

Skin-vestment:

Explore the Lucrative Skincare
Market & Beauty World



The Rise of Skincare

The beauty industry, which comprises skincare, makeup, fragrances, and more, is projected to witness an annual growth rate of 8%, resulting in an estimated **revenue of over \$611.2 billion by 2025.**^I As the beauty industry blooms, the skincare market blossoms with a **CAGR of 4.6% from 2022 to 2030.**^{II} With the consumers' increased disposable income, changing preferences, and wellness-consciousness today, the monarchy of beauty and skincare have undergone a spike in growth.

In the world of beauty and skincare, change is the only constant. Likewise, the beauty industry appears to be recovering post-pandemic and shows no signs of slowing down, but to suggest that consumers' behavior is returning to its pre-pandemic state is far from the truth. Amid this new era of beauty where skincare meets science and innovation, this comprehensive analysis enables our potential partners like you to **navigate the fast-growing skincare market, make informed decisions and reap the benefits of this booming industry.**

Fueled by our extensive know-how in the industry-wide shifts, we will unpack the many opportunities that await in this thriving market, followed by an overview of the skincare market and its emerging trends that are set to shape the beauty landscape in the coming years. Also, as we explore the reasons behind consumers' behavior, we will have a deeper look into the industry key players' newest power play in the skincare realm.

I. <https://www.globenewswire.com/news-release/2018/11/14/1651157/0/en/Global-Beauty-and-Personal-Care-Products-Market-to-2025-Market-is-Expected-to-Surpass-716-Billion.html>
II. <https://www.grandviewresearch.com/industry-analysis/skin-care-products-market>

What to Look FORWARD to in this report

- i. Navigating the Changing Tides of the Vast Skincare Market -- page 4
- ii. More than Just Skin Deep: A Closer Look into Skincare Market & Trends -- page 6
- iii. Sky Resources Group of Companies, at Your Service -- page 29

Navigating the Changing Tides of the Vast Skincare Market

In the face of its tremendous growth comes a host of challenges that beauty brands, companies and businesses should address in order to stay relevant in the dynamic beauty world. We see every obstacle as a positive ripple effect that brings new opportunities for growth and innovation.

STANDING OUT IN THE CROWDED SKINCARE WORLD

Set to be worth \$161.3 billion in 2024^{III}, the global skincare market is more crowded than ever before. With so many beauty brands and skincare products available, it will take an out-of-the-box approach to establish a brand's name in the skincare world. With the momentum looking positive, it is the ideal time for beauty brands to seize the opportunity to **establish a strong brand identity, develop innovative formulations, and carve out a successful niche that resonates with their audience.**

III. <https://www.oberlo.com/statistics/skin-care-market>

MEETING THE DEMANDS OF TODAY'S SKINCARE CONSUMERS

“From our newest employees to our most seasoned executives, learning and development are critical to our ability to **create trends, anticipate changes and swiftly adapt to the shifting needs and desires of our global consumers.**”, said CEO of Estée Lauder – Fabrizio Freda.^{IV} The once-popular “one-size-fits-all” approach to skincare is long obsolete. The exciting proposition for brands is to stay a step ahead of consumers, who today have a set of selective and demanding preferences.

IV. <https://www.elcompanies.com/en/investors/year-in-review-2020/message-from-fabrizio-freda>

PRIORITIZING INGREDIENT SAFETY AND TRANSPARENCY IN SKINCARE

“Go beyond the regulations whenever possible”, L'Oréal Group.^V The beauty industry is subject to stringent regulatory requirements, especially in the aspects of **ingredient safety and product claims.** With the daunting labyrinth of regulations alongside the increasing demand for **transparency**, the pressure is on for skincare brands to not only make an impact but set certain standards while positioning themselves as industry leaders. Prioritizing these requirements will allow beauty businesses to gain a competitive edge in producing global-recognized and approved products that help in **winning consumers' trust.**

V. <https://inside-our-products.loreal.com/our-approach/compliance-cosmetics-regulations>



“There’s a lot of competition out there, but there’s also a lot to gain.”

MAINTAINING A COMPETITIVE EDGE IN GLOBAL SKINCARE

With the influx of foreign brands in the skincare market, local brands face a fierce competition to establish their name in the industry. However, instead of being discouraged, this presents a chance for local brands to showcase their uniqueness and stand out from the crowd. Developing effective marketing strategies and partnering with a private label or OEM skincare manufacturer can help businesses create innovative products with **exclusive ingredients and formulations**, giving them an edge in the global skincare scene.

REVOLUTIONIZING SKINCARE MANUFACTURING THROUGH ADVANCED TECHNOLOGY

As skincare products continue to evolve, technology has become increasingly vital to the industry. It can be difficult for brands to keep up with the latest innovations, especially as the cost of investing in machinery and research can be significant. Private label or OEM skincare manufacturers provide a **cost-effective solution, allowing businesses to leverage cutting-edge technology and manufacturing capabilities**. This ensures that brands can continue to develop and innovate without worrying about the high costs associated with R&D and manufacturing.



More than Just Skin Deep: A Closer Look into Skincare Market & Trends

According to the latest statistics, the global beauty industry is set to be worth \$663 billion^{VIII} in the year 2027. With Original Equipment Manufacturer (**OEM**) and Original Design Manufacturer (**ODM**) forming key components, the projected market growth is estimated at a **CAGR of 5.01% from 2023 to 2030.**^{IX}

This report gives potential investors a better insight into the opportunities in this market with relevant data for a balanced evaluation.

VIII. <https://www.oberlo.com/statistics/how-much-is-the-beauty-industry-worth>

IX. <https://www.verifiedmarketresearch.com/product/cosmetics-oem-odm-market/>

OVERVIEW OF THE REPORT:

1. Discover the ins and outs of the beauty industry and skincare market, both globally and domestically. -- page 8
2. Dive deeper into the fascinating world of OEM and ODM within the beauty industry. -- page 11
3. The latest skincare trends that are set to take the industry by storm, including waterless products and scent-sational skincare. -- page 13
4. Trendsetters: Korean skincare - from glass skin to jelly skin obsessions. -- page 21
5. Understand how the pandemic has impacted e-commerce and what that means for the beauty industry and skincare market's future. -- page 24
6. The relationship between skincare preferences and age groups to better understand consumer behavior as a whole. -- page 24
7. Gen Z's unique shopping habits and preferences, including their desire for a seamless online and offline experience. -- page 25
8. The power of influencers or Key Opinion Leaders (KOL) on social media and their influence on the beauty industry. -- page 27
9. Take a peek behind leading players' strategies and approaches in the skincare industry, including their focus on innovation and sustainability. -- page 28

As a business owner, you understand the importance of keeping up with industry trends and consumer demands. Considering this informative segment as your one-stop guide deep into the world of skincare, as we dive headfirst later on into the global market insights of beauty and skincare as a whole. Keep reading for more insights into the global skincare market and how you can take your business to new heights.

