



NIELSEN QUICK SCREEN: CLAIMS TESTING IN BEAUTY

CONSUMERS DON'T ALWAYS TAKE SKIN CARE CLAIMS AT FACE VALUE

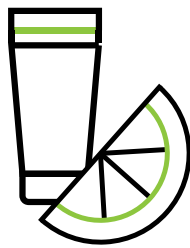
More than nearly any other fast-moving consumer goods (FMCG) sector, the beauty industry is guided by trends. And today, a consumer shift toward natural products is redefining the beauty industry. In 2017, products in the U.S. personal care market featuring natural claims generated \$1.3 billion in annual sales, representing 9% growth from the previous year. Some trends, like avocado and charcoal, started small and grew into something more mainstream. But if you're looking to spot the next big trendy ingredient claim, you'll need a scientific approach to land on something with true staying power.

We know that transparency and clean label are budding trends across the consumer product landscape, but we wanted to get some granular insight into which attributes and claims are driving the most consumer engagement in the beauty aisle. So we took our curiosity to the skin care aisle, focusing on face wash, a sizable category where trends start. In a recent study, we used our recently enhanced Nielsen Quick Screen tool to test 35 natural face wash claims among 300 category users who have bought face wash in the past six months. Quick Screen can now handle all early stage screening needs including ideas, claims, benefits and more. In our study, we asked consumers a series of questions to assess which product claims they thought were the most credible and desirable to aid manufacturers to understand which attributes have the most potential for future development.

