BB, CC, DD: The Alphabet Craze in Beauty Product Innovation

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Agenda

- About Datamonitor Consumer
- What is the Alphabet Craze?
- What is driving the Alphabet Craze?
- Is the Alphabet Craze here to stay?
About Datamonitor Consumer
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Consumer Insight
Real insight on real consumers

Innovation Tracking
Uncover new trends in products and packaging

Market Assessment
Identify new hot spots in the marketplace
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**Consumer Insight**
Real insight on real consumers

**Innovation Tracking**
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**Market Assessment**
Identify new hot spots in the marketplace

Source: Datamonitor Consumer
What is the Alphabet Craze?
Alphabet Creams: An all-in-one solution

- Oil controller
- Anti-ager
- Anti-inflammatory cream
- Moisturizer
- Primer
- Sun protection cream
- Toner
- Foundation

Source: Datamonitor Analysis; Shutterstock
Strong demand exists for multifunctional, all-in-one products

80% find minimizing the number of products important

88% find that products providing multiple benefits influential in improving product opinion

31% find multifunctional/multi-benefit claims untrustworthy

Source: Datamonitor Consumer Survey; Datamonitor Analysis
Defining the Alphabet

**BB**

‘Beauty Balm’ or ‘Blemish Balm’

**CC**

‘Color Corrector’ or ‘Complexion Corrector’

**DD**

‘Daily Defence’ or ‘Dynamic Do All’
Origins and Evolution


Source: Datamonitor Analysis; – Shutterstock
Origins and Evolution

First BB cream developed in Germany

Origins and Evolution

First BB cream developed in Germany

1960s

1970s

1980s

1990s

2000s

2010s

BB creams introduced to South Korea and Japan

Source: Datamonitor Analysis; – Shutterstock
Origins and Evolution

- **First BB cream developed in Germany**
- **1960s**: BB creams introduced to South Korea and Japan
- **1970s**: First BB cream developed in Germany
- **1980s**: BB creams gain popularity across the wider Asian market
- **1990s**: BB creams gain popularity across the wider Asian market
- **2000s**: BB creams gain popularity across the wider Asian market
- **2010s**: BB creams gain popularity across the wider Asian market

Source: Datamonitor Analysis; Shutterstock
Origins and Evolution

First BB cream developed in Germany

BB creams gain popularity across the wider Asian market

First CC creams launched in Asian markets

Source: Datamonitor Analysis; Shutterstock
Origins and Evolution

First BB cream developed in Germany

1960s

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2010s

BB creams gain popularity across the wider Asian market

First BB creams launched in Western markets

BB creams introduced to South Korea and Japan

First CC creams launched in Asian markets

Source: Datamonitor Analysis; – Shutterstock
Origins and Evolution

First BB cream developed in Germany

1960s

First BB creams introduced to South Korea and Japan

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BB creams gain popularity across the wider Asian market

1980s

First CC creams launched in Asian markets

1990s

First BB creams launched in Western markets

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First CC creams launched in Western markets

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Source: Datamonitor Analysis; Shutterstock
Origins and Evolution

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- First BB cream developed in Germany

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- First BB creams launched in Western markets

1990s
- First CC creams launched in Asian markets

2000s
- First CC creams launched in Western markets

DD, EE, FF, GG?

Source: Datamonitor Analysis; Shutterstock
Popularity of Alphabet Creams in today’s market

“Toss the tinted moisturizer. Cut out the cakey foundation. Pass on the primer. Today, beauty shelves are loaded with BB creams.”
Amy Spagnola, *The Fashion Spot*

“The latest beauty buzzword for the Hollywood hotlist”
Ateh Jewel, *The Daily Mail*

“BB creams are the biggest thing in beauty right now”
Wendy Rodewald, *Daily Makeover*

“The skyrocketing popularity of BB creams (and its other ABC relatives)”
Cheryl Wischover, *Fashionista.com*
Global Brand Innovation and Engagement

Benefit
Cosmetics

Bobbi
Brown

L’Occitane

Maybelline

Nivea

Topshop

L’Oreal

Clarins

Dior

The Body
Shop

Vichy
Laboratories

Garnier

Source: Datamonitor’s Product Launch Analytics
What is driving the Alphabet Craze?
Datamonitor's TrendSights Framework Consists Of Eight Mega-Trends

