Asian in Global Market for Natural & Organic Cosmetics

by

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Agenda

I. Introduction

II. Market Trends

III. Challenges & Future Outlook
Business services

i. Research Publications

ii. Research & Consulting (Business & Technical)

iii. Seminars, Workshops

iv. Sustainable Cosmetics Summit

(Europe, North & Latin America, Asia-Pacific)

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Research publications

» Asian Market for Natural & Organic Cosmetics
» Middle-Eastern Market for Natural & Organic Cosmetics
» European Market for Natural & Organic Cosmetics
» Global Market for Natural & Organic Cosmetics
» Strategic Insights: Potential of Fair Trade Cosmetics
» Technical Insights: Green Surfactants & Emulsifiers
» Consumer Insights: Natural Personal Care Products in the UK
Product definitions

- **Organic cosmetics**
  - contain certified organic ingredients
  - or meet private standards

- **Natural cosmetics**
  - made from plant extracts / natural ingredients
  - contain low / minimal amounts of synthetic chemicals
Global market

- Market Size, 2014: USD 11.7 billion

- Leading Regions: North America, Europe

- Leading Markets: USA, Germany, France
Asia-Pacific market

Market Size: US $500-600 million
Largest Market: Australia
Major Channels: Department Stores / Beauty Retailers
Trends:
- Western brands dominate
- Asian brands emerging
Market drivers

ASIAN NATURAL COSMETICS MARKET

- Increasing distribution
- Rising consumer awareness of synthetics
- Growing number of concept stores
- New product launches
Channel trends

- Low interest from mainstream retailers
- Mushrooming organic food shops
- Interest from department stores & beauty retailers
- Expanding number of concept stores
Concept stores
Product trends

- Skin care is leading category...
- Popularity of Western brands
- Products marketed on ‘organic ingredients’...
- Although standards gaining traction

Organic Monitor
Market size

Why is market size so small?

- Asia houses 60% of world population, and comprises 22% of global cosmetic sales
- Yet, just 3% of total natural cosmetic sales

Why?
Spending power

GDP per person at purchasing-power parity
2011 prices, $’000

Japan
South Korea
Singapore
Hong Kong
Taiwan

Source: IMF

*Forecast

Organic Monitor
Consumer nightmare over unauthorised organic labelling in China

China Daily | Wed Aug 15 2012

Many markets use unauthorised certificates on their vegetables as they are discouraged by the high cost of certification.

China, August 15, 2012

Some supermarkets and suppliers in Beijing are ignoring a new national standard that aims to rein in the chaotic organic food industry.

According to the new standard, organic products produced after July 1 must bear the mark of authorised certification organisations and a unique 17-digit identification number, by which...
FUTURE OUTLOOK
Future outlook

Future projections
Europe: mixed growth rates
North America: healthy growth continuing
Asia: Relatively high growth

Questions
- How do we overcome barriers to growth?
- When will Asia realise its natural potential?
Q: How important is it to you to avoid synthetic chemicals when buying natural & organic cosmetics?

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_{Organic Monitor_}
Free-from claims

DERMATOLOGICALLY TESTED
PARABEN, SILICONE, PROPYLENE GLYCOL FREE
MINERAL OIL, PHTHALATES FREE

Directions: day and night, apply a few drops on face and neck after cleansing. Follow with your APIVITA cream.

Made in Greece
www.apivita.com

paraben free

DANGER
TOXIC CHEMICALS

NO PETROCHEMICALS
SULFATES, PARABENS
SYNTHETIC FRAGRANCE
SYNTHETIC COLOURS
SILICONES, PEGS
ET AL.

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Sustainability
Sustainability book

Contributions from…

» Organic Monitor
» Whole Foods Market
» Weleda
» Aveda / Estee Lauder Companies
» Burt’s Bees
» Korres Natural Products
» Dr. Bronner’s Magic Soaps
» Givaudan
» Union for Ethical Biotrade
» United Nations (UNCTAD)
» Sustainable Packaging Solutions
» Cosmetics Europe

» SGS
» Reggs
» Beraca
» L’Oreal
» Yes To Inc.
» Green Marketing Inc.
» Brown & Willmanns Environmental
» Michigan State University
» University of Colorado
» GfK North America
Thank You

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