

Making Cosmetics
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The subtitle to Making Cosmetics 2014 held at the Ricoh Centre, Coventry, was Concept to Consumer and with seventy exhibitors and more than seventy presentations plus five 90 minute workshops on the subject it was well chosen.

The presentations were grouped under different aspects of launching new cosmetic products onto the retail market; whether to inform budding entrepreneurs of the hurdles to overcome into turning a dream into reality or to companies that already had taken those first steps and were now looking to increase their market share, there was something for them all.

Before developing a new product idea it is sensible to look at the current UK cosmetic market and that was the title of an hour long presentation by Chris McLeod, **Cosmetic Business**. Drawing on figures obtained from Mintel and Euromonitor, McLeod compared sales volumes and values of a broad range of products from 2011 to 2014, a period in which the UK beauty and personal care market grew 2.7% year on year to reach nearly £10.3bn at present. British department stores have been the standout success story of beauty retail with many reaping the benefits of recent investment in their beauty halls. However on-line shopping now accounts for 14% of the market and McLeod gave examples of both categories with comments from the buyers of leading beauty outlets.

Between 2008 and 2012 facial skin care grew by 20%, with prestige facial skin care products increasing by 9% in 2012, however this stalled in 2013 and McLeod said by comparing sales volumes and values it is apparent that people are prepared to spend more if the product is exciting, new and innovative and purchasers are more interested in product efficacy than price. New product launches and their ingredients were discussed and the final slide gave newly released figures for 2013 that show all areas of cosmetics apart from sun care have seen a retail value increase. The full report can be found on <http://www.cosmeticsbusiness.com>.

Having established the target market it is time to get creative. Sue Hurst, **Midas Consultants**, tackled this subject under the title of Creativity is not just for the Marketing Department. Hurst helps businesses with strategic and creative thinking and planning and in managing and improving the new product development (NPD) process. After explaining the innovation circle and Anshoff Matrix she described the gulf that often arises between marketing and technical personnel before moving onto creative thinking. The creative thinker was summarised as a person who looks at the same thing as everyone else but sees something different; who desires success but embraces failure; is persistent but not stubborn and who will listen to experts but know when to disregard them.

Shona Bear, **Marks and Spencer**, and Cordelia Johnson, **Tesco Stores**, gave insights into what major retailers look for in new cosmetic products and Simon Duffy, **Bulldog**, shared his journey from initial concept to present day success; covering brand creating, retail development and marketing. Helen Miller, **Helen Miller Consulting**, discussed how to build a profitable relationship with retail partners and Maleka Dattu, **Merumaya**, said how important it was to distinguish a brand's point of difference via brand positioning and unique selling points (USP's). Dattu's presentation looked at some of the different ways this can be done and how those messages could be communicated.

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The presentations by both Simon Duffy and Maleka Dattu were inspirational and many would-be entrepreneurs in their respective audiences must have been encouraged to further their dream. However both presenters had impressive backgrounds in marketing before establishing their own successful brands. Those with less understanding of brand development would find many other presenters willing to help and, as Dattu said in her summary, research thoroughly and get expert help where needed.

Juliette Goggin and Melanie Bond, **Bond Design**, were good examples of that expert help. They stressed the importance of product design and development in creating a successful brand and understanding and using trend information to pitch the brand at the right time and place. Part of this process is to work out the target market in order to correctly brief design and packaging to create a unique image and profile. Sourcing the right components can be difficult but Duncan Briffett, **Webpac Digital Media Group**, described how his company has a database of thousands of different existing stock packaging components that can be searched in seconds. Briffett said that sending a request for a quote via the Internet to packaging suppliers is a highly effective way of finding relevant vendors and iPads are rapidly replacing catalogues, effectively eliminating the need for printed marketing materials.

Getting the fundamentals of target market, product formulation, packaging design and total costs right was a reoccurring theme throughout the two days of the conference. This was neatly summarised by Steve Gibbons, **Dew Gibbons**, who said “A well thought through branding and packaging strategy in the very competitive cosmetics category is the key to its success. A highly effective formulation is not enough. It is vitally important to think beforehand who the target audience is, what single-minded message is going to be heard by them, where does the design and packaging fit amongst competitors and how will the audience be captivated?”

