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Shampoo & Conditioner

Oct 2009

Performance

- Shampoo is still the most active Haircare sub-category, representing 35% of total product launched this period, with Conditioner accounting for 16%.
- Europe is the most active region, representing 36% of new products, similar to previous periods. It was followed by Asia Pacific and Latin America.

Moisturising & caring for hair

- Leading claims in Shampoo & Conditioner relate to caring for hair, mostly with the help of botanical/herbal ingredients: moisturising/hydrating, brightening/illuminating, protecting damaged hair.
- Vitamins, minerals and antioxidants were also used to help nourish locks and protect against free radicals.

Natural & gentle formulations

- Some products avoided the use of additives or preservatives, using organic or natural ingredients instead.
- Gentle formulations avoiding chemicals such as parabens, alcohol or fragrances were also seen, targeting consumers with more sensitive skin needs, such as babies.

Targeting specific hair types or demographics

- Some products were designed to tackle problems such as dandruff or scalp irritations, as well as damaged hair or hairloss.
- Others targeted consumers by age or gender, with numerous launches designed for children or babies, a few for men and even fewer for ethnic hair needs.

Ethical claims

- Most ethical claims centred around animal testing, with 12% of new products not tested on animals.
- Green products/packs were also seen lending a more ethical feel to a brand; and a few products supported charities.

Packaging developments

- Refills have growth potential if marketed on an eco-friendly or economical platform but for now remain niche.
- A few on-the-go formats, including dry shampoos, were noted although this is also a niche area.

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Forecast

- With the population ageing, there is more growth potential for anti-ageing products or formulations adapted to gray/white hair and its specific needs (see the Mintel Inspire trend, What Next *A Grey Area)*. Gray/white hair is often more wiry in texture and consumers could be targeted with specialised products that help to soften hair.

Definition

This Category Insight covers two GNPD sub-categories:

Shampoo which includes hair products designed to clean hair and scalp and remove oils, dirt, skin particles, environmental pollution that gradually build up on hair. This sub-category includes: medicated & anti-dandruff formulae; 2-in-1 shampoo & conditioner combinations; shampoos for hair growth; baby shampoos; post-lice shampoos (to soften hair after lice treatment use), dry shampoos, and shampoo & conditioner twin packs. Excluded are 2-in-1 shampoo & shower gel combinations (these are classified as *Soap & Bath Products – Shower Products); lice/nit shampoos (preventative shampoos and anti lice/nit products), these are categorized under* Healthcare - Personal Insect Treatments/Repellents; and products for use by professional salon staff.

Conditioner which includes all haircare products that attempt to improve the texture and appearance and increase the overall ease of manipulating and handling of human hair. Conditioning agents include moisturisers, oils and lubricants for hair. Excludes leave-in and no rinse conditioners, and other intensive conditioning products (these go under Haircare–*Treatments*).

Competitive Context

Overall activity

- Shampoo remains the largest segment in Haircare accounting for over a third (35%) of total launches, similar to previous periods.
- It was followed by Hair Treatments (22%), Hair Styling (17%), Conditioners (16%) and Hair Colourants (11%).
- All sub-categories saw an increase in terms of product numbers, the biggest increase seen in Conditioner (34%) while Shampoo saw a 28% increase.
- However, when looking at data as a percentage of total products, new product activity remained relatively stable across sub-categories this period compared to the last.
- Looking only at Shampoo & Conditioner, Shampoo was the most active segment accounting for 68% of products and Conditioner accounting for the remaining 32%. This split has been relatively stable over the past two years.

Limited competition with other Haircare products

- No other Haircare product can really achieve the basic cleansing function of Shampoo and its penetration is very high, with 92% of men and 98% of women using it in the UK (Mintel report, *Shampoos & Conditioners* - UK - June 2009).
- Moreover, many shampoos are now claimed to do more than simply clean hair such as: preserve colour; and even help maintain a hair style for longer or straighten hair - meaning some competition with Hair Styling and Hair Colourants.
- Conditioner faces more competition given that segments such as Hair Treatments and even some Shampoo (e.g. moisturising or 2-in-1 shampoo variants) are also designed to nourish and provide extra care for hair (beyond cleansing).
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Moreover, Conditioner is not used on every hair-washing occasion and is being hit by their non-essential status. However,

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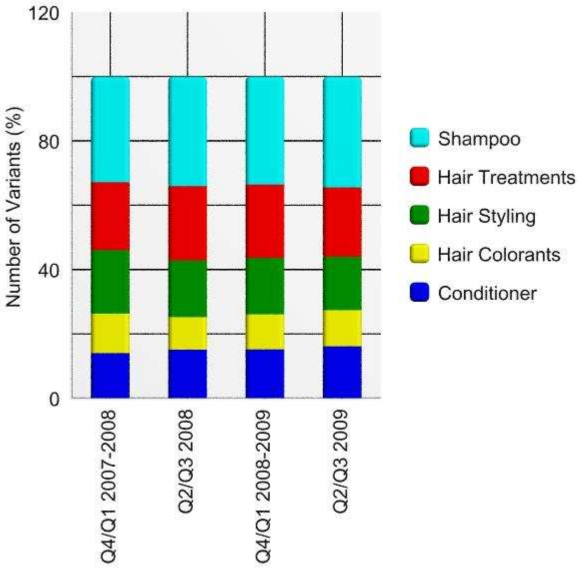
they are benefiting from a rise in use as women look to maintain the condition of their hair to save money by visiting the salon less frequently.