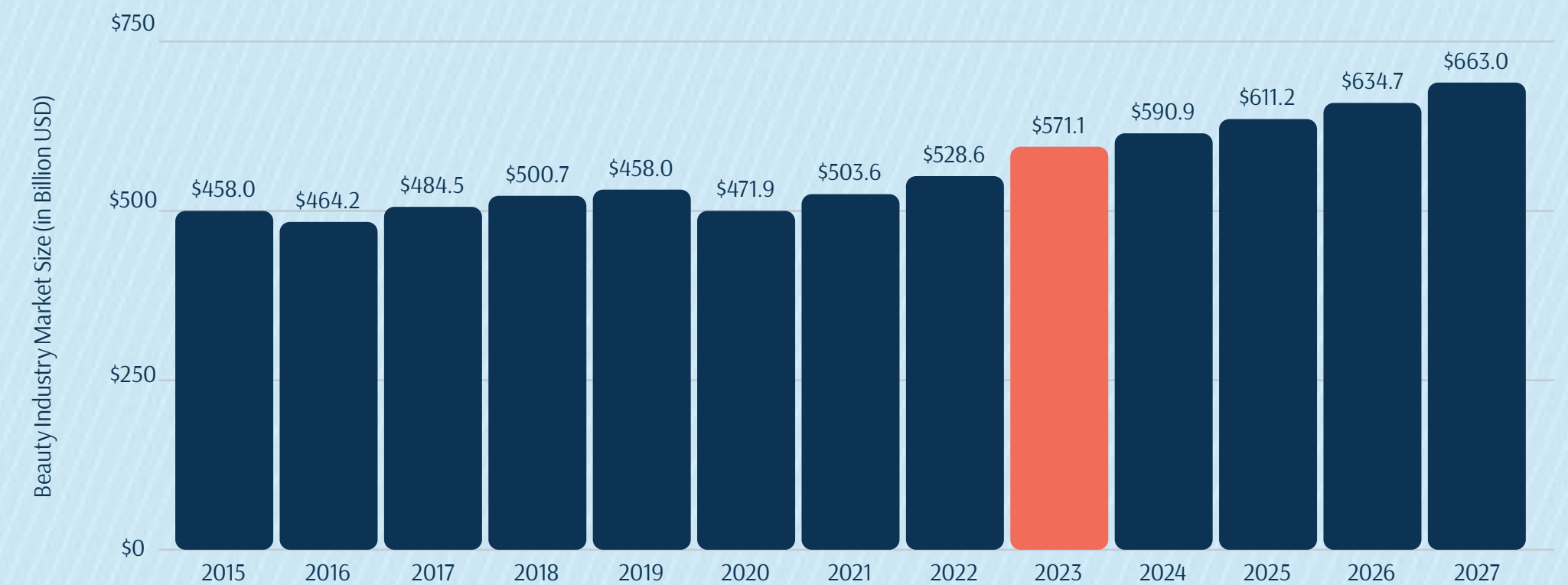


Glowing Insights: Uncover the Global & Malaysian Beauty Industry



The beauty industry market size is set to reach \$571.1 billion worldwide in 2023^{XI} and will continue growing until the year 2027. Marking an 8% increase year-over-year in the beauty realm, as a whole, we can expect a steadfast annual growth rate in no less than 13 years. Looking ahead, the overall revenue is predicted to increase to \$611.2 billion in 2025, before rising to 3.8% in 2026 and 4.5% in 2027,^{XII} with a projected worth of \$663 billion.

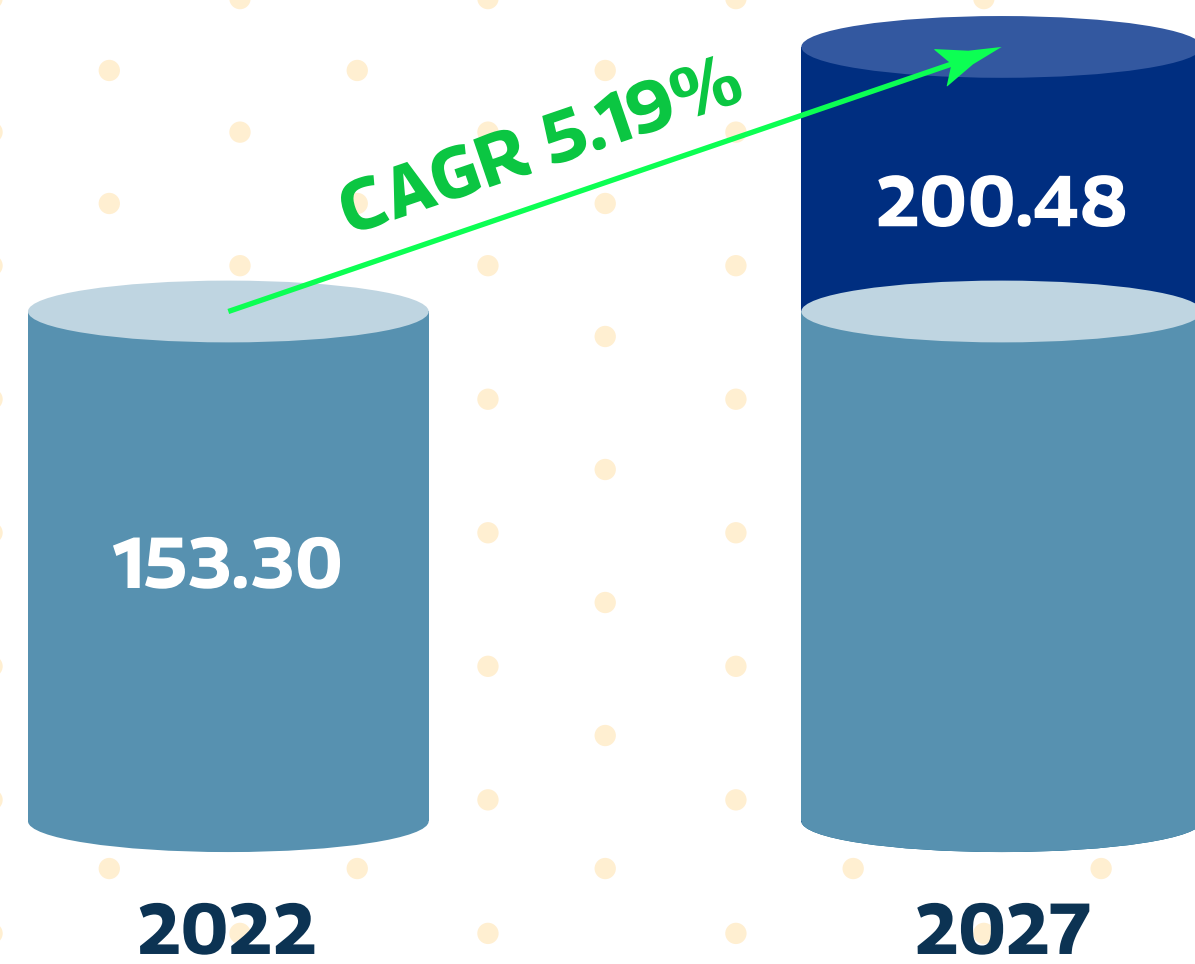
GLOBAL BEAUTY INDUSTRY MARKET SIZE (2015 - 2027)



Source: Statista

XI. <https://www.statista.com/outlook/cmo/beauty-personal-care/worldwide#revenue>

XII. <https://my.oberlo.com/statistics/how-much-is-the-beauty-industry-worth>



Skincare Market Revenue Totals
(Market Size in USD Billion)

We can all expect growth in the skincare market alongside the steady expansion of the beauty industry. With a revenue total of \$153.30 billion in 2022,^{XIII} the skincare market comes with a CAGR of 5.19% through the forecast period from 2022 to 2027.

As one of the dominant segments of the beauty industry, **skincare takes hold of 42% of the market share**,^{XIV} and one of its contributing factors is the upsurge of **natural skincare and clean beauty**. In fact, the global clean beauty market is responsible for the \$7.22 billion in the above-mentioned revenue total of 2022, and will reach a value of \$14.36 billion by 2028.^{XV}

In addition, consumers are increasingly seeking out skincare products that are not only safe for themselves but also for the environment. Undeniably, the pandemic had a significant impact on the consumers' mindset, leading them to be more health conscious. For this reason, beauty enthusiasts and your everyday customers are **turning to natural, clean alternatives** when it comes to skincare and self-love.

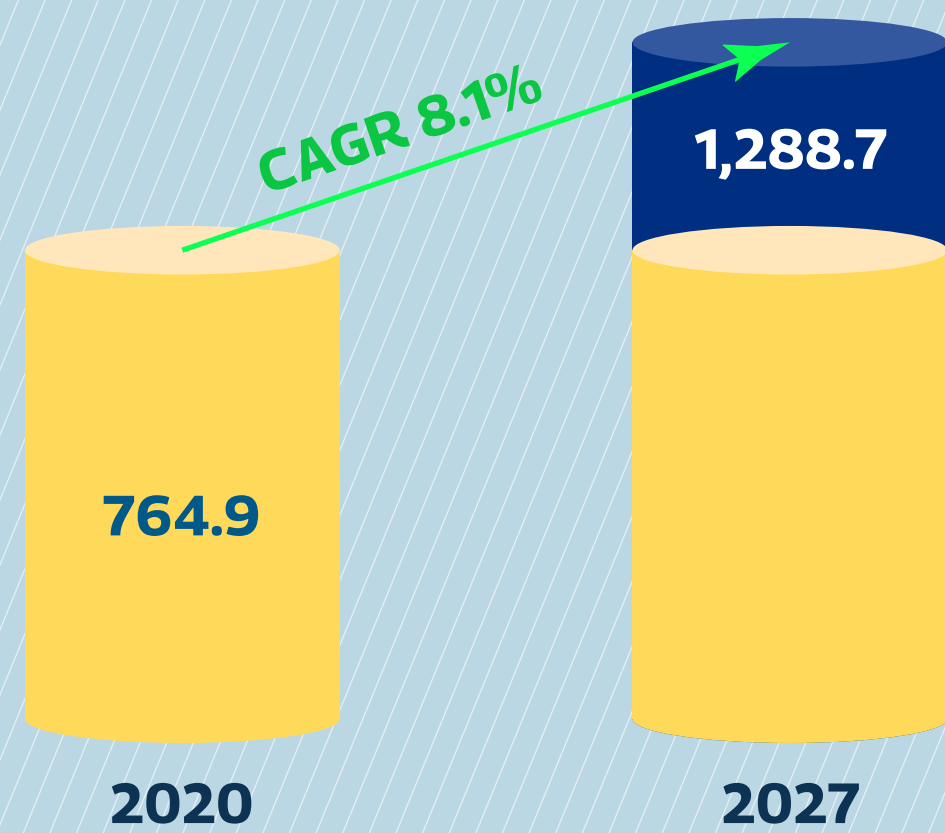
As the beauty industry continues to evolve, consumers are becoming more conscious of the ingredients in their skincare products. The demand for clean beauty and natural skincare continues to rise, and brands must shift their focus towards **ingredients of natural origin**. By prioritizing natural ingredients, beauty brands will have a competitive advantage in the market, as well as tap into a new customer base.

