



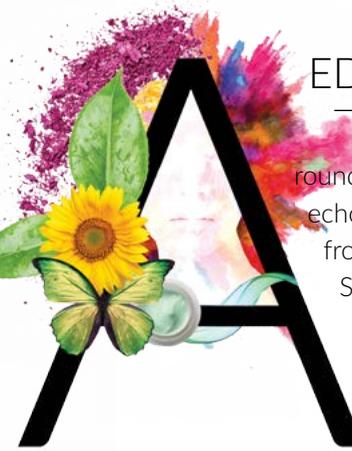
**MİNTEL**

# BEAUTY & PERSONAL CARE

GLOBAL TRENDS 2018



## EDITOR'S NOTE



round the world,  
echoed in markets  
from New York to  
Seoul, the beauty  
and personal care  
industry will  
experience a  
fundamental

shift in 2018. The term 'natural' will expand to include locally-sourced and technologically-enhanced ingredients, products, and services as brands look to overcome environmental challenges. Consumers will demand personalised beauty defined on their individual terms, and brands will embrace inclusivity by looking beyond age, gender, sexuality, and body type. Brand persona will become paramount as more consumers expect to see their values reflected in the products they buy and the companies they support. Finally, digital technology will drive unprecedented customisation of the shopping experience.

Welcome to Mintel's Global Beauty & Personal Care Trends for 2018. The predictions outlined in the pages that follow are the result of collaboration between Mintel's global team of expert category analysts, spanning every major market around the world. This led to the identification of four key trends, which reflect overarching consumer themes of trust, transparency, ethics, sustainability, individuality, and speed.

All of the trends are supported by evidence gathered from Mintel's proprietary consumer research, innovative developments observed by Mintel's global team of trend spotters, and international beauty and personal care products collected in Mintel Global New Products Database (GNPD).

We look forward to exploring the potential these trends present for your business. Best wishes for the year ahead.

**Mintel's Global Beauty &  
Personal Care Analyst Team**



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# PLAYING MOTHER NATURE

The concept of natural beauty ingredients is expanding in an ever-changing world; brands will give Mother Nature a helping hand by encompassing local approaches and developments in biotechnology.

## WHAT'S HAPPENING IN 2018?

**W**ith evolving consumer demands and climatic changes around the world, the beauty and personal care industry's approach to natural and sustainable ingredients must adapt. A move to become more 'local' in terms of ingredient sources will create opportunities for

consumers to protect and preserve resources within their surrounding environment. In order to meet consumers' growing demands for pure and efficacious products, a dependence on science and technology will be essential for the future of 'natural' beauty products.

## WHY CONSUMERS WILL BUY INTO THIS

Consumers today are doing more research and reading up on the products and services they buy more than ever before; as a result, they are more in tune with related developments in science and technology. Smartphone apps can provide consumers with insights into the safety of products and the source of ingredients, and certifications are on the rise.

While naturals continue to be popular with a growing number of beauty consumers, many are choosing to 'get back to basics' by shopping small, buying locally-sourced, locally-produced, and small-batch products, and by 'being green', which is now not only trendy, but for many, a lifestyle choice. These efforts appeal to those who want products that reflect who they are and where they live, and that instill a sense of pride and guardianship for ingredient sourcing and production, as well as manufacturing processes.

Consumers green-light natural products

29% of Australian consumers look for locally made/ grown products or services\* when shopping for everyday items  
(\*eg groceries, toiletries, clothes)

25% of German consumers who purchase natural/organic personal care products do so because they believe they are better for the environment

33% of Italian consumers who purchase colour cosmetics choose natural products

50% of UK consumers who buy beauty products look for products made with natural ingredients

45% of female facial skincare users in China plan to use products made with natural herbs/plant ingredients more often to improve their skin

Base: 1,622 UK internet users aged 16+ who purchase beauty products; 1,350 Chinese women who use facial skincare products; 1,016 Italian female internet users aged 16+ who purchase colour cosmetics; 1,407 metro Australian internet users aged 18+; 1,264 German internet users aged 16+ who typically use natural and organic beauty and personal care products