- Health & Wellness
- Sensory & Indulgence
- Sustainability & Ethics
- Comfort & Uncertainty
- Individualism & Expression
- Evolving Landscapes
- Smart & Connected
- Easy & Affordable

Source: Datamonitor Consumer
Datamonitor's TrendSights Framework Consists Of Eight Mega-Trends

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Source: Datamonitor Consumer
Introducing Datamonitor’s TrendSights Map

TRENDSIGHTS
Tomorrow’s Consumer Brand Landscape

MEGA-TRENDS
Comfort & Uncertainty
Sustainability & Ethics
Health & Wellness
Sensory & Indulgence
Easy & Affordable
Smart & Connected
Evolving Landscapes
Individualism & Expression

SOCIAL RESPONSIBILITY

CAUTION

PRODUCT SPECIFICITY

ENVIROMENTAL RESPONSIBILITY

WELLBEING
Ethical Wellbeing
Sterilized Society
Faky Traded
Vitality & Balance
Localism

NOVELTY

EXPERIMENTATION

AUTHENTICITY

PRODUCT SPECIFICITY

MADE-FOR-ME

PREMIUMIZATION

TIME SCARCITY

VALUE

PRIVATE LABEL EVOLUTION

Self-Branding

TIME SCARCITY

DIGITAL CONSUMPTION

INFORMED SHOPPING

HYPER-CONNECTION

SOCIO-ECO

MIGRATING INFLUENCE

SOCIO-DEMOGRAPHIC CHANGE

WIDENING INEQUALITY

GUIDED HEALTH

DIGITAL LIFESTYLES

SITUATIONAL COMPLEXITY

SMART LIVING

SOCIO-DEMOGRAPHIC CHANGE

SINGLE LIFESTYLES

POPULATION ENGINES

AGING POPULATIONS

PERSONALIZED HEALTH

INDIVIDUALITY & SELF-RELIANCE

SYMBOL KEY

Trends
Sub-Trends
Sub-Trend Crossover

Source: Datamonitor Consumer
Introducing Datamonitor’s TrendSights Map
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Tomorrow’s Consumer Brand Landscape

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TRENDSIGHTS

1. Efficient & Effective
2. Bargain Hunting
3. Simplicity
4. On-The-Go

SYMBOL KEY
- Trends
- Sub-Trends
- Sub-Trend Crossover

Source: Datamonitor Consumer
Four key sub trends affecting consumer behaviour which is driving the Alphabet Craze

1. Efficient & Effective
2. Bargain Hunting
3. Simplicity
4. On-The-Go

Source: Datamonitor Analysis
Four key sub trends affecting consumer behaviour which is driving the Alphabet Craze

1. **Efficient & Effective**
2. **Bargain Hunting**
3. **Simplicity**
4. **On-The-Go**

Source: Datamonitor Analysis
Efficient & Effective: Deconstructing the sub-trend

**48%**
relies on time saving goods/services.

**15%**
finds spending time on beauty regime very enjoyable.

**59%**
distrusts/ambivalence towards performance claims by beauty brands.

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**Consumer Insight**

- Consumers are increasingly perceiving themselves as time poor.
- Consumers seek high performance products so they can maximize their free time.
- Convenience and efficacy claims are only as influential as consumer’s trust in the brand.

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Source: Datamonitor Consumer Survey; Datamonitor Analysis – Shutterstock
How does the Alphabet Craze align with this sub-trend?

- Time saving
- Brand Trust
- High performance

Efficient & Effective

Source: Datamonitor Analysis
Four key sub trends affecting consumer behaviour which is driving the Alphabet Craze

1. Efficient & Effective

2. Bargain Hunting

3. Simplicity

4. On-The-Go

Source: Datamonitor Analysis
Bargain Hunting: Deconstructing the sub-trend

26%
Believe the personal care industry is making a strong effort to make products affordable.

82%
find minimizing spending on a health and beauty regime important.

Consumer Insight

• Varying price points will cater for consumer demands for improved affordability

• Consumers are now looking for products which can give them the most “bang for their buck”.

Source: Datamonitor Consumer Survey; Datamonitor Analysis – Shutterstock
Value for money outweighs finding the lowest price

Personal care shoppers who believe the following factors have a high amount of influence on their product choice for the following categories (%) global, 2013

- **Skincare**
  - Value for money: 60%
  - Lowest price: 31%

- **Make-up/Cosmetics**
  - Value for money: 52%
  - Lowest price: 26%

- **Haircare**
  - Value for money: 53%
  - Lowest price: 26%

- **Personal hygiene**
  - Value for money: 53%
  - Lowest price: 26%

Source: Datamonitor Consumer Survey; Datamonitor Analysis – Shutterstock
How does the Alphabet Craze align with this sub-trend?