XIII. <https://www.askattest.com/blog/articles/beauty-cosmetics-market-size>

XIV. <https://www.statista.com/topics/3137/cosmetics-industry/#dossierKeyfigures>

XV. <https://www.businesswire.com/news/home/20230214005504/en/The-Worldwide-Clean-Beauty-Industry-is-Expected-to-Reach-14.36-Billion-by-2028--ResearchAndMarkets.com>

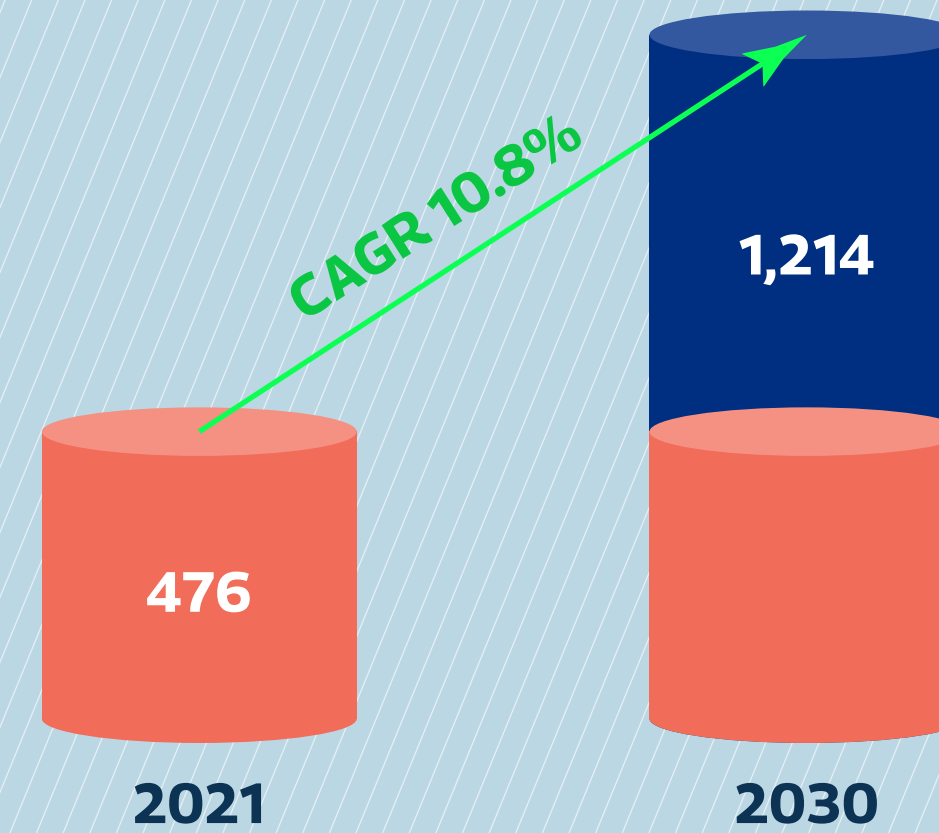
XVI. <https://sky-resources.com/oem-odm/#formulation>



Malaysian Skincare Products Market
(USD Million)

Coupling with the global phenomenon of beauty upsurge, the Malaysian skincare domain is probable to garner a total market value of \$1,288.7 million by 2027.^{XVII} With the majority of the Malaysian population being Muslim, the **demand for Halal-certified skincare soars**, and multinational brands have been quick to take notice of this drift. In response, they are stepping up their R&D efforts in hopes of launching Halal-certified skincare products to tap into the Malaysian market.

The projected growth of the Malaysian skincare market and the increasing demand for Halal-certified products present an opportunity for brands to expand their offerings and tap into a lucrative market.



South East Asian HALAL Skincare Market
(USD Million)

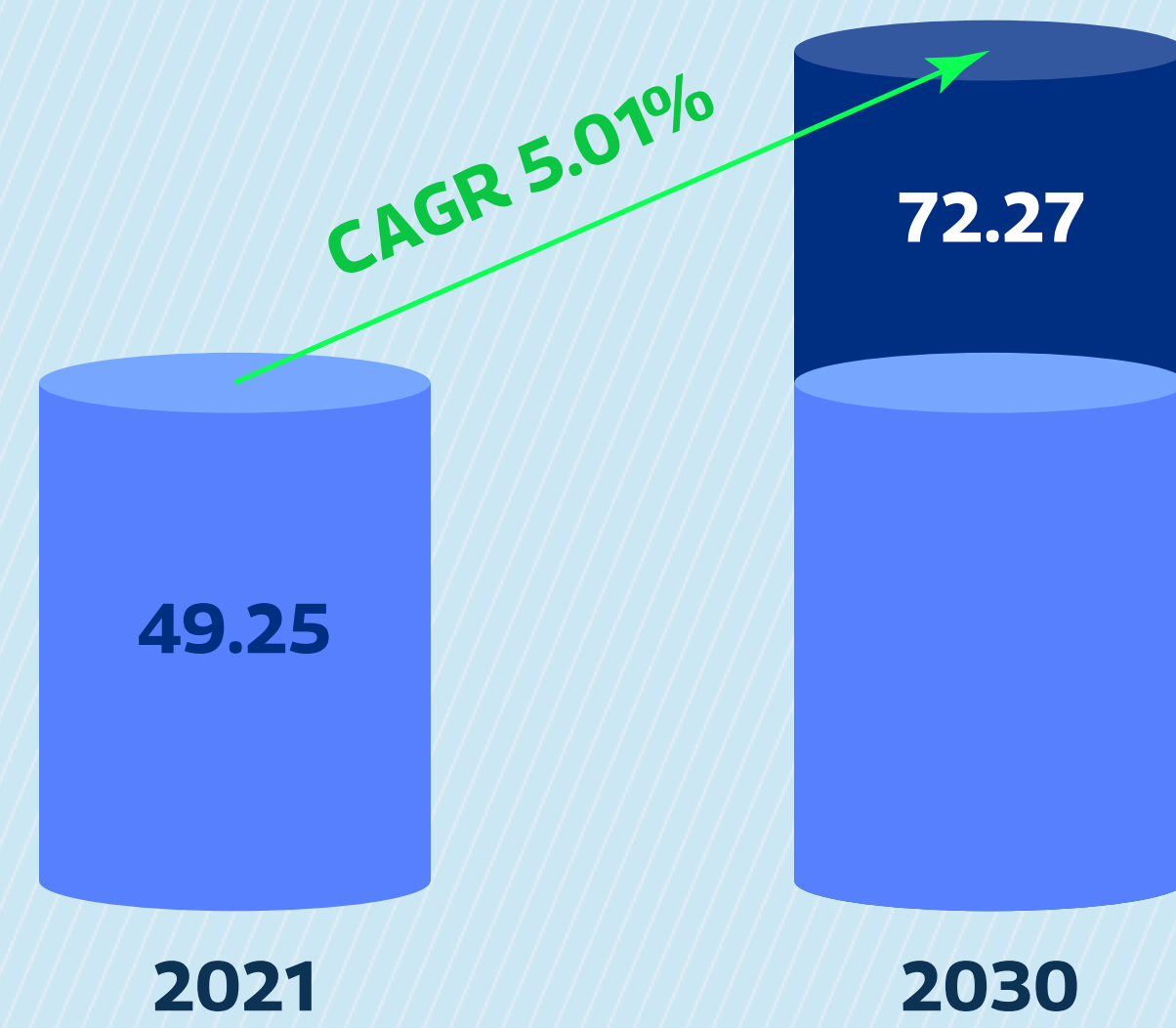
With an aim in mind to meet the needs of their diverse consumer base, beauty brands explore ingredients that adhere to Halal standards while still offering effective skincare solutions. Anticipated to reach \$1,214 million by 2030,^{XVIII} the **SEA Halal skincare market is growing at a CAGR of 10.8%**.

