Skin-Whitening & Anti-Aging
Marketing Strategies For Asian Consumers

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TOPICS

Why Skin Whitening & Antiaging for Asia

What are ASEAN / World Consumer Trends

Why Market Cosmeceuticals & Nutraceuticals

1-2-3 R&D for New Skin Care Technologies

Fundamentals of Formulating for Skin Care

What Thailand Can do to Meet World Demand
Why Skin Whitening & Antiaging?

Skin Whitening
Most Popular in Asia
- Thailand
- India (Fairness Cream)
- China
- Japan
- Korea

Antiaging
Most Popular in America & EU
- USA
- Canada
- England
- Germany
- France
Why Marketing Strategies?

Business

Science

Consumer

[Diagram showing the relationship between Business, Science, and Consumer with various marketing strategies like Advertising, Advocacy, Avoid Products with Drugs, etc.]

[Image of a 1000 Thai Baht note in the background]
Thai & ASEAN Consumers

Skin care products are popular. Consumers looking for products with skin whitening properties.

Skin care in Thailand & ASEAN is dominated by Beiersdorf, Unilever and L’Oréal.

Thai Skin is Unique – Not Caucasian, Indian, Oriental, Hispanic or Black.
Thai Skin Care Market

Skin care has a projected forecast to reach Bt60 billion (USD 2b) by 2015.

Anti-aging and skin whitening are key markets.

Consumers are likely to see further segmentation of skin care for different age groups and skin types.

The influence of the media will boost skin care focus.

*New product developments are expected and will be well received by consumers.*
## 10 major markets for Thai personal-care products

<table>
<thead>
<tr>
<th>Country</th>
<th>2010</th>
<th>Growth (%)</th>
<th>2011</th>
<th>Growth (%)</th>
</tr>
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<tbody>
<tr>
<td>Japan</td>
<td>549.22</td>
<td>99.23</td>
<td>259.22</td>
<td>5.79</td>
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<tr>
<td>Malaysia</td>
<td>160.89</td>
<td>5.46</td>
<td>107.5</td>
<td>26.46</td>
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<tr>
<td>Indonesia</td>
<td>166.32</td>
<td>24.33</td>
<td>106.13</td>
<td>27.24</td>
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<tr>
<td>Philippines</td>
<td>152.01</td>
<td>23.87</td>
<td>80.82</td>
<td>20.08</td>
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<tr>
<td>Australia</td>
<td>131.21</td>
<td>23.57</td>
<td>74.62</td>
<td>19.69</td>
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<tr>
<td>Vietnam</td>
<td>113.69</td>
<td>13.27</td>
<td>57.63</td>
<td>7.63</td>
</tr>
<tr>
<td>Cambodia</td>
<td>80.09</td>
<td>50.58</td>
<td>53.13</td>
<td>43.27</td>
</tr>
<tr>
<td>Burma</td>
<td>66.09</td>
<td>44.92</td>
<td>43.83</td>
<td>38.19</td>
</tr>
<tr>
<td>China</td>
<td>64.12</td>
<td>22.22</td>
<td>38.16</td>
<td>49.49</td>
</tr>
<tr>
<td>Singapore</td>
<td>60.44</td>
<td>10.73</td>
<td>35.98</td>
<td>21.03</td>
</tr>
<tr>
<td>Sub-total</td>
<td>1,544.09</td>
<td>40.74</td>
<td>857.03</td>
<td>18.92</td>
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<tr>
<td>Others</td>
<td>612.34</td>
<td>26.66</td>
<td>328.01</td>
<td>22.83</td>
</tr>
<tr>
<td>Total</td>
<td>2,156.44</td>
<td>36.43</td>
<td>1,185.05</td>
<td>19.97</td>
</tr>
</tbody>
</table>
“with marriages that are love-based rather than arranged, men need a woman’s approval, so the need to look good has gone up in a big way.”

Cosmetics - Sociographics

The sociographics approach is a deeper level of target understanding: it focuses on the individuals who are part of the “target” (at least on the most influential ones), listening to their needs, values and behaviors directly. It’s an integration to the demographic and psychographic approach.
Thai Male Skin Care Market

Self Image

Bachelor’s Degree
Single

Quality
Price
Brand
Packaging
Advertising
Promotion
Salesperson
Spouse, Friends, & Family
What Marketing Strategies?

Total Integration

Native Nature-based Ingredients

Formulation for All Markets

Skin Lightening for Asia
Skin Antiaging for America & EU

Intellectual Protection
No Price Competition!
Consumer Expectations

Benefits

Science

Because Cheaper is Better

Cost

PHOTO FACIAL MACHINES
...has all your anti-aging and weight loss machines.
Starting at $99

It's not about what you can afford, but about how much you can SAVE! Quality products for great prices, because after all...cheaper is better!
R&D & Marketing Focus

Benefits

Science

Consumer Perception

What’s New in Cosmetic R&D

Marketers are studying a wide range of materials in their search for more effective finished products.

brand FAILURES

THE TRUTH ABOUT THE 100 BIGGEST BRANDING MISTAKES OF ALL TIME

By Matt Haig

http://blog.motiwala.com
What is Needed

Thai Products for Thai Skin Care

Product Strategy: Innovation

Opportunity for Small Businesses for a Captive Market Share
1-2-3- of Total Body Care

