

Skin Care in the Philippines

TRENDS

- The high regard of Filipino consumers for skin care is reflected in the wide availability of various brands, and support for these from huge retail channels such as supermarkets and department stores to smaller ones such as convenience stores and sari-sari stores. Companies tap into different consumer bases through offering extensive pack sizes, from huge long usage packs to smaller sachets for mass consumers. This is not only seen amongst one or two brands, but in most major brands in the category. This continued to be a trend in 2016, as consumers increased in sophistication due to upgrades in lifestyle across age, gender and income group. The desire to improve one's physical looks through better skin remains one of the priorities of Filipino consumers, contributing to strong 8% current value growth in skin care in 2016.

COMPETITIVE LANDSCAPE

- Accounting for more than a quarter of value sales in skin care, Unilever Philippines led with a 27% value share in 2016. The multinational company has the benefit of a vast and extensive brand portfolio which ranges across skin care, targeting the demands of Filipino consumers. The company is responsible for some of the biggest brands in the category, namely Pond's with an 11% value share, Eskinol at 9% and Master at 3%, as well as Vaseline, Block & White and Dove. To further improve its presence in the country, the company opened the seventh Pond's Institute in the world, located at the booming shopping district of Bonifacio Global City. Serving as the brand's flagship store in the country, Pond's Institute aims to provide consumers with an exceptional and extensive personal consultation from experts, so that the products they purchase are what their skin really needs.

PROSPECTS

- Skin care is expected to remain robust in the forecast period, with a value CAGR of 5% at constant 2016 prices, to reach PHP50.8 billion in 2021. This healthy growth forecast can be attributed to the opportunities for growth in skin care in terms of strong penetration across age, gender and income group. Increasing sophistication, not only amongst high-income consumers, provides massive opportunities for skin care to develop further in the next five years.