Safe to say, Halal-certified skincare is no longer a niche trend but a critical component to building trust and credibility with consumers. It is an assurance of quality embraced by individuals from all walks of life, as each and every Halal product is subject to rigorous assessment, which, at the same time, guarantees their highest standards of safety and efficacy.

XVII. <https://www.researchandmarkets.com/reports/5141700/malaysia-skin-care-products-market-by-type>

XVIII. <https://www.researchandmarkets.com/reports/5641142/south-east-asia-halal-skincare-market-by-product>

A Closer Look into the Global Market of Beauty OEM/ODM & Private Labeling



Global Cosmetics OEM/ODM Market (Market Size in USD Billion)

The global cosmetics OEM/ODM market is projected to experience a healthy CAGR of 5.01% from 2021 to 2030, with a total value of \$49.25B in 2021. The OEM/ODM sector is considered one of the significant contributors to the skincare market's success. Beauty brands are increasingly **turning to OEM/ODM manufacturers for their expertise in creating high-quality, diverse skincare and beauty products.** What makes the OEM/ODM market attractive is its global reach, allowing brands to access exclusive ingredients, quality materials, timely solutions, and extensive know-how.

Private-label cosmetics and skincare should be the preferred choice for brands, as it is a treasure trove for establishing a unique identity and standing out in the market. With the growing demand for high-quality skincare products, partnering with OEM/ODM manufacturers could be a profitable move for beauty brands. The industry's experts offer a wide range of services, from formula creation to packaging design, making it easier for brands to bring their vision to life.

XIX. <https://www.verifiedmarketresearch.com/product/cosmetics-oem-odm-market/>

The Soon-to-take-off Skincare Trends & Consumers' Desires

In these coming years, we foresee the skincare industry becoming **waterless** to a greater extent. On top of that, the rollout of skincare **product hybrids** is a success among the growing crowd of skincare-minimalists. Thanks to society's amplifying **environmental consciousness** and biotech advancement, the following trends are coupled with the yearning for more **transparency** when it comes to skincare ingredients and packaging.

Along with these comes the perception of skincare as **aromatherapy** to end the day in a relaxed mood, while more and more urbanites caught up in the daily rush go for edible beauty. Not to mention, with a mission to cater for Gen Zs, we are seeing the "XR technology"^{XX} takes hold, with **Augmented Reality (AR)**, **Virtual Reality (VR)**, **Mixed Reality (MR)**, and everything in between pushing the "phygital" experience they love to the next level.

As we uncover the emerging trends and shifts that are bound to shape the face of skincare, we will delve deeper into what they mean for beauty brands and how one can take advantage of these **need-to-know skincare trends** amid the current industry landscape. So, without further ado, let's peel behind the curtains of the now and the next in the beauty world.

Waterless Skincare: The Next Big Things in Clean Beauty

Since most skin-loving routines are done at the convenience of your home, the BYO (bring your own) water beauty, or waterless skincare, is a convenient yet eco-friendly alternative to typical water-based products. As one of the latest buzzes in beauty for good reasons, waterless skincare is in line with the mounting sustainability issues of the industry.

Apart from tapping into a growing market of mindful consumers who value sustainability easily, beauty brands that embrace this trend can differentiate themselves from competitors as removing water from skincare products helps to enhance the potency of active ingredients. This is due to the fact that about 70% of one standard skincare product is water. In general, water only serves as a filler, and the concerns-targeting ingredients only account for less than one-third of the skincare content. Furthermore, **waterless skincare has a longer shelf life due to the lack of water where bacteria can grow.**

“We tend to see water all around us, and we think it’s never going to run out, but that’s not the reality. There is not enough pure water on the earth to go around, let alone to go into your beauty aisle.”, said the founder of Green & Bare, Janelle Changuion, who believes that **waterless products are the future of sustainability in the beauty industry.** Garnier jumped on the waterless beauty bandwagon and introduced shampoo bars with 25% lower environmental impact than plastic-bottled liquid shampoos.



Skincare Product Hybrids for a More Simplified Skincare Routine



The skincare market is shifting towards “**skiminalism**”¹, and we are gradually moving away from the 10+ step skincare routines to “skipcare”, alongside the emergence of product hybrids. Skincare hybrids are a game-changer for consumers who appreciate potent ingredient combos that effectively **address multiple concerns simultaneously** while enjoying the best of both worlds – saving time and money from multiple products.

In point of fact, **overusing skincare products is one of the underlying factors of patients experiencing irritated skin** due to overdoing it in their skincare rituals. Dr. Ranella Hirsch², a Cambridge-based board-certified dermatologist, indicated that patients’ derma-visits are often connected to their overuse of skincare products too. This soon-to-take-off trend opens up new possibilities for beauty brands, experimenting with different combinations of ingredients that cater to a wider range of consumer needs.

The renowned Korean skincare brand, Dr. Jart+, is setting the standard for multifunctional beauty with their “Cicapair Cream”³, blurring the line between skincare and makeup with its subtle green tint that helps cancel out skin redness and at the same time soothes skin irritation. The other skincare hybrid that is catching attention is Fenty Skin’s toner-serum hybrid⁴, bringing pore-tightening and skin-brightening effects into one product.



Source: Dr. Jart+



Source: Fenty Skin

1. <https://inthemirra.com/blogs/news/hybrid-skincare>

2. <https://www.skincaredoctors.com/dr-hirsch/>

3. https://www.drjart.com/product/29717/92633/color-corrector/cicapair-tiger-grass-color-correcting-treatment-spf30?size=1.7_fl_oz%2F50_ml

4. <https://fentybeauty.com/products/fat-water-niacinamide-pore-refining-toner-serum-with-barbados-cherry>

Ingredient-led Skincare with Transparency Is Taking Over



“**Safe and stable first and foremost, trust is essential.**” said Dr Nadine Pernodet⁵, the vice president of skin biology and BioActives at Estee Lauder. As an advocate for transparency in beauty and wellness, we believe that information gatekeeping in skincare will only bring unwanted confusion and mix-up among target skincare users. In this case, **regulatory certificates⁶ and accreditations** serve as verified, straightforward proof for conveying standards to customers effectively, which then further enhances the trust between brands and consumers.

Case in point, the world has witnessed a growing demand for clean or green skincare alongside the increase in consumers who are getting more ingredient literate day by day. With the post-pandemic expanding the yearning for safer products, the organic skincare market is projected to grow 8.72% annually⁷, all the way to 2027.

In return, beauty brands that are expanding their portfolio on **skincare products made with natural ingredients** are finding ways to reassure target users with their sourced ingredients, implementing traceability programs and other approaches to support the “clean and green” claims they made in their product lines.

