

PRESS RELEASE

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Nature sells – Personal care in transition

The global market for personal care products has been stagnating for years. However, market niches such as natural cosmetics are becoming increasingly popular. Schlegel und Partner engages with the latest trends and market requirements.



The global market for personal care products amounted to about EUR 400 bn in 2015. Skin care plays the most important role with a share of 27%, followed by hair care (20%) and make-up (11%). Within the past decade, the personal care segment has become increasingly saturated. To be sure, new products are always being launched, but only niche segments show any growth. One niche of increasing importance and presence is the natural cosmetics industry with annual growth rates of about 7–8% and a market value of about EUR 12 bn. The number of natural cosmetic brands is currently greatest in the North American and European markets, but Asia and Brazil will follow this development in the near future.

Particularly in view of the growing public awareness of the need to minimize chemical substances and the increasing demand for natural ingredients, the personal care industry is searching for new ingredients and formulations to follow this trend. Besides the natural look of these products, their smell, color and texture are also at the focus of attention. Nowadays, of particular importance for the success of a novel natural product is the story telling, beginning with the ingredients, the texture, the haptics, the skin sensation as well as the packaging, reflecting nativeness, sustainability and therefore identification of an environmentally aware consumer with the product.

The use of natural fibers and extracts based, for instance, on leaves, fruits or flowers enhances the green image, optically and physically.

The desire for consistency of the product experience – naturalness and sustainability – also extends to the packaging. This results in the growing trend of using cellulose based on renewable bamboo and cane fibers or recycled material which is then printed with oil-free colors.

Summary

The market for personal care products will be stirred up by the entry of "greener" solutions. Nevertheless, natural cosmetics will remain a niche but growing market. The main reason is the price sensitivity of the end consumer and hence the continuing demand of the mass market for conventional ingredients, established products and practical packaging.

Please do not hesitate to contact:

Dr. Isabelle Symonds, +49 6201 9915 10
Isabelle.Symonds@schlegelundpartner.de



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