EXAMPLES OF THE CLAIMS TESTED



**NEW ALL-NATURAL
FACE WASH! MADE
WITH CLAY TO
EXFOLIATE SKIN.**

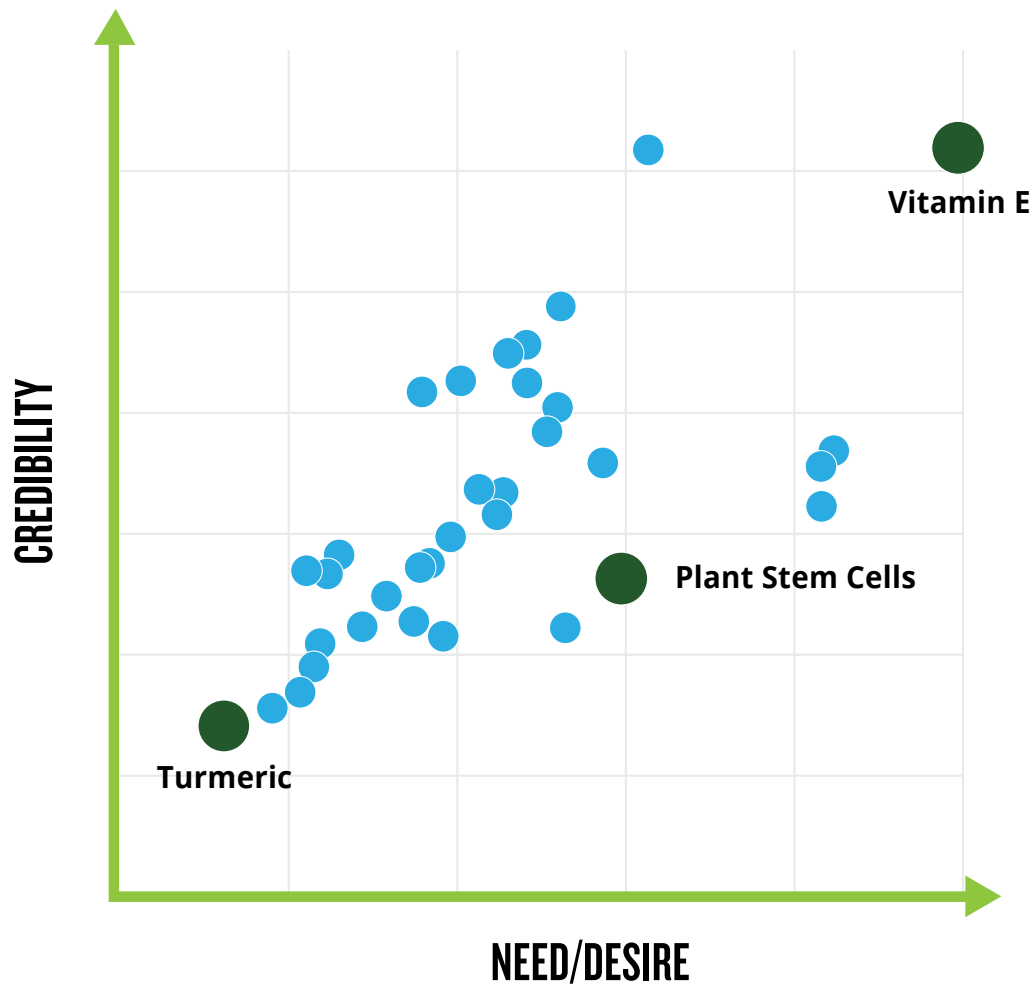


**NEW ALL-NATURAL
FACE WASH! FREE
FROM OIL TO PREVENT
CLOGGED PORES.**

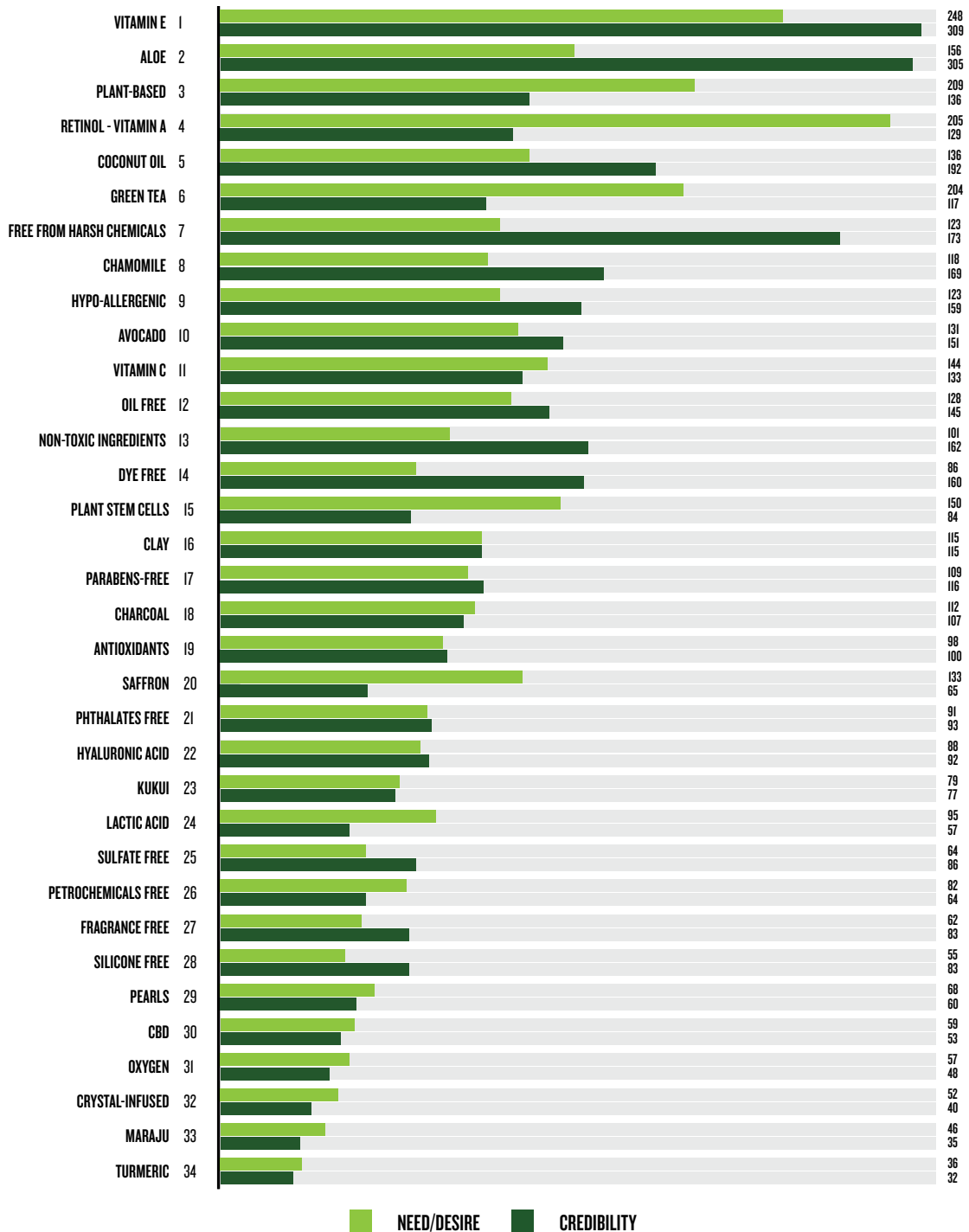


**NEW ALL-NATURAL
FACE WASH! MADE
WITH CBD OIL TO CALM
INFLAMED SKIN.**

CLAIMS SORTING MATRIX



WHICH CLAIMS HAVE THE MOST POTENTIAL?

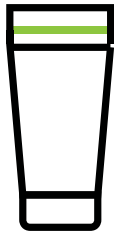


Note: Need/Desire and Credibility weighted evenly.

Across the beauty aisle, the study found that consumers view classic ingredients like vitamin E, aloe and coconut oil as the most believable in supporting their respective claims. Comparatively, consumers found

face wash claims with non-traditional ingredients such as crystals, CBD (Cannabidiol) oil and turmeric to be less credible, commenting that the ingredients were strange and unfamiliar; they also questioned their efficacy. Aside from the fact that some of these less-traditional ingredients were unknown among category users, many said they really didn't need them in their skin care routines in the way they need the other ingredients tested. These ingredients might sound intriguing, but they aren't yet broadly relevant or credible. That, however, doesn't mean they won't be ready for primetime shelf space in the future.