5. <https://www.esteelauder.com.my/estee-stories-article-nadine-pernodet-the-science-of-skin-care>

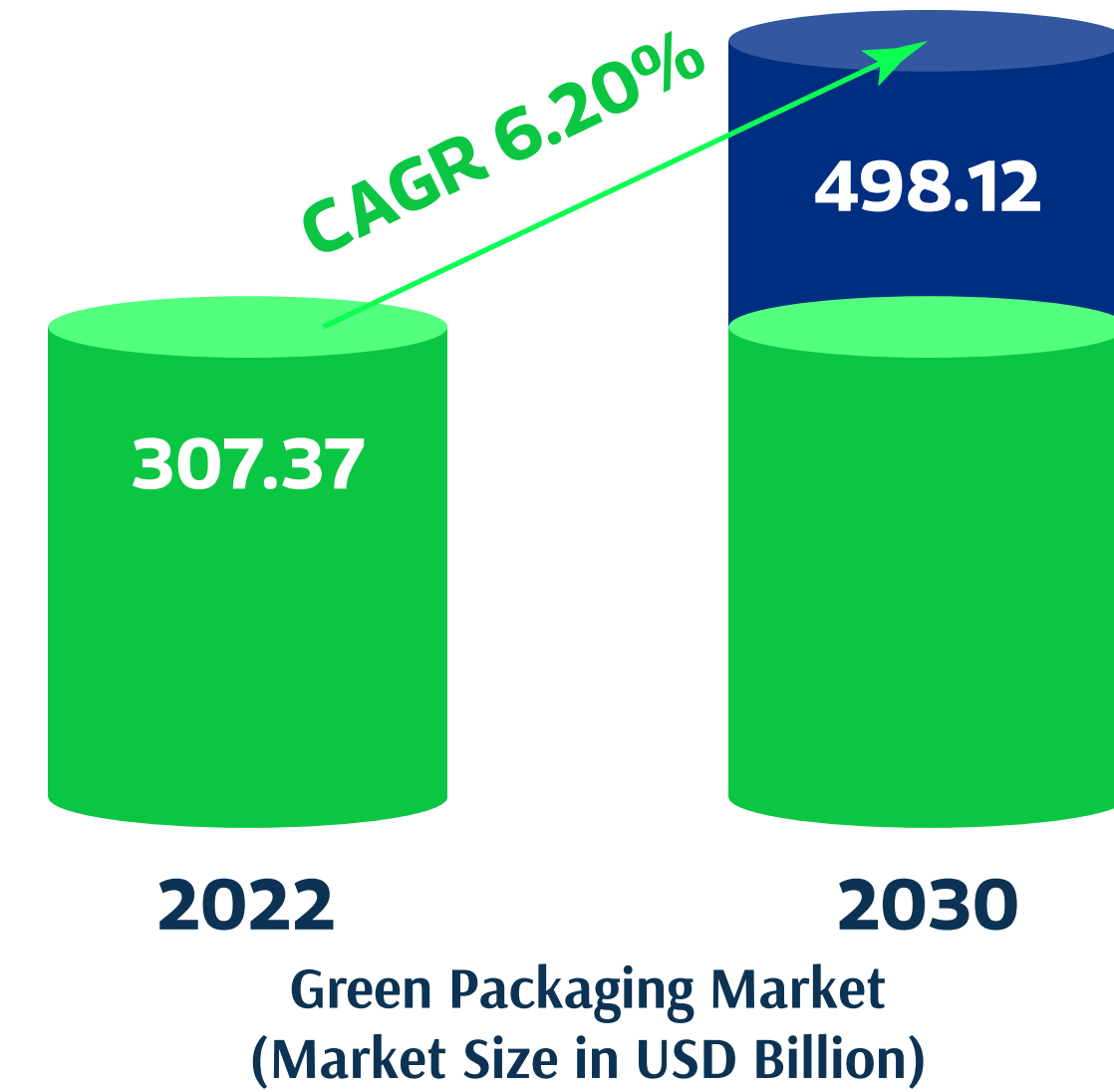
6. <https://sky-resources.com/oem-odm/#regulatory>

7. <https://www.mordorintelligence.com/industry-reports/organic-skin-care-market>

Going Green, One Packaging at a Time



Source: L'Occitane



The global market size of green packaging is expected to be worth \$498.12 billion by 2030⁸, with growth at a CAGR of 6.2% from the year 2022 to 2030. It is no secret that the skincare market generates waste on a large scale. A study from Zero Waste Scotland indicates that of 120 billion units of beauty packaging produced annually, only 9% are recycled, whilst the rest are polluting the planet.

While the new generation of eco-conscious consumers grows, more and more beauty brands have started to venture into sustainable packaging for their skincare products to reduce their carbon footprint. In fact, **60% of consumers⁹ are willing to pay more for eco-friendly products.**

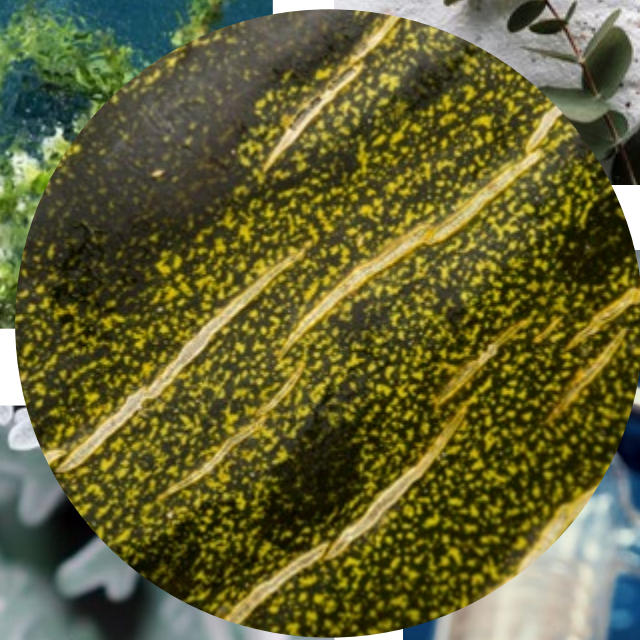
As this well-known brand pushes 50, L'Occitane introduced refillable pouches and pods for their skincare, body care and hair care products. Customers can help save 78% of packaging waste if they opt for their best-selling refill - Almond Shower Oil¹⁰. Beauty or skincare brands of any kind should start churning out new refillable packaging designs that not only appeal to the go-green crowds but also take a step to make our world a better place.

8. <https://www.globenewswire.com/en/news-release/2022/03/25/2410338/0/en/Green-Packaging-Market-Size-to-Surpass-US-467-72-Bn-by-2029.html>

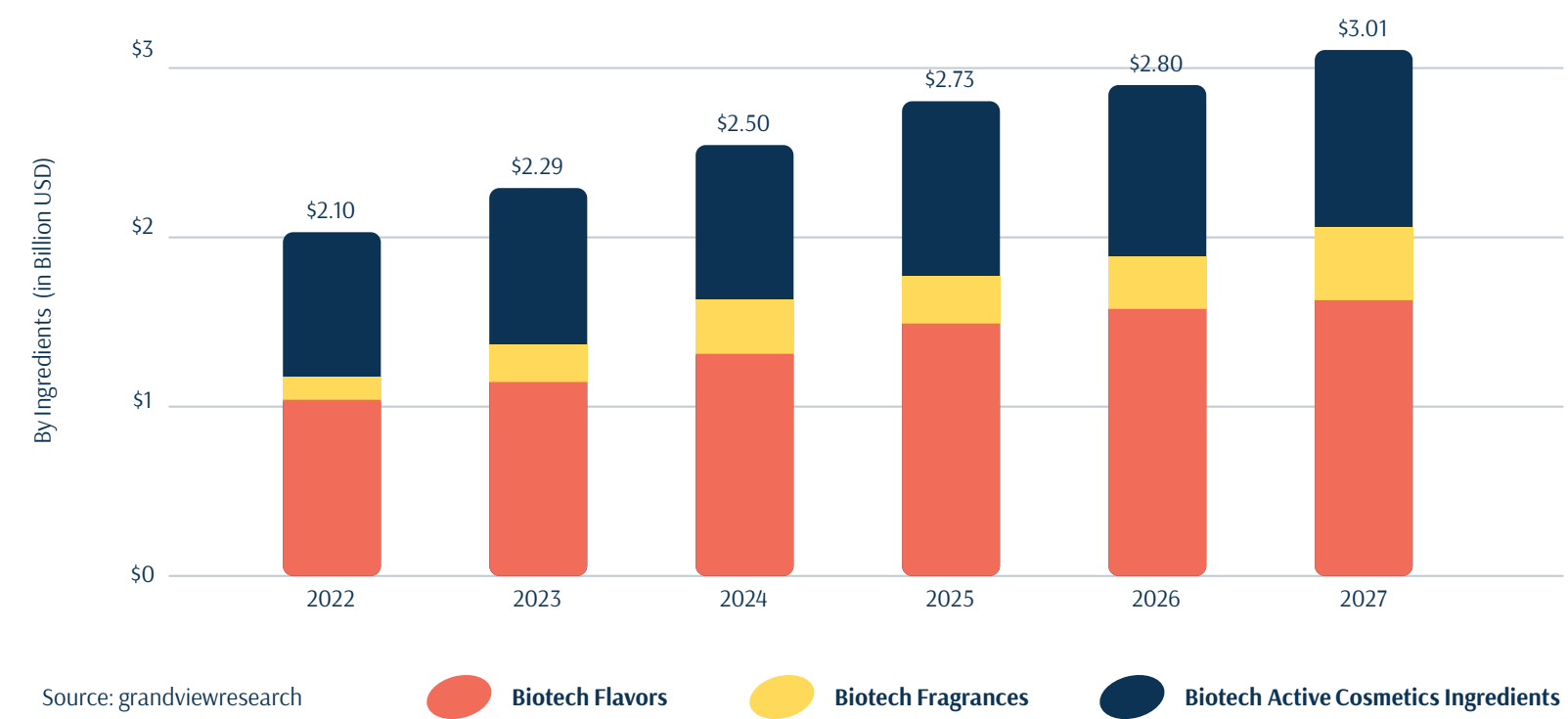
9. <https://newsroom.accenture.com/news/more-than-half-of-consumers-would-pay-more-for-sustainable-products-designed-to-be-reused-or-recycled-accenture-survey-finds.htm>