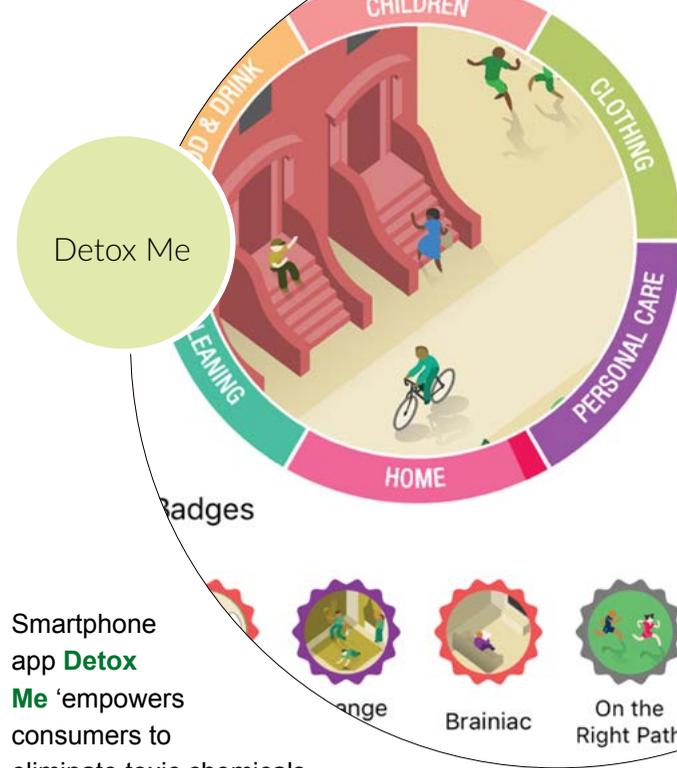
Source: Beauty Retailing UK 2017; Facial Skincare China 2016; APAC Metro Consumer Study; European Consumer Research 2017

## TRENDS IN ACTION

**Maysu** uses a special 'space ginseng regeneration' technology to improve the natural ginseng ingredient. According to the Chinese brand, the extreme environment of space speeds up the ageing process of human skin, so the brand mimics these conditions to 'grow' a more powerful version of ginseng.

**AJALI Handmade Naturals** creates 100% natural beauty products crafted in Nigeria. The brand boasts a strong moral ethos, encourages fair trade, uses ingredients that are indigenous to West Africa (eg unrefined cocoa butter, virgin coconut oil), partners with local farms, and encourages consumers to embrace and accept themselves for who they are.

**YAROK HAIRCARE**, an organic, sustainable haircare brand, mixes aromatherapy-based products in front of customers at its 100% vegan treatment bar in New York City. Founder Mordechai Alvw claims that all ingredients "have been tested for results but also kindness to your senses and the earth".



Smartphone app **Detox Me** empowers consumers to eliminate toxic chemicals from their daily lives' by offering easy, research-based tips on how to reduce exposure to potentially harmful chemicals. The app also tracks users' progress.

**Covestro**, a global polymer manufacturer, has developed a process to produce high-quality plastics from environmental CO2, thus reducing reliance on petroleum for manufacturing.

## OUTLOOK FOR 2020

The possibilities for creating safe, allergen-free, pure, and efficacious ingredients through science could one day replace the harvesting of natural ingredients, particularly as we see increasing climate change and many ecosystems suffering a loss in biodiversity. With these environmental challenges, local sourcing and production of ingredients will become essential in 2018 and beyond, strengthening the idea of local pride—not just with brands and manufacturers, but with consumers too. A resurgence of local wisdom in the coming year will help to address the challenges created by a lack of biodiversity.

From ingredients to packaging to branding, over the next three years, brands will be challenged to focus on safety and purity, to clearly communicate product benefits, and to turn to technology in order to take a local and ethical stance.



# MY BEAUTY, MY RULES

Brands will stop targeting consumers based on their age, gender, or body type as consumers increasingly demand personalised beauty defined on their terms.

## WHAT'S HAPPENING IN 2018?

**B**eauty is defined and redefined on a daily basis by consumers' age, gender, sexuality, skin/hair/body types, and so on. This means the perception of what beauty is needs to be reset. Brands should focus on people's behaviour instead of simplifying complex human

beings into a demographic or by using labels based on just one aspect of them. Consumers want products that fit their own personal routines and meet their own sensitivities. The beauty consumer is more than just a part of a demographic, a generation, or a gender—they are an individual.



