



THG Ingenuity
Beauty Trends Report



2023 brings a **new post-pandemic chapter** for beauty brands to navigate.

The evolution of the beauty industry in the post-Covid period has been well documented. As many stores were temporarily forced to shut their doors, beauty brands reacted to changes in shopping habits by seeking innovative ways to recreate offline beauty buying experiences online. At the same time consumer values also shifted as the wellbeing of individuals, communities and the planet alike became front-of-mind for many. For brands this meant new and accelerated consumer expectations to be met, many of which have shaped the landscape of the beauty industry in 2023.

2023 brings a new post-pandemic chapter for beauty brands to navigate. With consumer values, product transparency, innovation

and new product and brand discovery driving the key trends for the year ahead, brands have a unique opportunity to co-create their futures in tandem with their now savvier, highly informed, highly expectant audiences.

In this report we'll explore the industry landscape for beauty brands seeking growth and success in 2023. We'll take a deep dive into not only how this landscape has given rise to new trends, but also the opportunities there are for beauty brands to seize.



Beauty is an art a science

Driven on one hand by economic uncertainty which has brought with it an increased focus on value for money and more considered purchasing, and on the other by consumer desires for transparency from brands, beauty consumers are looking for more information on products, and the brands they are produced by, than ever before. This ranges across product information, the ethical nature (or not) in which ingredients are sourced, the values and policies of a brand, and the holistic health benefits of products to the consumers' overall wellbeing. In fact, Mintel recently revealed that almost a third of UK skincare consumers research the ingredients used in skincare products to find out how effective they are.

Transparent ingredients and holistic benefits

According to The Future Laboratory, "savvy beauty buyers [are] begin[ning] to approach products with the same discerning eye they bring to their nutritional, exercise, and supplement choices – marking a seismic shift towards an ingredients and functionality focus."

"We are speeding into the age of the expert. For beauty and wellness this equates to research, testing, proof points and facts that will foster understanding, trust, and positive sentiment among audiences."

Martin Raymond, co-founder of The Future Laboratory

As beauty consumers become more selective than ever, they're interested in purchasing from brands who share their ingredient list openly and transparently. Brands such as Paula's Choice and The Ordinary have gone so far in

meeting this desire as to bring their ingredients to the forefront of their branding and packaging strategies in a bid for ultimate transparency. In 2022, Deciem (owners of The Ordinary) were able to utilise their transparency on ingredients used to provide clarity to consumers on increased price tags on products, communicating a commitment to "pricing products with integrity" in the midst of rising costs of raw ingredients amongst other factors.

With a desire for clarity on ingredients also comes a focus on how such ingredients benefit the user. Consumers are increasingly focused on the holistic wellness benefits of beauty products. It's no longer simply about how a product makes you look, but about how it impacts your overall wellbeing – think jade rollers and SPF-infused foundations. In skincare for example, prebiotics and probiotics are set to become more popular throughout 2023, with new research showing a link between prebiotics and probiotics in skin care supporting a healthy skin barrier.

The evolution of beauty from an art to a science driven by interest in ingredients and their benefits has triggered an emerging era of the 'professional' influencer. In order to validate the scientific claims these brands are making; many are engaging the services of and representation by dermatologists and medical skincare professionals. Speaking at a recent Ingenuity-hosted event, Codex beauty founder, Dr Barbara Paldus, shared the brand's approach in positioning its dermatologists as influencers and advocates for the brand; by working closer with individuals and communities across the industry to evolve a diagnostic-driven skincare brand, consumers can increasingly trust Codex beauty to address their demands professionally and effectively.





1.0 US fl.oz. / 30ml e
**CERAMIDE
NIGHT TREATMENT**
Helps hydrate dry skin

5.0 US fl.oz. / 150ml e

OAT CLEANSING BALM
Helps remove makeup and cleanse sensitive skin

1.0 US fl.oz. / 30ml e
**HYALURONIC
ACID**
Helps hydrate skin



The rise of biotech

The prioritization of ethical product development and production has risen – beauty consumers who have come to expect sustainable and recyclable or re-useable packaging as the norm are now looking to ensure the same level of care is taken over the ingredients sourced for their favourite products. With the natural world providing many of the most popular ingredients in beauty products, manufacturers and consumers have become ever more conscious of the currently limited sustainable and scalable options required to extracting such ingredients at scale.

Cue biotechnology

This exciting new development in ingredient production and innovation sees scientists read the genetic makeup of flora and fauna that hold beneficial properties for skincare and replicate it in a lab. Jasmina Aganovic, CEO of Arcaea recently explained an example of how this can work in action.