10. <https://www.loccitane.com/en-us/almond-shower-oil-refill-duo-891695.html>

From Lab to Vanity: Unlocking the Potential of Skincare with Biotech



GLOBAL BIOTECH INGREDIENTS MARKET SIZE (2022 - 2027)



The worldwide market size of biotech ingredients is expected to reach \$3.01 billion by 2027¹¹. It is a rising trend beyond the skincare market, mainly due to scarce resources and technological advancements in biology with chemistry. To put it briefly by Sheila Chaiban from One Ocean Beauty, **biotech beauty is a perfect fusion of science and nature**, consisting of lab created components that either merge natural ingredients with synthetic chemicals, or develop science-backed alternatives to replace limited, natural ingredients. With the help of biotechnology, natural ingredients such as plant extracts can be replicated in the lab, avoiding the need to extract raw materials at scale from nature or even animals.

One of the most effective ways to leverage the power of biotech is by partnering with an OEM skincare manufacturer that possesses an experienced in-house R&D team. As a result, beauty brands can **access the latest advances in biotech, bringing science-backed skincare products that cater to customers' skincare needs.**

Our trademark ingredient – **DuoAlgae¹²**, brings together marine algae and snow algae to create a great anti-aging active ingredient. For instance, our snow algae, a unique extremophile alga itself, is sustainably produced with the help of biotechnology yet free of preservatives. Moreover, it is infused with hydroglycolic plankton extract obtained from microalgae, in which its strains are grown under proprietary biotech in order to enhance its production as a whole.

11. <https://www.grandviewresearch.com/industry-analysis/biotech-ingredients-market>

12. <https://sky-resources.com/oem-odm/#regulatory-~-text=Duo%2DAlgae>

Scent-sational Skincare for Skin & Soul Soothing

45% of 16 to 34-year-olds indulge in beauty routines as a way to reduce stress at the end of the day, and dashes of scent play a part in elevating one's mood. In this instance, essential oils are the ideal remedy for the above remark. **Essential oils**, which have long been used for their aromatherapeutic benefits, are now being **infused in a variety of skincare products**. Not only does it broaden the benefits of skincare products in the traditional sense, but aromatherapy skincare also caters to the **growing need for self-care and mental wellness**.

More and more consumers yearn to experience both **skin and mind rejuvenation simultaneously**, so it is not hard to see why this trend will take the skincare market by storm along with the surge of skincare indulgence. Apart from their mood-boosting potential, essential oils are a versatile component that fits well with a variety of formulations. Essential oils like tea tree and chamomile are known for their soothing properties, making them the perfect addition to skincare products for sensitive skin.

With this trend gaining momentum in the skincare market, beauty brands can focus on formulating exclusive blends of skincare ingredients and specific essential oils that offer customers a **holistic experience that nourishes the skin and senses** at the same time. By tapping into the power of scent, brands are able to expand their customer base as well, especially among users who appreciate natural remedies and mindful approaches to combating skin concerns.

Edible Beauty: A Tasty Solution to Achieve Skincare Goals



As the relationship between food and skin health fortifies, the line between nutrition and beauty blurs. Though edible skincare has been around for a while, new waves of edible products are hitting the market, indicating a renewed interest in this category. In actual fact, **88% of skincare consumers¹³ believe they can nourish their skin inside out** via food. These edible beauty supplements not only improve the skin's overall look but also include a myriad of nutrients that work together to boost overall well-being.

We believe that the mounting interest in skincare reflects the growing awareness of well-being via improved diet. Beauty brands are now focused on creating edibles in the form of pills to beverages, all made for a good night's sleep, blood circulation and more due to their relations with skin health. It implies a growth in a more holistic method of beauty, foreshadowing that it is no longer adequate to offer customers beautiful skin with merely serums or moisturizers.

This beauty-from-within skincare segment is poised for growth, and one product that stands out the most is the collagen supplements made for beauty¹⁴ and anti-aging. Available in various forms, such as pills, drinks, powder and more; collagen supplements have gained immense popularity due to the convenience of incorporating them into an individual's skincare routine.

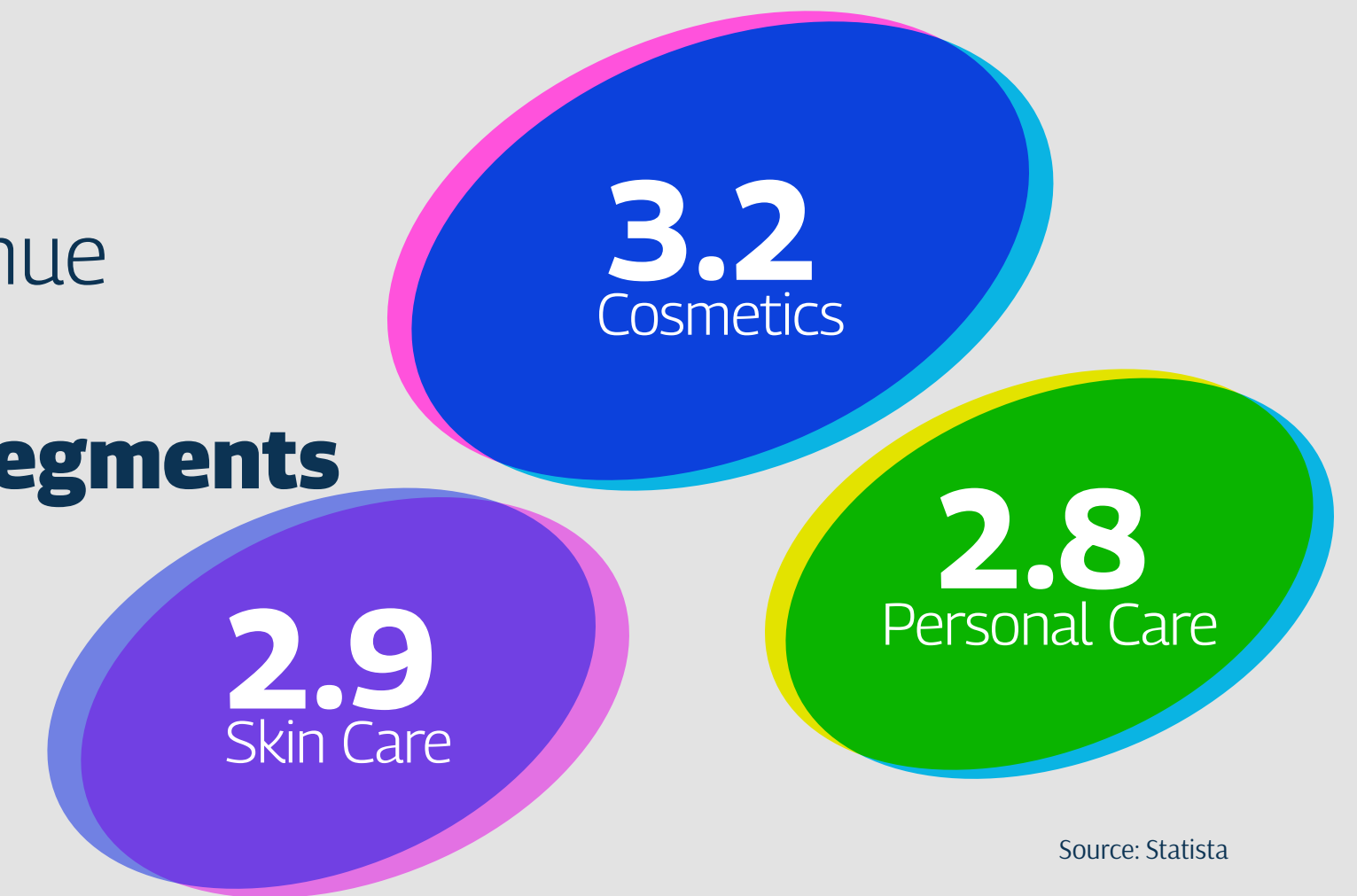
¹³. <https://www.gcimagazine.com/brands-products/skin-care/news/21869876/young-consumers-increase-demand-for-natural-skin-care>

¹⁴. <https://skynutraceuticals.com/products/>

(Virtual, Augmented, Mixed Reality)

AI & XR's Promising Future in Skincare

Estimated revenue of the key **beauty tech segments** in 2026 (USD Billion)



Source: Statista

As we look forward to the AI-powered future, the skincare market is no exception in this trajectory. As per Statista's Beauty Tech dossier, the **beauty tech's share is expected to increase from 1.8% in 2021 to 3.1% by 2026¹⁵**. Applications that are being utilized to drive such growth include skincare- tech partnerships, AI-propelled beauty products search, , and mobile apps that offer augmented reality (AR) for virtual make-up trials.