Influence from salons

- Expected decreased footfall in professional salons (due to women spending less at hairdressers in the recession) is likely to impact sales of shampoos and conditioners sold in salons only (Mintel report, *Shampoos & Conditioners - UK - June 2009*).
- Salon-inspired brands sold in main retailers however are likely to be a good middle-ground for women looking for quality products at a slightly lower price.

Sub-category comparison



Europe

- France and the UK were the most active countries here accounting for 16% and 14% of launches in the region respectively. They were followed by Poland and Russia each accounting for 7% of total launches and seeing strong increases in terms of product launches this period: 49% for Poland and 329% for Russia (albeit from a small base).
- Private label was slightly more important in Europe where a fifth of total launches were from retailer labels compared to 14% on average.
- Caring and protecting hair from all kinds of influences was an especially active trend here since 58% of all anti-ageing formulations, over half of all antioxidant lines, 57% of products claimed to protect hair against the elements, and over half of all UV protecting lines were found in the region.
- Product purity/naturalness was also most popular here since half of all all natural formulations, nearly half of additive-free and paraben-free lines, and 57% of all dermatologically tested products were launched here.

- A few interesting lines featured caffeine in their formulation - an ingredient often added to energy drinks and used in this market to activate hair roots and stimulate hair. These additions highlight the continued blurring of ingredients used in both food/drink and non-food markets and lend a sense of familiarity and trust to a brand.

Latest Trends

Beyond cleansing: moisturising, brightening & protecing from UV rays/the elements

Moisturising, brightening & long-lasting

Overall, almost a third of products featured the moisturising/hydrating claim this six month period (as in the previous period) with the claim unsurprisingly most active in the Conditioner segment (40% of all Conditioner products) given that conditioner in inherently designed to soften/care for hair. That said, Shampoos have become more specialised in recent years going beyond basic cleansing.

- In the US, almost a fifth (19%) of women and 9% of men who use shampoo choose products for dry hair (Mintel report, *Shampoos & Conditioners - UK - June 2009*) highlighting the importance of moisturising properties in this market.
- Moreover, 28% of moisturising products this six month period also claimed to repair damaged hair showing a strong link between moisturising/hydrating claims and protecting hair from dryness or damage.
- The botanical/herbal trend dominates this market and is especially active in the moisturising/hydrating segment with 69% of moisturising formulations featuring plant-based ingredients. Other moisturising ingredients seen this period included glycerin, omega-9, royal jelly, collagen, silicon, keratin and urea.

Brightening/illuminating products accounted for over a fifth of launches this period compared to 16% in the previous period, and lending more value and specialisation in this market.

- Ingredients used for this effect included diamond micro-particles, pearl powder, gold pearls and mica minerals claimed to make hair look radiant and thus healthy-looking.

Long-lasting products saw a sharp increase in activity this period accounting for 8% of total launches compared to 5% in the previous period, with actual launches more than doubling.

- Moreover there was a strong link between long-lasting and moisturising/brightening claims with a third of long-lasting formulas being moisturising (e.g. offering long-lasting hydration, be anti-frizz for 48 hours), and 30% being brightening (e.g. offering long-lasting shine).
- Others interesting long-lasting products focused on keeping hair "under control", straightened for 48 hours, or scented for 18 hours - with some of these potentially competing with Hair Styling products.

Protecting hair against UV rays & the elements

Overall, 6% of products protected hair against UV rays with these proportion remaining steady. The trend was slightly more active in Conditioner, where 9% featured the UV protection claim compared to 5% for Shampoo.

- Nearly three in ten products with UV protection used antioxidants, which often help protect against free radicals.
- About a quarter of products that protect against UV rays also protected against other elements, such as pollution, dust,

heat-styling appliances, or coldness and different weather conditions.

Other skin disorders

Packaging Trends

Refills & on-the-go formats

Dry shampoos & on-the-go formats

Several companies introduced dry shampoos for use without water making them convenient solutions when away from home or in a rush.

- Most were powders, with one launch to be applied with a brush, and there were also a few sprays, making application even easier.
- Dry shampoos are generally designed to revive hair and remove excess sebum and dirt to give it a fresher look.

On-the-go formats mostly comprised smaller travel size bottles and accounted for 1% of total launches this period but showing strong growth since Q4/Q1 2007-2008.

Refills

- 1% of products came as refills, mostly in pouches to be poured into a main container.
- Although niche, refills have growth potential if marketed on a green and/or value-for-money platform.

Forecast

Botanicals & herbs

- Botanical and herbal ingredients will continue to be heavily used in Shampoo & Conditioner lending a more natural image to products, even if only a few plant-based ingredients are used in a products make-up (and the rest are chemical-based); and appealing to the many consumers now aware of the nourishing/caring benefits of many plants.
- Companies would do well to expand the choice of botanicals/herbs beyond traditional favourites and find more exotic additions to make products stand out. There is also room for botanicals/herbs to better highlight their provenance to give a sense of authenticity; and to focus more on aromatherapeutic benefits.

Organic & natural

- Organic and "natural" (excluding botanical/herbal) lines in this market are likely to remain limited especially considering new regulations regarding the definition of "natural". In the past for instance in the US and Europe, there has been no legal definition of natural cosmetics, however, from April 2009, in Europe at least, harmonised European standards were expected to come into force and certification bodies will have two years to conform to the new standards. Under the proposals, the ‘natural’ standard denotes that no more than 5% of the total product is synthetic, while the ‘organic’ status means that at least 95% of the physically processed agro ingredients are organic (Mintel report, *Shampoos and Conditioners*, UK, June 2009).