4 Key Trends Driving Big Changes in the Skincare Industry

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Consumer demand for skincare is growing faster than for its fellow beauty category, makeup. Between January and October 2019, sales of skincare products in the U.S. climbed 3% to reach $4.6 billion, according to market research firm the NPD Group. Meanwhile, makeup sales dropped 7%, generating $5.9 billion during the same time period.

“[Skincare] has really been at the forefront of hitting on a lot of initiatives that are important to consumers,” said Larissa Jensen, a beauty industry analyst at NPD Group, who noted that skincare experienced a double-digit increase the year prior.

Recent analysis from data and insights firm Kantar took a deeper look at the reasons behind this growth. Using raw text harvested from various social media platforms from August 2017 through August 2019, Kantar identified four key trends disruptor brands are using to transform the skincare space.

Go natural

Consumer demand is driving the trend of natural ingredients. As interest in health and wellness continues to build, brands will need to swap confusing components for clear, simple ones. Few people want to put products whose names they can’t pronounce on their face.

Kantar spotlighted skincare line Youth to the People as a

disruptor brand that had the potential to go mainstream, in part because of its positioning as a “superfood for the skin” that uses entirely vegan ingredients.

Youth to the People’s co-founders, Joe Cloyes and Greg Gonzalez, told Adweek that health, wellness and beauty are converging as consumers become increasingly concerned about not just what they put into their bodies but also onto their skin. The result, they said, is that skincare is helping to shape a new beauty standard for today’s young people.

“Consumers are taking on a more natural, holistic approach to their skin, learning how targeted skincare ingredients can often reduce the need for heavy foundations, concealers and cover-ups,” they said. “We believe in doing what’s best for your body both inside and out, and that starts with your skin health.”

Get personal and be real

“One of the key themes we came across is that the disruptive brands—the brands that are really starting to cultivate consumer conversation in a way that isn’t found among your establishment set—are those that have an authentic connection with their customers,” said Matt Washuta, a director at Kantar. “There’s so much power in being able to authentically communicate with your customers and cultivate a sense of relationship that can’t be found in more transactional relationships.”

Washuta argued that while it’s harder for larger companies to build that same feeling of intimacy with their customers, this is where disruptor brands have been able to maximize their value and establish a loyal following.

“Being authentic is critical, as consumers today aren’t just buying a product; they’re buying into a brand,” Youth to the People’s Cloyes and Gonzalez said. “People want to connect with brands, and now there is a desire for transparency—where

things come from, who’s making it, and why they’re making it.”

Take a stand on social issues

It’s crucial that consumers know a brand supports a cause bigger than itself, such as advocating for LGBTQ+ rights or opposing animal testing.

“This one is particularly compelling, in that it is difficult to execute in a way that generates positive momentum for your brand,” Washuta pointed out. “It’s hard for a brand to speak to social issues without getting bogged down in a certain way that generates negative influence.”

Washuta’s advice for navigating this trend’s potential pitfalls: Select an issue to align with at the outset, then stick with it throughout the brand’s product evolution. This approach helps establish a strong presence on social media.

Be exclusive

Finally, offer something that no one else in the industry does, whether it’s a unique product or novel service. Be inventive. Stick out. Washuta offered up avocado and watermelon face masks as some recent examples.

“It is important not to follow the trends, but chase the unknown and tap into the undiscovered,” Cloyes and Gonzalez said. “We have always believed that different is better, that being unconventional is an advantage. We strive to be comfortable with the uncomfortable.”

Kantar noted that because the market is heavily saturated with both newcomers and established brands, differentiation will help garner attention and customers.

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