As the world continues to embrace the advancement of skincare tech, big brands such as Neutrogena are turning to beauty tech firm – PerfectCorp, partnering to create an **AI-powered skin health coach** with behavioral training. The NEUTROGENA Skin360™ App¹⁶ delivers tailored regimens to increasingly sophisticated shoppers, helping them to create and stick to a skincare routine that suits them best.

In the aspect of extended reality (XR) technology which covers virtual reality (VR), augmented reality (AR), or both, is changing the way people connect and interact. With the help of XR, we are able to create **immersive experiences for consumers** who wish to know more about the products before making a purchase. XR enables participants to make more informed decisions when choosing skincare products. In addition, beauty brands can raise awareness about the benefits of their skincare line in an **engaging, memorable and personalized approach, building trust and brand loyalty** along the way.

¹⁵. <https://www.statista.com/study/116101/beauty-tech/>

¹⁶. <https://www.neutrogena.com/skin360app.html>



Catching the K-Beauty & Korean Skincare Waves

Building on the topic of skincare trends discussed above, it's impossible to ignore the phenomenon of Korean skincare. The **K-beauty** trend has taken the world by storm over the past few years, and its market is forecasted to be **worth \$13.9 billion by 2027** with no indication of slowing down. When it comes to skincare, Korea has steadily grown to become a major player in the beauty industry.

K-beauty is here to stay, and for good reasons:

- A comprehensive, diverse range of skincare products made for different skin types.
- Using natural ingredients that are gentle to apply, especially for sensitive skin.
- Most sought-after brands are affordable and accessible via click and brick.
- Easy to use and incorporate seamlessly into different day-to-day skincare routines.

Let us now look at what is new in the realm of K-beauty, from product hybridization and future-proof skincare lines to the glowing skin obsession and use of exotic ingredients.

SKINIMALISM: LESS IS MORE IN SKINCARE ROUTINE

The famed vegan and eco-friendly Korean skincare brand – Klairs, takes pride in their fan favorite Freshly Juiced Vitamin E Mask¹⁷, which has sold over 1 million units worldwide. Bringing a 2-in-1 function and convenience as a sleeping mask pack and a daily moisturizer, it is no wonder the hybridization of products is a go to for many. The idea of skinimalism is to allow people to **save time through efficacious and uncomplicated self-care routines with simple ingredient lists that are kind to sensitive skin.**

While the well-known 10-step Korean skincare routine may still have its place among some, skinimalism offers a refreshing alternative for those looking for a minimalist approach to skincare, focusing only on what their skin really needs. Beauty brands can make use of this back-to-basics approach and create a line of skincare that does more with less.



Source: klairscosmetics

FUTURE-PROOFING FORMULATIONS AGAINST EXTERNAL STRESSORS

Kate Kwon, brand science team leader at Amorepacific Corporation R&D Center – says, “External factors such as environmental pollution and climate change have begun to affect the skin. In response, Amorepacific is conducting research and establishing an anti-pollution research center, and results are expected to be applied in future skincare.” Enter future-proof skincare – a series made with innovative formulas that offer comprehensive protection against varied external stressors.

This comes in handy, especially among urbanites and city dwellers that are often exposed to **air pollution, blue light, stress, UV rays and free radicals that often trigger skin concerns such as skin inflammation or weakening of the skin barrier.** As a result, skincare that focuses on skin barrier restoration is gaining popularity, and the market is in need of more holistic care for the skin barrier. Thus, beauty brands are urged to venture into future-proofing skincare that provides solutions for those seeking long-term skin protection.

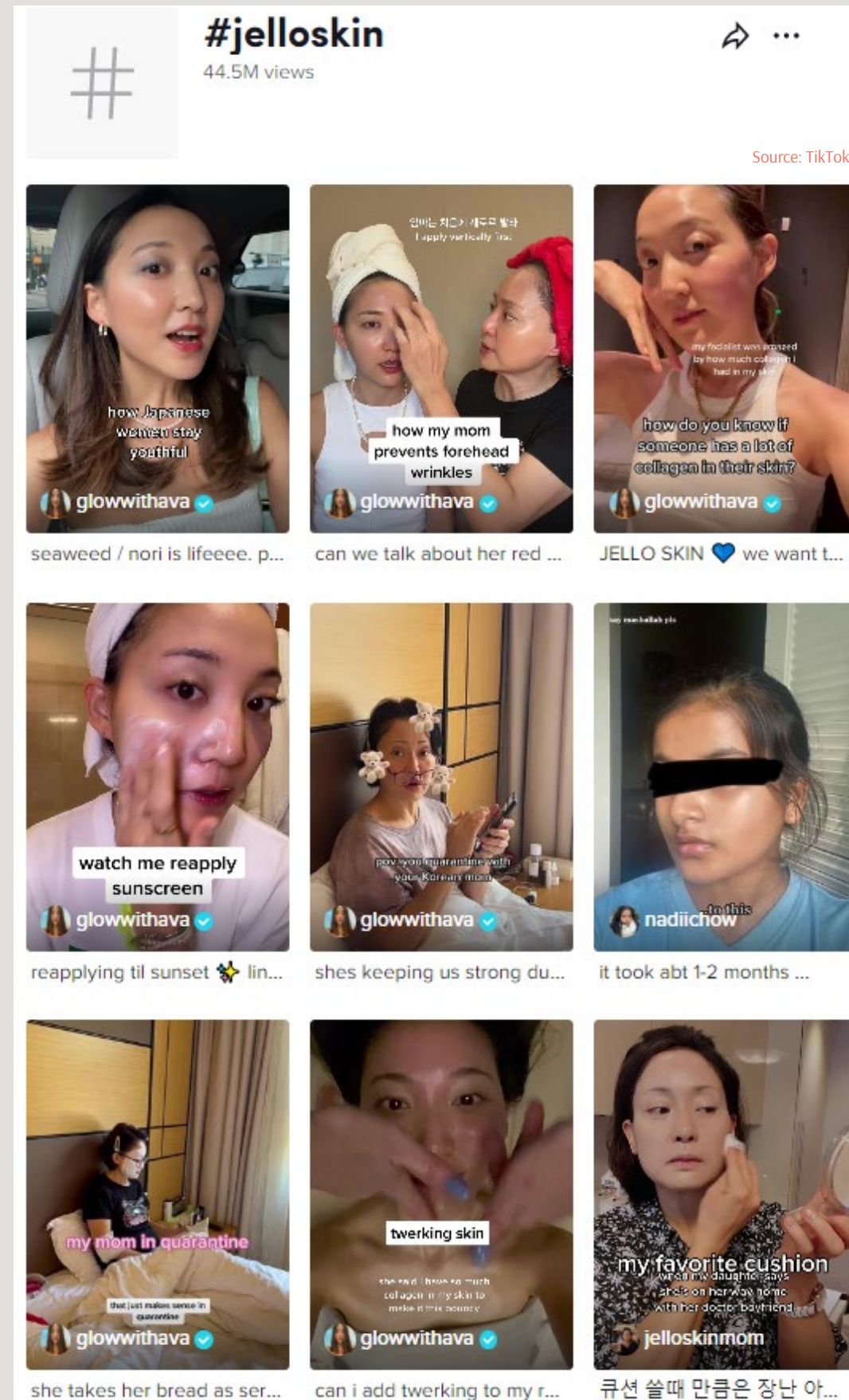


17. <https://www.klairscosmetics.com/product/freshly-juiced-vitamin-e-mask/>

THE GLASS SKIN & JELLY SKIN OBSESSIONS

The **#jelloskin** hashtag has got over 42.2 million views on TikTok¹⁸ (and counting). The term "jelly skin" was first coined by beauty influencer Ava Lee and it is all about hydration and suppleness of skin that feels bouncy just by the look of it. The plump appearance resembling jelly's texture can be achieved by using products such as Sulwhasoo's Essential Firming Cream¹⁹, infused with natural goji berries, black beans, and arrowroot that offers hypoallergenic moisturizing and firming effects.