Turning an idea into a reality was the title of the presentation by Roger Barr, **RB Consulting**, and it was a good overview of the difficulties faced when creating a new brand Cuross Bakhtiar, **Harley Street Cosmetic**, showed his audience how to avoid the pitfalls of NPD. First however, he defined NPD as a process that is designed to develop, test and consider the validity of products that are new to the market in order to ensure the growth or survival of the organisation. Unfortunately the majority of ideas leading to NPD never reach a launch date. Successful ones provide a unique or superior product to satisfy consumer needs, they avoid markets with satisfied customers and are not highly priced without technical advantage. Bakhtiar then gave a check list to facilitate the generation and screening of ideas and for evaluating new products. He described the development of a marketing concept and the decisions that must be reached before submitting a technical brief. He also covered the requirements needed for formulation and packaging design and how a successful product must be market driven and customer focused.

The area that most start-up entrepreneurs in cosmetics must find the most daunting and perhaps where expert help is most needed is that of regulatory affairs. An hour long presentation by Emma Meredith and Amanda Isom, **CTPA**, discussed problems caused by failure to adhere to the EU Cosmetic Regulation (12223/2009) and gave an update on notification issues. Details about all cosmetic products on sale within the

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EU must be notified via the Cosmetic Notifications Portal (CPNP); records must be kept about serious undesirable side effects and these reported via the CPNP and claims of effect must meet the common claims criteria established by EU Regulation No, 655/2013.

For those who missed the regulatory session on the first day Lauren Sudlow, also from the **CTPA**, gave a talk that highlighted the basics of current cosmetic legislation and outlined some of the key points that must be taken into consideration before starting to make or import cosmetic products. Fortunately help is available and a talk entitled all you need to know about product information files or PIFs by Tony Dweck, **Dweck Data**, showed just how much is needed and how Dweck Data can assist clients through such a minefield. Dweck has kindly put the presentation on line at <http://www.dweckdata.co.uk/>, which is arguably the most informative web site for cosmetic information currently available without charge.

If claims are made for cosmetic effect then those claims must be substantiated and Joyce Ryan, **Joyce Ryan Consultancy**, showed her audience how claims for hair products are tested at her consultancy. First the nature of the claim needs to be clarified; if it is a simple descriptive one then reference to the product ingredients coupled with in-vitro data and ingredient suppliers' literature may be sufficient. For stronger claims regarding performance user trials and in-vivo testing with expert trained panels are required and for measuring efficacy these trials need to be expanded and to include instrumental analysis.

Ryan discussed common pitfalls when making claims, which include inadequate study design; no placebo control; inadequate ingredient data or using ingredients below their proven level of efficacy or using data on ingredients to imply finished product benefits. In summary Ryan stated that a cosmetic claim is any public information on the content, the nature, the effect, the properties or the efficacy of the product. Claims must not be misleading and the benefits delivered should be consistent with reasonable consumer expectations. Finally it is important to note that these regulations apply to any claim, any medium, marketing tool, product function or target audience.

Nor do regulations stop with PIFs, safety assessments and claim substantiation: REACH regulations are aimed at avoiding potential environmental effects and for protecting workers' exposure from the manufacturing and use of cosmetics. This topic was covered by Richard Roy, **REACHReady**, who said that if supplying cosmetic ingredients or formulations at any stage before they are in the finished state, there may also be labelling requirements under the CLP Regulation. Manufacturers, importers, downstream users and retailers of cosmetic products all have some responsibility under these regulations, which were discussed together with potential impacts of REACH and CLP on the cosmetic industry.

There are regulations about fragrance allergens as presented by Anne Connet, **CPL Aromas** and product manufacture must conform to established GMP (Good Manufacturing Practice) and this topic was discussed by Andy Martin, **ABM Consulting** and, in a separate presentation, by Mark Crawley of **Laleham Healthcare**

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Every product starts with an idea, which is translated into a product through the NPD process. The ingredients must comply with REACH and to have undergone a COSSH assessment and the final formula checked for compliance with all current regulations. It now needs to be scaled up from laboratory bench to manufacture and a talk by Russell Cox, **Stephenson Group**, illustrated the basic requirements of successful scale-up, which included checking materials for availability in suitable minimum order quantities (MOQ), material lead times and alternative suppliers should the first choice prove unsuitable.

