

BRAND FOOTPRINT

THE UK RANKING OF THE MOST CHOSEN HEALTH AND BEAUTY BRANDS

MAY 2017



HEALTH AND BEAUTY

Introduction

The much talked about deflation in the grocery sector hasn't affected health and beauty to the same degree. This has seen shoppers trading down to cheaper personal care products. One beneficiary of this trend is Galpharm, a producer of non-prescription medication, which is the fastest riser in this year's Brand Footprint Health and Beauty Top 20 with a CRP increase of 25%.

Changing demographics are also at play in the sector, as generally the young spend more on cosmetics and older consumers spend more on skincare. The aging population has led to increase in the proportion of spend coming from over 45s (from 57% to 63%) which presents a growth opportunity for canny manufacturers who can meet the needs of this group.

Natural and Convenient

Overall there is a trend towards using fewer products and this comes down to two factors; convenience and striving to be more natural.

To the first point, time continues to be in short supply in most people's lives and products such as Garnier's Micellar water, a multifunctional, time saving product, have been popular. Nivea's in-shower moisturiser also plays to this trend, inspiring brands like L'Oreal to follow suit.

Other drivers behind this simplification in personal care include the rise of working at home, where perhaps it's not felt that there is need for the same level of grooming as in the office. The fashion for beards and longer hair has also had an impact. Unsurprisingly there has been a big effect on razor brands such as Gillette, in position 11 of this year's ranking, as the number of men who prefer to be clean-shaven has fallen from 31% in 2013 to 26% in 2016. On the other hand the beard trend has also brought about its new products such as L'Oreal's beard and stubble moisturiser.

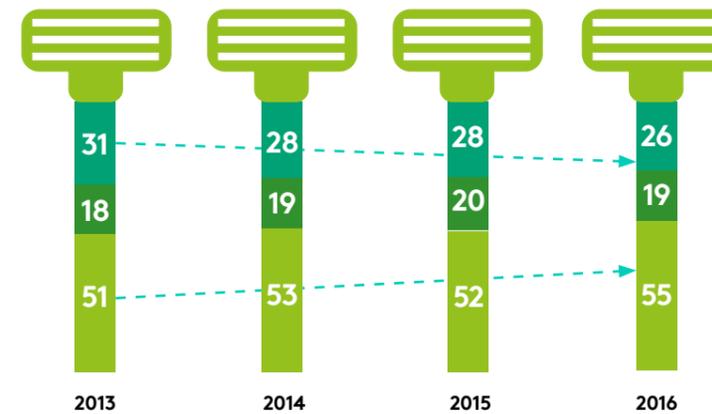
UK Top 20 table		CONSUMER REACH POINTS (MILLIONS)		
		2015	2016	YR/YR %
1	COLGATE	115	119	3
2	NIVEA	91	88	-2
3	DOVE	66	68	3
4	LYNX	48	53	9
5	SURE	38	47	24
6	JOHNSON'S	49	45	-8
7	RADOX	42	45	6
8	ORAL-B	40	43	7
9	IMPERIAL LEATHER	42	41	-2
10	ALWAYS	39	40	1
11	GILLETTE	41	38	-5
12	CAREX	32	34	6
13	AQUAFRESH	34	34	0
14	SIMPLE	28	32	16
15	TRESEMMÉ	29	32	9
16	L'OREAL ELVIVE	32	31	-3
17	LISTERINE	24	26	11
18	ALBERTO BALSAM	23	25	12
19	GALPHARM	20	24	25
20	L'OREAL PARIS	24	24	-2

52 weeks October 2016

TRESEMMÉ this year launched the Beauty-Full Volume line designed specifically for the conditioner to be used first and the shampoo afterward, providing a specific variant to cater for the "reverse-washing" trend. The brand enjoyed a 9% growth in CRPs this year as a result.

Being more natural, both in terms of looking less made up, which is a trend favoured by 35% of women, and in terms of using fewer chemicals, is another driver of market performance. Alberto Balsam, with an increase of 12% in CRPs, relaunched their portfolio in early 2016 with a lower-sulphate formula aimed at a different target - in this case

MEN'S FACIAL HAIR OVER TIME (%USERS)



● Maintain clean shaven ● Facial hair ● Infrequently clean shaven

younger families. Their growth has been driven largely by more presence in both Tesco and Asda.

Simple, in position 14, has increased CRPs by 16% over the last year due to a clearly defined brand proposition, scoring highly on Kantar Millward Brown's measures of 'natural', 'gentle', and 'sensitive'. This positioning has led to strong growth with younger users. Another reason behind its success is premiumisation of the range with the introduction of Micellar wipes.