STRENGTHS AND WATCH-OUTS PROVIDE GUIDANCE FOR REFINEMENT



**NEW ALL NATURAL
FACE WASH!
MADE WITH MARAJU OIL
TO REDUCE REDNESS.**

“MARAJU?”

“I HAVE NO IDEA WHAT THAT IS”

“I DO NOT KNOW WHAT MARAJU OIL IS”

“DON'T DISLIKE. DON'T KNOW WHAT THIS IS”

“MAYBE A SIMPLER EXPLANATION OF WHAT THIS IS”

“I DON'T SEE HOW AN OILY ADDITIVE CAN REDUCE REDNESS”

**“I'D LIKE CLARIFICATION ON WHAT THE 'ALL-NATURAL'
INGREDIENTS ARE”**

While consumers in the study found many claims with experimental ingredients like plant stem cells, crystals and kukui oil as the most distinct, manufacturers and retailers need to be able to determine the difference between distinct and desirable, as well as believable. Notably, consumers won't always make a purchase simply because something is distinct. In this particular study, the data highlighted a sweet spot between unique and believable, and that sweet spot is what drives consumers to take something off the shelf and add it to their shopping baskets. In our study, we found that products mentioning plant stem cells, saffron, silicone-free and kukui oil were viewed as most unique and believable.

But as consumers shop for products that meet their specific needs, it's not always the specific ingredients that catches their eyes. In fact, just as we've seen in foods, many consumers are interested in what's not in the products they buy, and we're seeing a growing appetite for products with “free from” claims as shoppers become more conscious about the products they put on their bodies. In our study, however, “free from” claims didn't stand out as much to consumers as some of the specific ingredient mentions, but overarching “free from harsh chemicals” and “non-toxic ingredients” themes were very believable to achieve various skin care benefits. Among “free from” claims, consumers viewed oil and dye free as desirable and credible, while more mainstream claims such as free from silicone, fragrance and sulfates were viewed as less desirable and credible.

Our study also assessed the credibility of an array of product claims. And as we expected, consumers desired the face washes with anti-aging claims most often. Statements like “reveal younger looking skin,” “reverse skin damage,” and “boost collagen” resonated well. That said, however, consumers also wanted to see product ingredients that substantiate those claims. Basic skin care claims about hydration and sensitivity are also attractive to skin care buyers, especially if the product includes the right natural ingredients, such as chamomile and aloe.

Products that stand out can command a premium in the personal care section, especially if they're paired with a unique claim (e.g., can slow the aging process). In our recent study, skin care buyers said they were likely to pay more for a variety of different products when they believed the claims and saw value in the specific ingredients—both traditional and unique. For example, consumers expressed willingness to spend extra for products with unique ingredients like plant stem cells and kukui oil, as well as for tried-and-true claims mentioning aloe and retinol. The responses validate the premise that manufacturers and retailers don't need to complicate concepts with obscure ingredients or bold claims. Simple statements about gentle cleansing experiences and soothing dry skin worked just as well to justify higher price points simply because consumers find value in getting clean, soft skin with all-natural ingredients.



ATTRIBUTE TESTING REVEALED FURTHER DIAGNOSTICS

PLANT STEM CELLS



KUKUI OIL



ALOE



RETINOL - VITAMIN A



Overall, brands should think about the goals of their innovations when innovating in trendy spaces like natural skin care. You want to be desirable and distinct, but also credible enough to end up on your consumer's skincare shelf. Pearl-infused face wash may sound exciting, but consumers need to feel confident it will get the job done. You'll have to educate them on the ingredient and why it works. Flexibility in your early stage claims screening will help you make informed, predictive decisions about where to develop and prioritize innovation.

WHAT IS NIELSEN QUICK SCREEN?

Nielsen Quick Screen is a solution that provides overnight early-stage screening for brands with budgets of all sizes. Quick Screen uses consumer opinion to evaluate ideas, claims and other concepts elements on two key dimensions of your choice so you can determine which ones have the most potential for further development—like the next big beauty claim. Consumers also provide qualitative feedback on ideas to uncover areas of interest or issues and provide guidance for refinements.

Learn more about faster claims testing to drive innovation:

<http://innovation.nielsen.com/quick-screen>

ABOUT NIELSEN

Nielsen Holdings plc (NYSE: NLSN) is a global measurement and data analytics company that provides the most complete and trusted view available of consumers and markets worldwide. Our approach marries proprietary Nielsen data with other data sources to help clients around the world understand what's happening now, what's happening next, and how to best act on this knowledge. For more than 90 years Nielsen has provided data and analytics based on scientific rigor and innovation, continually developing new ways to answer the most important questions facing the media, advertising, retail and fast-moving consumer goods industries. An S&P 500 company, Nielsen has operations in over 100 countries, covering more than 90% of the world's population. For more information, visit www.nielsen.com.



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