“A great example is around sunscreens. Right now, sunscreens can be either physical or chemical blockers. But in nature there are certain types of marine life that can naturally shield UV light. When fish lay their eggs, for example, they have protective molecules to filter out UV

light so that the eggs stay intact. While the conventional ingredient-making method would involve extracting from the fish or fish eggs to develop the UV-protecting formula, this would be unethical, and it wouldn't be scalable. Using biotechnology, however, we can read nature's DNA, put the genetic code into our brewer's yeast and replicate UV-filtering properties from the natural world.”

‘Bio-technology could actually offer the cosmetics industry a frictionless transition to more sustainable ingredients,’ explains David Koo Hjalmarsson, CEO and founder Tiny Associates.

With scientists now able to replicate the genetic makeup of natural ingredients, not only does the need to derive ingredients from the natural world end, but the method in which ingredients and products are tested can also shift to a more ethical and sustainable system in the lab. With brands turning to such methods of ingredients sourcing, they go a step further not only in meeting consumer expectations but also helping shift the tides in an industry often spotlighted for unsustainable practices.

Perfectly 'imperfect'

Another shift the industry is experiencing is a move towards embracing natural states. Triggered in part by less time spent out of the house during the pandemic as well as a rising rejection of heavily digitally edited images, this trend is challenging conventional notions of beauty through a series of trends increasing in popularity.

Slugging

One such trend celebrating over 15.5m views on TikTok is known as 'slugging', a technique popular with traditional cultures throughout history and now moving further into the modern-day mainstream as a means to enhance the natural appearance of hair and complexion.

Slugging involves covering the ends of your hair in an oil or conditioning mask, designed to deliver deep hydration to hair exposed to chemicals and heat via treatment and styling. One of the key drivers of the trend has been caused by increasing concerns from people experiencing hair loss since the pandemic, evidenced by an increase of 140% since 2021 for Google searches for 'what to do for hair loss after Covid'.

An extension of the sought-after dewy complexion that has inspired many makeup products in recent years, facial slugging has appeared as a 2023 iteration that seeks to meet consumer desire for naturally glowing skin. It involves adding an additional layer of moisturiser or Vaseline post night-time skin care routine to provide an additional skin barrier to keep your skin hydrated. With such routines and rituals being actively shared by beauty fans across social media, brands including Loops even developing products specifically for slugging.





From oil-slicked hair widely celebrated on TikTok to an openness about **pimples and blemishes**, consumers are pivoting to embrace their **natural aesthetics**, shunning experiences of hiding traditionally *'imperfect'* notions of beauty.

The demand for transparency has not only been placed on brands and their ingredients – it's also a notion that has extended to consumers' own personal acceptance and documentation of the reality of their experiences. From oil-slicked hair widely celebrated on TikTok to an openness about pimples and blemishes, consumers are pivoting to embrace their natural aesthetics, shunning experiences of hiding traditionally *'imperfect'* notions of beauty.

Between 2020 and 2022 the number of Google searches for *'pimple patches'* grew three times world-wide. With TikTok positioning itself as the go-to community platform for beauty consumers. These widely embraced perfectly imperfect beauty experiences and the

loud and proud sharing of spot stickers by A-list celebrities, including Hayley and Justin Bieber, seems to have shifted the narrative to the mainstream – one that says that nothing needs to be hidden anymore.

The undeniable link between stress and breakouts finally seems to have clicked with beauty consumers embracing the mind-skin connection. "Without a doubt, there is a connection," says Board-Certified Dermatologist and Dermatologic Surgeon Dr. Dustin Portela. "When we suffer from anxiety or stress our cortisol levels will be elevated which lead to many downstream metabolic effects.... This can mean an increase in blood sugar, causing insulin levels to go up, or poor sleep leading to dehydrated, stressed-out skin."

The Time of TikTok

It would be impossible to write a trends report for the beauty industry without mentioning TikTok, which has become increasingly synonymous with the notion of 'beauty trends'. The meteoric rise of the platform since its rebrand from Musical.ly in 2018 has been difficult to miss, with 1.8 billion monthly active users. For the beauty sector, TikTok has established itself as an essential channel for brands looking to launch, grow, challenge, and build cult followings with viral reach.