Beauty comes in all shapes and sizes

75% of French female consumers say feeling comfortable is better than looking perfect

62% of Canadian consumers aged 18-34 agree it's OK for people to experiment with gender

33% of Brazilian Millennials aged 19-35 say they would like to see more adverts featuring people with a wider range of body types

31% of Chinese consumers aged 20-49 say that the word 'individuality' defines luxury

40% of US make-up users aged 25-34 are frustrated by products that don't match their skin tone

## WHY CONSUMERS WILL BUY INTO THIS

In the past, brands had sole control over what defines beauty; however, perceptions of beauty based on age, gender, skin, hair, and body type are changing, and control has shifted. Now, the consumer dictates what beauty is to the brand. An influx of information online has educated consumers and they believe they know their skin/hair/body best and appreciate that everyone is

different. They want their individual needs to be answered with options or customisable beauty. As consumers continue to express their individuality, they are being drawn to new indie brands offering fresh perspectives and unique benefits that big brands can't fulfill. Being independent means the brand can keep its individuality.

Base: 1,032 French female internet users aged 16+; 744 Canadian internet users aged 18-34; 950 US female internet users aged 18+ who use colour cosmetics; 1,500 Brazilian internet users aged 16+; 3,000 Chinese internet users aged 20-49

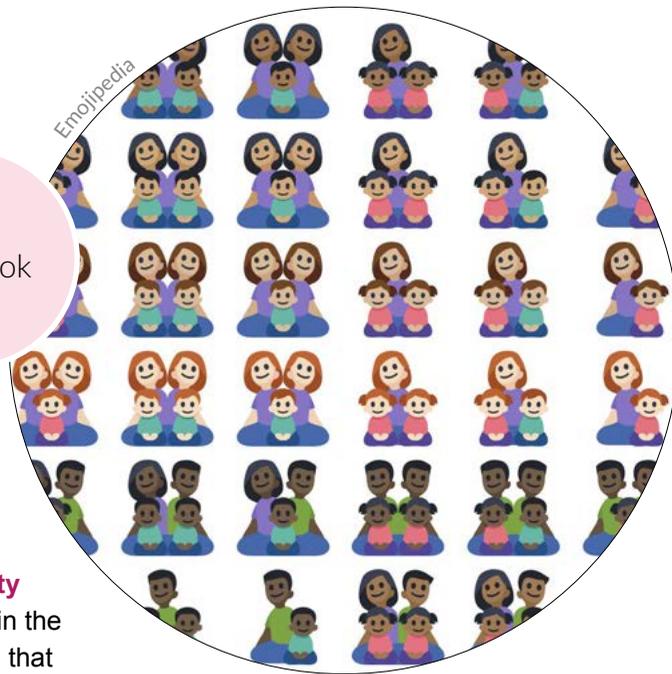
Source: European Consumer Research 2017; Marketing to Millennials Canada 2017; Colour Cosmetics US 2016; Luxury Retailing China 2016; Marketing to Millennials Brazil 2017

## TRENDS IN ACTION

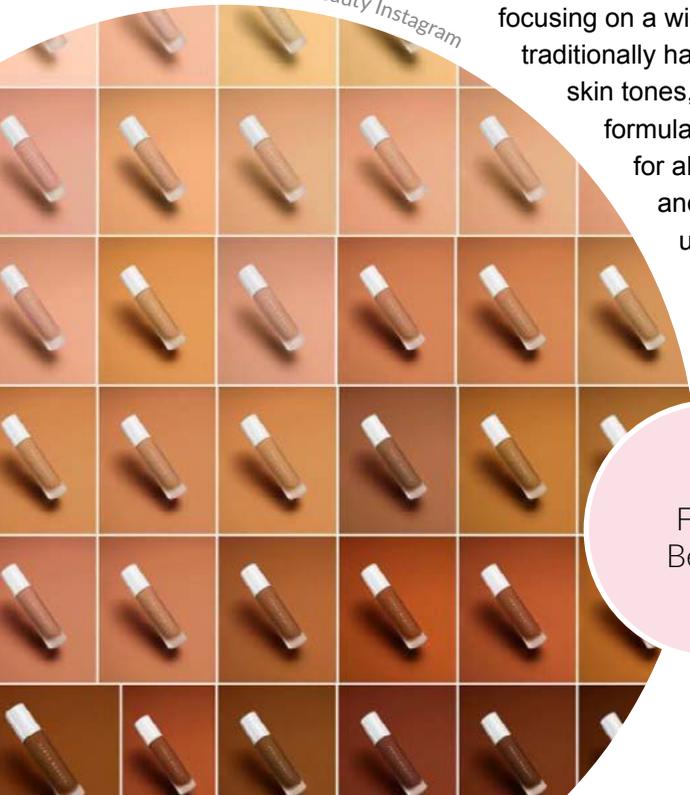
Park Makrae, a 70-year-old known as **Korea Grandma**, hit YouTube with her cheeky, bubbly videos that showcase her beauty, fashion, and lifestyle tips. Park may not be the most conventional beauty icon, but she redefines beauty and ageing.