Formulation within the laboratory should be undertaken with knowledge about the available factory equipment in order to avoid unnecessary capital expenditure. Cox said that this includes taking into account tank capacities and mixing volumes; availability of different types of mixer and heating and cooling rates. An alternative to in-house manufacture is outsourcing but the need for comprehensive ingredient and product specifications remains and process parameters must be fully described.

Quality assurance ensures that the final product is meeting expectations and this aspect was covered by Louise Cruickshanks, **DCC Health & Beauty Solution**, who explained what all the various accreditations mean in order to assist outsourcing a suitable contract manufacture.

Scaling up is a critical process and other speakers on this topic included Stacey Irving, **Stacey Irving Consultants**, who described in some detail the issues likely to occur during the scale-up process and discussed what factors and variables need to be taken into account. Judi Beerling, **Organic Monitor**, gave a 90 minute workshop on the subject with particular reference to organic and natural products and Bob Hefford, **Independent Cosmetic Advice Ltd**, followed on with another 90 minute workshop under the same title of 'from kitchen to market'. Hefford set the scene with a short presentation before dividing the attendees into groups to discuss business plans, costs, where to manufacture the product and what raw materials to use and is the label compliant?

There were several interesting presentations about cosmetic manufacture. Soyeb Manga, **University of Leeds**, discussed membrane emulsification, which is a drop-by-drop technique for the fabrication of micro- and nano-particulates that have defined particle sizes and narrow size distributions. The ability to produce fluid droplets, microcapsules and solid particulates with this technology allows the potential to improve product quality or fine tune product properties, said Manga.

Gul Ozcan of the **BHR Group** introduced the process of incorporating powders into liquids during cosmetic manufacture. She described different mechanisms and performance evaluations based on the findings of independent research carried out at BHR Group in collaboration with the industry. Jeff Price, **JPA**, discussed new approaches to the manufacture of cosmetic emulsions and how relatively minor changes in processing or equipment can produce significant, consumer perceivable product changes.

Despite attention to regulations and safety assessments, stability and microbial challenge testing, products can still become contaminated by microbial organisms.

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This subject was covered by Jenni Tranter, **Synergy Health**. Also despite the safety assessment and clinical trials, a consumer may still develop an irritant or allergic reaction. Peter Dykes, **Cutest Ltd.**, described the common types of skin reaction as irritant, allergic or urticarial with examples.

Dykes said that irritant contact dermatitis is most frequently caused by bar and liquid soap products and by alcohol-based hygiene gels. Allergic contact dermatitis involves the immune system as well as skin cells and is usually apparent after repeated contact; causative examples are nickel and hair dyes. Irritation manifests itself as itching, dryness, stinging or burning sensations. Urticaria is an immediate type of skin reaction that usually disappears within a few hours; potassium sorbate and benzoic acid are known to be responsible in some cases. Dykes discussed ways of avoiding possible reactions by predictive patch testing and talked about what to do in the event of a customer complaint.

Various niche markets were discussed over the two days including anti-ageing and natural products, Halal cosmetics and products for women of colour and Muslim consumers. Chris McLeod, **Cosmetic Business**, gave a presentation about this latter group by firstly defining the ethnic market as one relating to a population sub group within a dominant cultural group with a common cultural tradition. In the UK a survey in 2009 showed that ethnic beauty products represented 2% of the total market for women's hair care, skin care and cosmetics. That sector was worth £7m and a 6% growth year on year was expected. Growth in Africa and Asia is phenomenal and global brands are established in many areas but local brands are also doing well. In summary McLeod suggested that developers need to be aware of the needs of different skin types dependent on their ethnic heritage; the marketing of the product being colour and necessity specific and to supply according to local demographics.

There were many more presentations that the author was unable to attend but it is hoped that this overview gives a flavour of a very interesting event.

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