"Despite the high market penetration of personal care products, there are opportunities for growth. While consumers are price sensitive, factors that influence consumer purchases including scent and product functionality could increase spend. To entice consumers to trade up to more expensive products, financial incentives like samples or coupons, are most convincing."
- Jana Vyleta, Health and Personal Care Analyst

This report looks at the following areas:

- Adults want short personal care routines
- Consumers experiment, which could limit loyalty
- Majority of shoppers are sensitive to price

This Report covers a broad range of products within the personal care market. For the purposes of this report, Mintel has defined the personal care market as products used for regular grooming and hygiene including the following categories:

- Haircare – shampoo, conditioner, hairstyling products, hair color
- Skincare – facial cleansers, facial moisturizers, specialty skincare products such as acne and anti-aging treatments, hand and body moisturizers, sun protection
- Body cleansing products – bar soap, liquid shower gel, bath products
- Shaving products
- APDO (antiperspirant/deodorant)
- Oral care

Excluded from the scope of this report are beauty products (see Mintel’s The Beauty Consumer – US, March 2016) such as:

- Color cosmetics
- Fragrances
- Nail color and care

Professional services are also excluded from the scope of this Report.
Overview

What you need to know

Definition

Executive Summary

The issues

Adults want short personal care routines

Consumers experiment, which could limit loyalty

Majority of shoppers are sensitive to price

The opportunities

Cater to desire for safety, quality through ingredients

Lower financial barriers in order to gain trial

Embrace sustainable, environmentally friendly practices

What it means

The Market - What You Need to Know

Consumers are comprised of Enthusiasts, Loyalists, and Deal-Seekers

Ingredient concerns and men’s interest in appearance change landscape

Population trends could impact category

Personal Care Segments

Three consumer segments: Enthusiasts, Loyalists, and Deal-Seekers

Enthusiasts

Loyalists

Deal-Seekers

Enthusiasts are easier to capture, but less likely to stay

Loyalists will live up to their name...if they can be captured

Deal-Seekers

Market Perspective

Ingredient safety concerns fuel legislation, NOPC purchases

Men’s interest in appearance brings opportunity

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High consumer confidence bodes well for discretionary and prestige items
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Aging population could negatively impact sales
Figure 9: Population by age, 2017-22

Hispanic population could foster environment for growth
Figure 10: Population by race and Hispanic origin, 2012-22

Key Players – What You Need to Know

NOPC, no-rinse, and personalized products see growth
Select mass brands, anti-aging products see declines
Hybrid, personalized, and waterless products could be the future

What’s Working?

NOPC grows as consumers seek safety, quality
No-rinse formats perceived as convenient, gentle
Personalized products maintain momentum

What’s Struggling?

Select mass brands struggle to maintain sales
Anti-aging products struggle as claims are integrated elsewhere

What’s Next?

Hybrid products provide options to consumers
Tailored formulations, technology add to personalization
Minimizing water usage appeals to need for conservation, convenience

The Consumer – What You Need to Know

Mass brands are most purchased due to availability, familiarity
More than half of consumers report moderate category engagement
Factors relating to functionality, familiarity most influence purchases
Majority of consumers ambivalent toward ingredients
While a minority, some consumers research before purchase
Value is the best way to incentivize trade up

Products Purchased

Basic hygiene products have highest penetration
Mass brands most common due to availability, familiarity
Figure 11: Correspondence analysis – Personal care consumer product usage, January 2017

Methodology

Skincare, HBL products have highest prestige brand penetration
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Despite limited time and money, consumers like to experiment
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Hispanics show similar engagement to younger consumers
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Functionality reigns supreme in influencing purchases
Familiarity factors also impact purchase decisions
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Hispanics align with young adults
Figure 23: Purchase influencers, by Hispanic origin, January 2017

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Consumers unaware, ambivalent toward many ingredients
Ingredient perceptions reflect NOPC’s shift to mainstream
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Methodology
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Hispanics category engagement reflects interest in ingredients
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Environment, sustainability are secondary considerations
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Figure 30: Attitudes toward personal care, by Hispanic origin, January 2017

Value incentivizes trade up

Product attributes can also sway consumers

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Figure 34: Trade up opportunities, by Hispanic origin, January 2017

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Abbreviations and terms
Abbreviations
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Appendix – Consumer

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