Outside / Inside

Aromatherapy

Cosmeceutical

Nutraceutical
Cosmeceuticals & Nutraceuticals

One Ingredient
Dual Marketing Opportunities
Three-fold Consumer Benefits!
Cosmeceutical
A Topical Biologically Active Agent

Nutraceutical
A Nutritional Biologically Active Agent

Agriceuticals
Agro-Farming of Cosmeceuticals & Nutraceuticals
Skin Whitening & Antiaging
Ingredients & Delivery Systems

Cosmeceuticals Fastest Growing Market

India and China Dominate Cosmeceuticals

Success Motto: “Cheaper is Better”

CHEAP OUR QUALITY WELCOME VISIT STORE
Cosmeceuticals vs. Nutraceuticals

**Cosmeceuticals**
- Lower Sales Volumes
- Higher Price
- Higher Profitability

Thai Cosmeceuticals Market $300m.
Annual Growth 10 – 15%

**Nutraceuticals**
- Higher Sales Volumes
- Lower Price
- Lower Profitability

Thai Nutraceuticals Market $2b.
Annual Growth 10 – 15%
Skin Whitening & Antiaging
Current Marketing Focuses on Face
1-2-3 of Skin Antiaging

CONTROL INFLAMMATION

WHITEN SKIN

Intra-cellular
Extra-cellular

DELIVERY SYSTEM
Inflammation in Skin Antiaging

Dermal Enzyme Regulation is the Key!

Matrix Metalloprotease (MMP) : Collagen
Tyrosinase : Skin Color
Superoxide Dismutase : Antioxidant

Prostaglandin - Leukotriene - COX - LOX
Advanced Glycation End Product (AGE’s)
Ubiquitin / Proteasome
5-Alpha Reductase
TNF – Alpha
Citrate Lyase
Fatty Acid Desaturase
Urocanate Pathway
Skin Antiaging Cosmeceuticals

Antioxidants are Colorful!

All Antioxidants are:
- Skin Whitening
- Anti-Inflammatory

<table>
<thead>
<tr>
<th>Fruits</th>
<th>Antioxidant Value ORAC units per 100 grams</th>
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</thead>
<tbody>
<tr>
<td>Prunes</td>
<td>5570</td>
</tr>
<tr>
<td>Raisins</td>
<td>2830</td>
</tr>
<tr>
<td>Blueberries</td>
<td>2400</td>
</tr>
<tr>
<td>Blackberries</td>
<td>2036</td>
</tr>
<tr>
<td>Strawberries</td>
<td>1540</td>
</tr>
<tr>
<td>Raspberries</td>
<td>1220</td>
</tr>
<tr>
<td>Plums</td>
<td>949</td>
</tr>
<tr>
<td>Oranges</td>
<td>750</td>
</tr>
<tr>
<td>Red grapes</td>
<td>739</td>
</tr>
<tr>
<td>Cherries</td>
<td>670</td>
</tr>
<tr>
<td>Kiwi fruit</td>
<td>602</td>
</tr>
<tr>
<td>Grapefruit</td>
<td>483</td>
</tr>
</tbody>
</table>

Antioxidants: Formulation of Cosmetic Delivery Systems, HAPPI, 56 (July 2001)
Skin Antiaging – New Innovations

Osmoprotection

Osmoprotectants are molecules that help organisms survive extreme osmotic stress.

Gupta & Walker, New Solution for Antiaging, GCI, 51 (March 2011); US Pat. 8,xxx,xxx (2012)
Skin Antiaging – New Innovations

Anti-Senescence

Cellular senescence in humans causes the cells to stop replicating themselves through the process of mitosis resulting in cellular degradation over a period of time.
Senescence, the change in the biology of an organism as it ages after its maturity, may be one of the keys to unlocking the next step for anti-aging products.

Gupta & Walker,
Senescence – Reversing the Clock on Skin Aging, GCI, 48 (April 2012)

US Pat. 8,212,076; 8,258,343; 8,293,943 (2012)
Skin Antiaging – New Innovations

Chiral-Correction

Gupta & Walker, Chiral Skin Care, GCI, 44 (Nov 2010) ;
US Pat. 8,211,873; 8,227,426
Marketing Asian Skin Care

Endorsements

Value
Marketing Asian Skin Care

Skin Care via Thai Spa Market
Agriculticals Farming

Family Farming

Vision
Plan
Persistence
Resources
Management
Formulating Cosmeceuticals

C
Color

O
Olfaction

S
Skin-feel

M
Marketing

E
Efficacy

T
Texture

I
Incompatibility

C
Consumer Claims
Formulating Cosmeceuticals

Claims
- Marketing / Science
- Regulations

Composition
- Cost / Availability
- Chemical Structure
- Chemical Compatibility
- Formulation Stability

Performance
- Efficacy
- Biochemical Mechanisms
- Bioavailability
SUMMARY

ASEAN Skin Care by Asian Formulations

Cosmetic Agriceuticals by Thai Farmers

PhytoCeuticals
Natural Cosmeceuticals & Health Care

Government & Corporate Funding for R&D