

Skin Care in USA

TRENDS

- Affluent Americans drove value growth in skin care in 2012. As in 2011, demand for premium skin care products was responsible for skin care's growth in 2012. Higher-income consumers responded to the improving economy and product innovation from premium skin care manufacturers by turning to premium skin care products. The recovery of the US economy and a rising stock market led to higher consumer confidence among high-income consumers. Product innovation in premium products, such as Clarins Extra-Firming Day which claims to firm skin in four weeks and PreVage Anti-Aging + Intensive Repair Daily Serum that combines antioxidant idebenone with skin revitalising technology gave women a reason to trade up to premium skin care products.

COMPETITIVE LANDSCAPE

- Johnson & Johnson Consumer Products led skin care with a 13% value share in 2012, unchanged from 2011. Its Neutrogena brand was the leading skin care brand, with a value share of 7% in 2012, up slightly from the prior year. The Neutrogena brand experienced a slight share gain as it introduced new products such as Neutrogena All-in-1 Acne Control and Neutrogena Rapid Tone Repair in 2012. The Neutrogena All-in-1 Acne Control daily scrub and facial treatment are claimed to “fade the look of past acne marks, clear present breakouts and help prevent future breakouts”. To compete against other fast-acting dark spot serums such as Clinique Even Better Clinical Dark Spot Corrector, the Neutrogena product claims to work in one week. In 2011, the company launched the Neutrogena Naturals collection, which is billed as an eco-friendly line with no parabens, petrochemicals or phthalates. The company is particularly strong in acne treatments, in which it held second place through its Neutrogena and Neutrogena Skin iD lines. Neutrogena has long been marketed towards young women through advertisements starring young celebrities such as Hayden Panettiere and Vanessa Hudgens. The company's Aveeno brand was ranked eighth in skin care in 2012, and is marketed as a natural line with clinically-proven skin care benefits.

PROSPECTS

- Skin care is expected to increase by 7% in constant value terms over the forecast period, driven by facial care. The 7% constant value growth reflects an improvement from the review period's 1.5% decline. Facial care is expected to show good 8% constant value growth, as American women, and increasingly men, invest in looking good. While major skin care categories such as facial cleansers and moisturisers have reached maturity, all facial care categories, with the exception of face masks, facial cleansing wipes, lip care and toners, are expected to show value growth over the forecast period. In facial care, anti-agers are expected to show the fastest growth, with 18% constant value growth expected over the forecast period.