Discovery

One of the key ways TikTok has become a melting pot for opportunity within the sector, is its usage as a discovery channel - acting as a search engine for both brands and consumers. With ingredient trends such as #SeaMoss surpassing 235.9m views on the platform, brands can detect consumer preferences and so gain unique insights into opportunities for new product development or extensions of existing product ranges.

TikTok is now used by 52 percent of users to discover new beauty products.

It's no secret that social media is becoming the go-to discovery channel for Gen Z, favoured over traditional search engines. According to the Fashion Network, TikTok is the social media platform with the strongest impact growth for beauty brands, having recorded an increase of 176% year-on-year.

TikTok also offers discovery opportunities for consumers looking for the latest beauty hack. Hashtags have long been used across social platforms to boost reach and TikTok is no exception with #skincare having over 136bn views and #makeupdupes surpasses 600m views for those seeking lower-priced version of their favourite premium products. And of course, TikTok is home to many influencers whose trusted opinions on the latest and best



products in markets have resulted in the famously coined #tiktokmademebuyit which has racked up over three billion views.

Connection

Perhaps TikTok's biggest win as a platform is how it has managed to produce connections between creators and audiences that is further democratizing how content is created, rewarding those who are creating it in a way competitor platforms have failed to do in the past. The quick-fire nature of the videos produced and shared on TikTok have increased the authenticity of beauty content shared, celebrating trends that real people experience with the real people they've discovered and trust via the app.

Whilst beauty brands have collaborated with influencers across channels with great success for some time, the shift with TikTok is that creators use the platform in a highly authentic, less polished way than their other social presences. This makes their interactions and relationships with their audiences highly authentic, increasing their connection with their audiences in a more genuine and spontaneous way - once again the transparency thread underpins the shifts shaping the industry.

Beauty brands should see TikTok partnerships as an opportunity to align with a greater level of authenticity as they seek to connect with, engage and build trust within their target audiences. Trusting and embracing TikTok creators as the experts to produce and share content that will most resonate with their audiences will be the way successful beauty brands in 2023 find a place in their target consumers' hearts and maintain their products' place on the shelves.



fresh
ROSE
DEEP HYDRATION
OIL-INFUSED
SERUM
A BALANCE
OF HYDRATION &
NOURISHMENT
SÉRUM HYDRATATION
INTENSE À LA ROSE
INFUSÉ EN HUILES
100ml - 3.3fl.oz

fresh
ROSE
INSTANT
HYDRATION MIST
REFRESHES & REFINES
LOOK OF PORES
WITH DAMASK ROSE
EXTRACT
BRUME HYDRATATION
IMMÉDIATE À LA ROSE
100ml - 3.3fl.oz

fresh
ROSE
DEEP HYDRATION
FACE CREAM
STRENGTHENING DAMASK ROSE
& A DUO OF HYALURONIC ACIDS
50ml - 1.6 fl.oz

fresh
ROSE
DEEP HYDRATION
FACIAL TONER
WITH ROSE FRUIT EXTRACT
REMOVES IMPURITIES
& SOFTENS
LOTION VISAGE
HYDRATATION
INTENSE À LA ROSE
100ml - 3.3fl.oz

The opportunity for beauty brands

Across these trends it's clear that the consumer is playing as active a role as ever in shaping the beauty landscape for 2023 and beyond. When it comes to consumers discovering and purchasing products, these are the key considerations brands should take into account for the year ahead.

Sustainable & transparent ingredient sourcing

From brands being honest about their 'clean' beauty claims, to sustainable and scalable ingredients processing, beauty consumers will be even more discerning in 2023 about the processes involved in what they buy.

Products developed and backed by science

With beauty consumers more informed than ever, brands who prioritize science-backed formulas and work with medical experts and dermatologists to differentiate their products will see their popularity rise.



Perfect imperfections

Shunning decades-old pressures to only show fully made-up, 'beat' complexions, that are pimple and wrinkle free, consumers are now embracing the realities of their hair and skincare – pores and all!

TikTok

Acting as a search engine for beauty trends, TikTok is the place where the most popular ingredients, and latest innovations are made viral by the loyal and vocal communities.



THG / INGENUITY

THG Ingenuity has fuelled the growth of **LOOKFANTASTIC**, making it the largest beauty e-retailer globally and now owns several other successful e-retail prepositions and beauty brands including **Glossybox, Mankind, ESPA, Illamasqa** and many more. We also provide additional services and solutions including product registration assistance and product manufacturing capabilities. With over 18 years' experience, we have the knowledge and expertise to build and grow successful online beauty brands.

Contact us for more information on how we can support your business: contact@thgingenuity.com