Happy Hygiene

Oral care brands are doing well in this year's Brand Footprint ranking, more due to a greater desire among consumers to show the world a bright, white smile than an increased interest in oral hygiene itself. In today's world of Snapchat and Instagram, taking care of one's teeth is an increasingly important part of the beauty routine.

Colgate, with a CRP increase of 3%, partnered with Boots to sponsor modelling TV show Britain's Next Top Model and also relaunched the Colgate Total range as a more premium product. Sensodyne, in position 22, saw an increase of three penetration points resulting in a 22% rise in CRPs due in part to the launch

of True White toothpaste which targeted a new combined need of sensitivity and whitening.

Listerine launched a premium whitening mouthwash which was aimed at a new, younger pre-family target group. The launch was linked closely to beauty with the giveaway of a Maybelline lipstick.

In this year's ranking we see examples of brands which have developed their core offer to include additional benefits. Radox, which has a varied portfolio across cleansing, is using a "Feel" proposition to generate wider reach for multiple needs, e.g. "feel active", "feel revived" and "feel gorgeous".

Carex (CRPs up 6%) has moved the narrative on to include caring as well as hygiene with its range of antibacterial products. Much of the growth this year has been driven by multifunctional Protect+Plus products which promise two hours of protection alongside moisturising properties.

The growth enjoyed by Sure, up 7.7% in penetration, is across its portfolio and includes new products launched in the last year. Maximum Pro has body-responsive technology designed to cater for an individual's specific needs, and an anti-bacterial variant of the main

Brand Focus: Oral-B

Oral-B is in position eight and seeing success in both the toothpaste and toothbrush categories with a 7% increase in CRPs this year.

The brand's standard-range POC electric toothbrush dominates in the UK with a 75% market share. Last year they launched the app-backed Genius toothbrush. The super-premium product which retails at around £140 connects to a smartphone via Bluetooth and the user sticks their smartphone to the mirror with a (provided) suction cup so that the toothbrush can monitor how they are cleaning their teeth.

In addition 3D White Lux Perfection toothpaste was launched last year and has gained more than six hundred thousand shoppers. It is now the second-largest 3D white brand; particularly impressive considering the it carries the highest average price tag of any 3D white product (£3.07).

range broadens the brand's appeal further. Deodorants are helping to drive the 3% growth for Dove, with a range of different versions and pack sizes. Lynx, in position four, has won a 9% increase in CRPs, largely from deodorants rather than shower gel or haircare. The 'Find Your Magic' campaign and brand redesign launched in January 2016 successfully led to growth in a new target of older post-family shoppers.

Channelling Relationships

Whilst the direct-to-consumer segment is in its infancy overall, it's in the health and beauty sector that it could have the most impact. The success of Dollar Shave Club, a brand built from nothing

HEALTH AND BEAUTY

over four years and then purchased by Unilever for \$1 billion in the middle of 2016, was as much about relationships as it was ecommerce. Health and beauty brands are often a very personal purchase and the direct relationship that brands can create through selling in this way can help to build loyalty and drive sales. Recent entrants in this area include Birchbox, Glossybox and Sanitary Owl.

Whilst there is a decline in regime across the board in beauty, the subscription model can help to drive usage – if you have a product in your home, it's more likely you will use it, and if you have a replacement product you're likely to move on to it more quickly. So for categories such as razors which are expandable (you may start a fresh razor if you have one in the cupboard), this can be a successful way to drive sales.

By attracting people to buy health and beauty brands, as well as grocery, more cheaply, the discounters are conferring a halo effect on the high street bargain

Possible Disruptors



**AGEING
POPULATION**



**BEAUTY
THROUGH FOOD**



**CROSS-CATEGORY
PRODUCTS**

stores which were the fastest growing channel last year for health and beauty brands. Bargain stores are improving the quality of their point of sale materials and the overall buying experience for these products.

The health and beauty sector is varied, with some brands and manufacturers focusing on staples which are driven by price and availability. Other elements of the sector look for personal purchases and brands that have strong abiding relationships with consumers. The changing demographics of the UK will pose a

significant opportunity for this sector in the years to come, as the needs of older people are very different to the young.

Meanwhile there are trends which are primed to transfer from the East such as health and beauty from within – a focus on achieving beauty through what we eat and drink. Another likely development is the rise of cross-category products like skincare with beauty elements, as brands respond to time-poor consumers and their concerns about the effects of chemicals and pollutants.

About Brand Footprint

Kantar Worldpanel believe that in order to grow brands need to be chosen more often by more people.

There are five strategic levers which we have identified that lead to brand growth.

Now in its fifth year, Brand Footprint is our global study of which brands shoppers are choosing to buy, and why. The metric used to measure this is called Consumer Reach Points (CRP) and it is calculated by looking at penetration and frequency in combination with the number of households in the country.



Find the full global report at www.kantarworldpanel.com/brand-footprint-ranking