Singer/songwriter turned entrepreneur Robyn “Rihanna” Fenty launched **Fenty Beauty** to fill a void in the industry for products that perform across all skin types and tones. She launched the global make-up line focusing on a wide range of traditionally hard-to-match skin tones, creating formulas that work for all skin types, and pinpointing universal shades.

Facebook



Fenty Beauty



**Facebook** added 125 new emojis to its platform in April 2017, including families with different-coloured skin tones. The previous emojis all had a default yellow skintone, which only resembled lighter skin colours.

**Toun28**, a South Korean beauty startup, creates personalised, natural skincare subscriptions. These chemical-free, bespoke products are created based on facial analysis, with one product being created for each different part of the face. One batch lasts 28 days; each subsequent batch is made based on Toun28’s algorithm, which predicts the user’s needs.

Olympic fencer Monica Aksamit is the star of a campaign from UK cosmetics brand **No7**, which promotes the power of cosmetics and how make-up makes you feel, rather than look. The advert aims to champion the true role of make-up in women’s lives—the internal power and energy that women have when they feel in control of their own beauty.



No7

## OUTLOOK FOR 2020

The ever-evolving perception of beauty will see the removal of labels that are based on simple characteristics like age and gender, and will transform the way we look at our skin, hair, and body types. This will cause brands in the coming years to embrace inclusivity and address individual beauty concerns, which will result in more customisation and personalisation of products—assuring the

consumer that beauty choices are theirs to be made, and theirs alone. The time has come to celebrate individualism in all its beauty.

Over the next three years, fast-changing consumer behaviours will require brands to redefine how they segment consumers, to become all-inclusive in their approach, and to elevate every opportunity for customisation.



# CAMPAIGN CAPITAL

Simply selling a great beauty product will no longer be enough ; brands must have personality and purpose that align with consumers' own beliefs in order to win them over.

## WHAT'S HAPPENING IN 2018?



Consumers have never had so much information at their fingertips, which has gifted them with more power when purchasing products. The onus is now on brands to impress consumers with a human-like personality that's relatable, personable, and sincere. Brand marketing

campaigns need to align with consumers' own beliefs and values, so people feel like they are buying an attitude and lifestyle, and not just a product. Although some beauty companies have championed worthy causes for many years, it has now become an essential element of branding.



Shoppers prefer brands that earn honest money



37% of UK consumers consider whether or not a product is tested on animals when shopping



56% of US consumers have stopped buying products from a brand/retailer if they believe they are unethical



29% of Brazilians prefer to buy from companies with sustainable practices

Base: 2,000 US internet users aged 18+; 2,000 UK internet users aged 16+; 1,000 French internet users aged 16+; 1,463 Brazilian internet users aged 16+; 1,192 metro Indonesian internet users aged 18+

Source: The Ethical Consumer US 2015; The Ethical Brand UK 2016; European Consumer Research 2017; Sustainable Lifestyles Brazil 2016; APAC Metro Consumer Study 2017



34% of French consumers trust smaller businesses more than large corporations



27% of Indonesian consumers say they prefer products that maintain fair trade regulation

WHY CONSUMERS WILL BUY INTO THIS

**M**any consumers now care about the value a brand and product can offer them as much as the quality of the product itself. Terms like 'cruelty-free' have become branding buzzwords and there's now an expectation for corporations to give something back to the world. Younger generations in particular don't like labels and increasingly strive to live in a society that's free of 'isms'. When purchasing products, they want to be sure their brand choices are aligned with their personal values.

