

Ingredients for Success: A Global Look At Health And Beauty Care Ingredients

Case History

Category: *Health and Beauty Care*

Methods: *International Research, Analytical Modeling*

Summary

A major multinational consumer health-and-beauty product manufacturer wanted to determine and anticipate the next big “ingredient” that could revolutionize its segment of the health-and-beauty industry. Leveraging the American Consumer Opinion® Online panel, Decision Analyst’s proprietary panel of over eight million members worldwide, an online survey was conducted across several countries. Qualified respondents were asked to rate and rank an extensive list of ingredients, while assigning them into the different categories of personal-care products to which they were best suited.



Strategic Issues

In a highly competitive industry, the importance of being novel and/or first to market is critical. Owning a brand (or multiple brands) that is both strong in awareness and popularity is not enough to stay on top of the health-and-beauty game. Being innovative and evolving to keep up with new trends and fads, consumer health-and-beauty companies expend great effort and resources to stay ahead of the competition.

In addition to this basic “innovation challenge;” consumers today are more conscious not only of what they put *in* their bodies, but also what they put *on* them. People are far more aware of the inclusion or exclusion of ingredients in everyday consumables and there is a growing inclination and demand for “organic,” “holistic” products, and for being environmentally conscious. There is a trend for more natural and less artificial products. Effective products containing certain revolutionary or traditional “natural” key ingredients could create and develop a promising new niche to drive a profitable “new” market, or they could revitalize a lagging category or range. While “natural,” “sustainable,” and “environmentally friendly” are the popular trends, consumers also seek products that not only feel great (and that they feel great about using), but that also offer additional benefits (such as anti-aging properties).

Research Objectives

The main objective of the research was to assess the market potential for original products containing innovative and “fresh” new ingredients. Decision Analyst was asked to conduct an online study to determine what consumers really want in personal-care products and the features that are most appealing, and to develop a list of the potential next “new” ingredients.

Research Design and Methods

Decision Analyst designed an online survey that was conducted among female consumers across Europe and the United States. The survey assessed which ingredients were most appealing, compelling, and desirable for inclusion in personal-care products. Respondents were invited to answer a series of questions regarding general ingredient awareness, appeal, uniqueness, and fit (for use in skin-care and makeup products), perceived benefits and effectiveness, as well as ingredients' fit with the latest trends.

Qualified respondents were female consumers aged 16 and over who indicated they wore makeup "regularly." A minimum of 500 surveys per country were conducted, with respondents evaluating over 50 ingredients and selecting their top skin-care and makeup ingredients.

Findings were reported via summary reports that had the data broken down by key measure and by country, and included insights on each winning ingredient's characteristics and suitability for the different product lines within the personal-care and beauty categories. In addition, the report included a sophisticated analytical model to assist in the immediate selection of the best ingredient(s) for new products, and the projection of future industry trends.

Results

In addition to confirming consumers' ever-growing awareness, knowledge, and concern about ingredients included in their personal-care products, we were able to identify over 20 ingredients that had sufficient awareness and appeal to be considered for inclusion in future products.

Furthermore, we were able to develop a baseline to track trends among the included ingredients, as well as to identify and distinguish new viable entrants from "fads" as they develop.

With the data collected, our client was able to better understand the direction of the health-and-beauty market, to identify new trends for ingredients, and to develop new opportunities for its brand(s). This baseline research will be critical to decisions regarding long-range product-introduction plans.