Affordable price points available
Better value vs. lowest price
Minimizes product purchase

Bargain Hunting

Source: Datamonitor Analysis
Four key sub trends affecting consumer behaviour which is driving the Alphabet Craze

1. Efficient & Effective
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Source: Datamonitor Analysis
Simplicity: Deconstructing the sub-trend

69% agree there is too much choice when shopping for beauty products.

24% think the personal care industry is making a strong effort to simplify product choice.

52% agree they focus on one/two things on beauty product labels.

Consumer Insight

- Consumers are suffering from choice paralysis
- Consumers are seeking products which do not “clutter” their personal care regime
- Brands need to facilitate consumer choices with informative, “easy to digest”, packaging

Source: Datamonitor ConsumerSurvey; Datamonitor Analysis – Shutterstock
How does the Alphabet Craze align with this sub-trend?

- Streamlined ranges
- Reduces choice paralysis
- All benefits in one bottle

Simplicity

Source: Datamonitor Analysis
Four key sub trends affecting consumer behaviour which is driving the Alphabet Craze

1. Efficient & Effective

2. Bargain Hunting

3. Simplicity

4. On-The-Go

Source: Datamonitor Analysis
On-The-Go: Deconstructing the sub-trend

49%
agree they feel embarrassed when around people and not looking their best.

67%
find easy to apply/use influential in improving product opinion.

Consumer Insight

- There is increased pressure for consumers to look good at all times, especially outside the home.
- Consumers are looking for easy-to-use solutions that facilitate on-the-go usage.

Source: Datamonitor Consumer Survey; Datamonitor Analysis – Shutterstock
How does the Alphabet Craze align with this sub-trend?

On-The-Go

Portable

Easy to use

Source: Datamonitor Analysis
Is the Alphabet Craze here to stay?
Multifunctional & multi-benefit across the FMCG space

Food and drink

- **Orbit White Gum by Wrigley**: Whitens teeth, removes stains, freshens breath, low in calories
- **Vemma Renew by Vemma**: Vitamin & mineral support, anti-aging, collagen production formula
- **Maggi Obed DeLuxe by Nestle**: Packaging doubles as both a mixing bowl and serving dish

Source: Datamonitor’s Product Launch Analytics; Datamonitor Analysis [1] Vemma Website 2014
Multifunctional & multi-benefit across the FMCG space

Personal, pet, and household care

Reach Dental Floss by Johnson & Johnson

NuBone by NuBone

Bio-X 3 in 1 Spray by Assagai

Lessive 5 in 1 by Leader Price

Fray resistant, prevents gum disease, removes hard to reach plaque

Chew toy, nutrition supplement

Insecticide, disinfectant, deodorizer

Washing, softening, perfuming, anti-color transfer, anti-limescale

Source: Datamonitor's Product Launch Analytics; Datamonitor Analysis
The Alphabet Craze is currently evolving through…

Establishing new benefits within skincare

- EE ‘Energy Enhancer’ Cream by Version Derma¹
- Elemental Emulsion by Omorovicza²

- Potential for development to reach ZZ with innovation into new benefits and endless combinations
- The opportunity to create ‘something for everyone’

The Alphabet Craze is currently evolving through…

- BB is entering new territories in personal care
- Demands for all-in-one solutions across consumer’s entire regime
- New innovation platform for every personal care brand

Development into new personal care categories

Pantene Pro-V BB Crème by P&G

Jergens BB Body by Kao USA

Source: Datamonitor’s Product Launch Analytics; Datamonitor Analysis
The Alphabet Craze is currently evolving through…

Development of male targeted products

- Dr. G Perfect + Sun BB by Gowoonsesang Cosmetics
- BB Cream by BRTC Homme
- Male consumers represent a new demographic for alphabet products
- Low enjoyment of maintaining a health and beauty regime makes these products high potential

Source: Datamonitor’s Product Launch Analytics; Datamonitor Analysis; [1] MaleSkin.co.uk 2014
The Alphabet Craze

Passing fad?  Or  Longstanding trend?
Longstanding Trend

- Multifunctional
- Multi-benefit
- All-in-one

- Value-for-money
- Convenience
- Continual innovation
Thank you!

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