## TRENDS IN ACTION

After seeing cancer patients lose their natural eyelashes due to chemotherapy,

### Thrive Causemetics

founder Karissa Bodnar developed a 'clean beauty' line of false eyelashes and cosmetics. For every sale the Los Angeles, California-based company makes, they donate one additional product to a woman who has cancer or is suffering from domestic violence.

Promoting messages of female empowerment, **SK-II: Marriage Market Takeover** is part of SK-II's global #changedestiny campaign, which encourages women to 'change their DNA' and take control of their future by assuring them that they can still be happy without being married.

**Honest Company** uses some of its proceeds to fund educational programmes like US-based **Code.org**, a nonprofit organisation dedicated to expanding access to computer science and increasing participation of women and underrepresented minorities.

**Sephora** launched its global **Accelerate** programme to establish a community of female entrepreneurs in the beauty industry. Programmes like this serve as an incubator for indie beauty brands to excite the market and mirror an intimate understanding of consumers' needs.

In Malaysia, **Laneige's Waterful Sharing campaign**—which provides underprivileged communities with access to a continuous supply of clean water—went a step further in 2017 by pledging to raise RM 100,00 (USD 23,615) from the sales of its Water Sleeping Mask. A portion of the proceeds will help fund the installment of water filtration systems.

Beauty companies will develop a 'face' and clear 'personality', while more consumers will demand to be able to talk to brands in the same way they talk to their friends. As a result, consumers will expect instant responses to their needs and queries, inevitably altering corporate structures and causing marketing roles to evolve and new roles to be created in order to craft and maintain the brand's image on social media.

In 2018 and beyond, there will be a focus on funding educational projects rather than simply giving money to charity, and environmental and ethical issues will be at the forefront as Millennials and Generation Z place greater emphasis on the world around them.

It will be imperative for brands over the next three years to have a personality that is genuine, a viewpoint that clearly communicates their positioning, and initiatives that go beyond corporate social responsibility and truly give back to society.

"WE'RE SINGLE,  
BUT NOT 'LEFTOVERS'"

Chinese women refuse being pressured into marriage

SK II

Thrive  
Causemetics

Sephora  
Accelerate 2017  
Bootcamp



# PRIVATE EYE

Digital technology will follow consumers everywhere, influencing their product purchases and helping them to navigate the complexities of the beauty aisle.

## WHAT'S HAPPENING IN 2018?

**D**igital technology will make shopping more personal in 2018. Beauty brands will use consumers' faces not only as canvases for their products, but also as a way to track their likes and dislikes, and guide them through the shopping experience. Apps will become digital personal assistants, while voice-based technology will evolve to curate products. Overlying all of these developments will be the ever-pervasive social media, converting beauty tourists into beauty shoppers.

This will come at a price for the beauty industry, however, as consumers recognise the value of their biometric data and demand either privacy or compensation.

Data security will become more important than ever. Across the globe, governments are recognising the need for greater data protection and are taking steps to put legislation in place that compels all businesses to seek consumer consent, disclose tracking, and offer consumers the right to be forgotten.



## WHY CONSUMERS WILL BUY INTO THIS

**W**ith so many products on the shelves, time-pressed consumers want a more intuitive shopping experience.

New technology can interpret consumers' facial expressions and eye movements to determine their product preferences and offer help, both in-store and online.

Consumers who want personalised and customisable beauty will respond positively to health/beauty apps acting as digital shopping assistants. These apps and devices will use consumers' biometric data to create a real-time set of recommendations to make product discovery faster and more personal.

Shoppable social media posts convert inspiration to information, allowing consumers to seamlessly transition between creative imagery, product education, and purchases, adding another layer of consumer convenience.

