blurring of categories impacts skincare **Snapshot of Skincare Consumers** Most engaged consumers are also the most likely to express frustrations Figure 8: Select skincare attitudes - any agree (net)*, by select demographics, October 2016 Natural offerings appeal to younger affluent women Figure 9: Natural skincare – any agree (net)*, October 2016 **Market Perspective**

Wipes viewed as convenient, opportunity to improve perception of gels

BUY THIS REPORT NOW

VISIT: store.mintel.com CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300 APAC +61 (0) 2 8284 8100 | EMAIL: reports@mintel.com



Report Price: £3199.84 | \$3995.00 | €3775.81

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 10: Correspondence analysis of attributes by product format, October 2015

Decline in "natural" claims as consumers demand less ambiguity

Figure 11: Attitudes toward natural and organic personal care products, October 2016

Figure 12: Share of skincare products making select ingredient claims, 2011-16*

Women turn to beauty from within trends to improve skin

Adults emphasize youthful appearance, are eating more healthfully

Figure 13: Attitudes toward skincare, eating, and appearance – Any agree (net^), April 2015-June 2016

Market Factors

Aging female population challenges market growth

Figure 14: Female population by age, 2011-21

Growing multicultural population benefits skincare

Figure 15: Population by race and Hispanic origin, 2011-21

Figure 16: Mean skincare expenditures, by gender and race/Hispanic origin, April 2015-June 2016

Rising consumer confidence encourages increased spend

Figure 17: Consumer Sentiment Index, January 2011-June 2016

Key Initiatives – What You Need to Know

Korean skincare hits masses, natural offerings resonate

Exotic ingredients, customization pique consumer interest

What's In?

Korean skincare is here to stay

"Food-to-face" ingredients include everything but the kitchen sink

No-rinse products offer ease of use, promote water conservation

Preferences for multitasking, simplicity spawn new formats

Niche natural brands increase competition

Figure 18: Select niche MULO skincare brands, 2016

What's Next?

Natural ingredients go exotic

Customizable products and lines address consumers' specific needs

Brands seek inspiration from regions beyond Korea

Ethical claims reach younger generations

Figure 19: Share of skincare products making select ethical claims, 2011-16*

The Consumer – What You Need to Know

Skincare benefits from widespread usage, higher among younger women

Simplicity and familiarity drive skincare routines

Personal experience, people most influential for learning about skincare

Plant-based exotic ingredients hold appeal

Benefits of overnight products clear, confusion around sheet masks

Simple instructions most important, moral claims a secondary consideration

BUY THIS REPORT NOW

VISIT: store.mintel.com CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300 APAC +61 (0) 2 8284 8100 | EMAIL: reports@mintel.com



Report Price: £3199.84 | \$3995.00 | €3775.81

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Skincare packaging a secondary concern, room for improvements exist

Skincare Product Usage

Skincare benefits from widespread use, younger women most engaged Figure 20: Product usage – any usage (net)*, by gender and age, October 2016

Income a barrier to sun protection and specialty skincare usage

Figure 21: Product usage – any usage (net)*, by household income, October 2016

Hispanics stronger users of skincare products

Figure 22: Product usage – any usage (net)*, by race/Hispanic origin, October 2016

Broader variety of formats results in declining use of existing options

Figure 23: Types of facial cleansing products used, April 2011-June 2016

Attitudes toward Skincare

Adults seek simplicity in their skincare routines

Figure 24: Skincare attitudes - any agree (net), October 2016

Familiarity also drives skincare routines

Figure 25: Skincare attitudes, October 2016

Women like to experiment and learn - but are often disappointed

Figure 26: Select skincare attitudes - any agree (net)*, by gender, October 2016

Adults aged 25-34 enthusiastic about skincare but keep budget in mind

Figure 27: Select skincare attitudes - any agree (net)*, by age, October 2016

Hispanics enjoy skincare, express concerns

Figure 28: Select skincare attitudes - any agree (net)*, by race/Hispanic origin, October 2016

Resources for Learning about Skincare

Personal experience, people most influential for learning about skincare

Figure 29: Resources for learning about skincare, October 2016

Women rely on trial and error, seek advice from magazines

Figure 30: Select resources for learning about skincare - any rank (net)*, by gender, October 2016

Older generations rely on trial and error, younger trust internet, parents Figure 31: Select resources for learning about skincare – any rank (net)*, by generation, October 2016

Parents' skincare advice more influential to Black, Hispanic adults

Figure 32: Select resources for learning about skincare – any rank (net)*, by race/Hispanic origin, October 2016

Interest in Exotic Ingredients

Exotic ingredients that are plant-based are most appealing to consumers Figure 33: Interest in exotic ingredients, October 2016

Younger adults willing to experiment, older adults intimidated by the unfamiliar Figure 34: Interest in select exotic ingredients, by age, October 2016

Hispanics open to trying exotic ingredients

Figure 35: Interest in select exotic ingredients, by race/Hispanic origin, October 2016

Benefits of Asian Skincare Products

BUY THIS REPORT NOW

VISIT: store.mintel.com CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300 APAC +61 (0) 2 8284 8100 EMAIL: reports@mintel.com



Report Price: £3199.84 | \$3995.00 | €3775.81

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Consumers see benefits of overnight skincare, confused over other formats Figure 36: Correspondence analysis – Benefits of Asian skincare products, September 2016 Figure 37: Benefits of Asian skincare products, September 2016 Methodology Men less familiar with Asian skincare offerings Figure 38: Select benefits of overnight skincare products, by gender, October 2016 Younger adults recognize Asian skincare benefits Figure 39: Benefits of sheet masks, by age, October 2016 Hispanics see pros to Asian skincare, Asians are discerning shoppers Figure 40: Select benefits of overnight skincare products, by race/Hispanic origin, October 2016 **Packaging Features** Shoppers look for simple instructions, short ingredients list Figure 41: Packaging features, October 2016 Ethical and environmental claims reach younger adults Figure 42: Packaging features – any rank (net)*, by age, October 2016 Hispanics also drawn to ethical and environmental claims Figure 43: Packaging features – any rank (net)*, by race/Hispanic origin, October 2016 **Attitudes toward Skincare Packaging** Skincare packaging concerns less relevant than other product attributes Packaging leaves room for improvements Figure 44: Attitudes toward skincare packaging, October 2016 Packaging more influential to younger adults when choosing a product Figure 45: Select attitudes toward skincare packaging, by age, October 2016 Hispanics take cues on product quality from packaging Figure 46: Select attitudes toward skincare packaging, by race/Hispanic origin, October 2016 **Appendix – Data Sources and Abbreviations** Data sources Consumer survey data Abbreviations and terms Abbreviations

Appendix – Consumer

Figure 47: Reasons for using facial cleansing products, by age, April 2015-June 2016

BUY THIS REPORT NOW

VISIT: store.mintel.com CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300 APAC +61 (0) 2 8284 8100 | EMAIL: reports@mintel.com