**35%**  
of Chinese beauty buyers aged 20-49 are interested in trying a mobile app that can recommend beauty products based on their needs

**Beauty is in the eye of the smartphone holder**

**33%**  
of Spanish consumers who view beauty content on social media would be interested in buying products directly through social channels

**30%**  
of UK fashion buyers are interested in digital screens to search for product information in-store

**67%**  
of US iGeneration beauty buyers aged 18-22 prefer to search for product information in store on their mobile device than ask a sales associate

**45%**  
of Thai consumers compare prices at other stores while shopping in-person



Base: 1,743 US internet users aged 18+ who have purchased beauty products; Chinese internet users aged 20-49 who have purchased beauty/personal care products; 1,307 UK internet users aged 16+ who have bought clothes, footwear and/or fashion accessories in-store; 455 Spanish internet users aged 16+ who have seen beauty-related content on social media; 1,142 metro Thai internet users aged 18+ who own a smartphone

Source: Beauty Retailing US 2017; Beauty Retailing China 2017; Fashion Technology & Innovation UK 2017; European Consumer Research 2017; APAC Metro Consumer Study 2017

## TRENDS IN ACTION

**VAQSO VR** is a small device that attaches to the bottom of any virtual reality (VR) headset, and emits realistic scents synced to the content. Scents so far include 'the hair of a beautiful girl', which hints at the promise for fragrance companies to create multisensory VR advertising and sampling campaigns.

**Lightwave** found a way to channel emotion to create living artwork. In June 2017, they partnered with Mountain Dew and turned biometric data from skateboarders' wristbands to convert heart rate, skin temperature, motion, and galvanic skin response into a digital art display in Long Beach, California. The colours and shapes changed along with the skateboarders' physical responses.

**Smashbox** has worked with **ModiFace** to trial new technology that tracks consumers' eye movements to improve conversion rates. The app allows users to go beyond virtually trying on Smashbox make-up; it follows their eye movements to see what they are most interested in, enabling the brand to prompt the user to buy or look up more information.

Japanese skincare brand **Kanebo** launched the **Smile Connect** app, which gathers data from a skin moisture sensor to order to measure consumers' skin condition on a daily basis, and gives advice on how to improve the user's skincare routine in relation to seasonal changes.

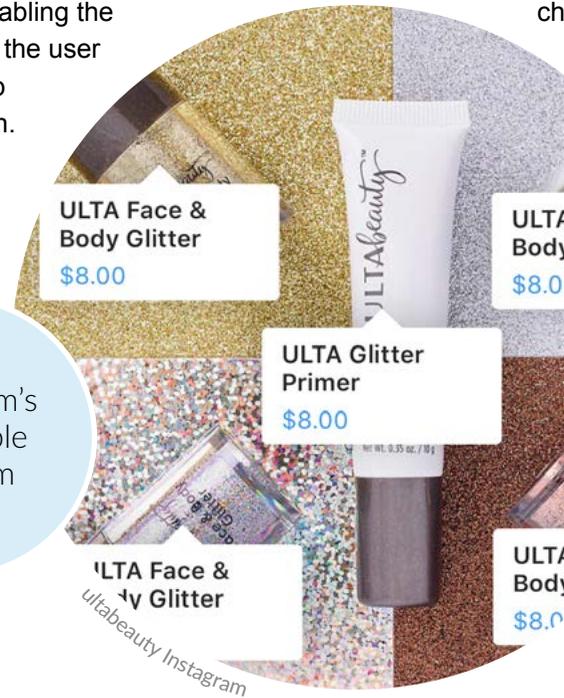
**Sephora** and **Ulta** are among the 20 retail brands selected to pilot **Instagram's shoppable platform**. When the user taps shoppable posts, the names and prices of the pictured products appear. Within three clicks the user is directed to the brand website, where the option to purchase is available.

Kanebo Smile Connect app



VAQSO VR

Instagram's shoppable platform



## OUTLOOK FOR 2020



The commercial use of biometric data will extend beyond eye tracking. Heart rate, body language, and speech will all be important biometric indicators for a more complete assessment of consumer preference and personality in 2018 and beyond. Meanwhile, the collection and use of personal data for brand benefit will see a backlash from privacy advocates who will demand that consumers are able to learn from and act on their own data. Looking ahead, the

days of social media being purely social will have long since passed as companies transform these online interactions into shopping opportunities.

Over the next three years, holistic approaches to biometric data and the blurring of lines between social media and online retail will encourage brands to drive unprecedented customisation of the shopping experience, giving consumers more control over where, when, and how their data is used.





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