Glass skin, on the other hand, is another term quickly gaining popularity among Korean skincare enthusiasts. Glass skin is used to describe the skin texture that carries a reflective and glass-like glow. This trend gained popularity as a result of the rising influence of Korean celebrities who frequently go out and about with a glass skin glow. The "glass skin" effect is achievable by integrating serums, essences, ampoules, and facial oils into one's skincare regime.



Source: sulwhasoo



NATURAL SKINCARE INGREDIENTS: FROM EXOTIC TO EVERYDAY

Entering K-Beauty 2.0²⁰, we will be seeing **more exotic ingredients turning into everyday staples** in the Korean skincare realm. For example, the famous snail mucin has taken the world by storm with its effectiveness in skin hydration and healing. And amongst the unusual ingredients is the extract named mugwort.

Commonly used in traditional Korean medicine for centuries, its anti-inflammatory and antibacterial properties were picked up by skincare brands, creating a mugwort skincare line that helps improve skin texture and lessen the appearance of wrinkles. Another unique yet natural ingredient that is worth mentioning is honey. Famed for its ability to lock in moisture and keep the skin hydrated, honey extracts in skincare are an excellent choice for those with acne-prone skin as they are antibacterial.

18. <https://www.tiktok.com/tag/jelloskin?lang=en>
 19. <https://www.sulwhasoo.com/my/en/products/essential-comfort-firming-cream.html>

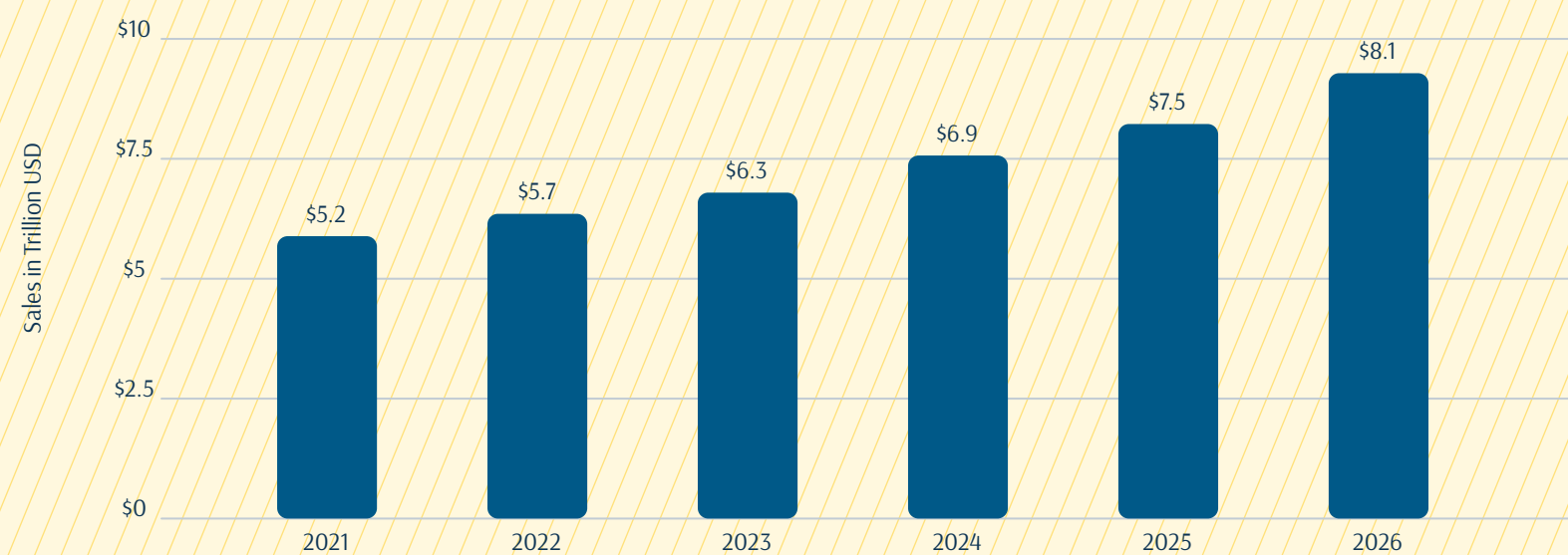
20. <https://www.dazeddigital.com/beauty/article/57060/1/mugwort-spf-patches-and-spatulas-these-are-big-trends-of-k-beauty-20>

THE POST-PANDEMIC SHIFT TO SHOPEE & LAZADA

Before the year 2023 comes to a close, it is worth noting that **global e-commerce sales** are predicted to hit \$6.3 trillion this year, implying that more than \$0.20 of every \$1 spent on retail items will be done online. This mind blowing value is expected to continue mounting over the next few years, **projected to reach \$8.1 trillion in 2026²¹**, proving that this online platform is indeed a lucrative option for businesses.

As the pandemic has forced many consumers to change their shopping habits, the same goes for shopping for skincare products. In fact, Shopee and Lazada are dominating the e-commerce landscape, becoming some of the popular destinations for people looking to get their hands on skincare products. So, what's driving this shift? Apart from the pandemic itself, online shopping does offer the **convenience of getting skincare products delivered** to preferred destinations. But it is more than accessibility. Shopee and Lazada often feature curated lists of well-liked products under promotions and discounts, making it easy for consumers to find the best skincare products at the best prices.

GLOBAL ECOMMERCE SALES (2021 - 2026)



Source: eMarketer

CONNECTING THE DOTS BETWEEN CONSUMERS' AGE & SKINCARE PREFERENCE

The demographic group, or to put it simply – age, plays a significant part in the purchasing decisions of skincare products. Nevertheless, age is more than just a number for us as the behaviors of young consumers versus those of the elderly can vary significantly, reflecting their **different attitudes towards skincare**. On one hand, younger skincare users tend to focus on branding and prevention, and in contrast, the elderly tend to prioritize addressing specific skin concerns, mainly fine lines and wrinkles. Apart from their growing overlap of natural skincare needs, the table below offers insights into the differences in needs of these 2 demographic groups, peeling behind the curtains of what interests them the most.

DEMOGRAPHIC		YOUNGER POPULATION	ELDER POPULATION
Purchasing Factors		Natural & Safe Skincare Ingredients	
		Short-term Satisfaction <i>Visual Appeal</i>	Long-term Satisfaction <i>Promised Effects</i>
Consumer Behavior Factors	Cultural	Diversity & Inclusion	Halal-certified
	Social	Social Media Influenced	Word-of-mouth Influenced
	Personal	Cruelty-free & Vegan Options	Certified Safe to Consume
Evaluations of Alternatives	Sight	<i>First Priority</i>	<i>Least Priority</i>
	Touch	<i>Least Priority</i>	<i>First Priority</i>
	Smell	<i>Less Priority</i>	<i>Less Priority</i>
How Do Brands Enhance Consumers' Purchase Decisions?		Prioritize Branding, Influencer Marketing, Transparency & Sustainability as a Whole	Invest in Free Samples to Offer Stimulation on Touch & Smell whilst Encouraging Sampling

21. <https://www.shopify.com/za/blog/global-ecommerce-sales>

“Phygital” Consumers: What Gen Z Really Wants from You?



The game changer in the skincare market – a **Gen Z**, spends \$368 annually on beauty, especially skincare, whilst accounting for a major share of **39.1% global skincare market**. Born between the years 1997 to 2012, Generation Z’s enthusiasm for skincare products drives inclusivity, transparency and “phygital” experience to new heights in the beauty world.

So, what can beauty and skincare brands do to appeal to this young and influential demographic? “Gen Zs are able to make their opinions heard so much more loudly than previous generations,” says MaryLeigh Bliss²², VP of Content at Y Pulse. For this reason, on top of understanding their unique perspectives and preferences, Gen Z individuals **appreciate beauty brands that take note of their feedback and change accordingly**. To connect with such an influential population that shakes up the skincare market, we first need to understand what they genuinely want from a beauty brand rather than it being visually appealing.

22. <https://www.voguebusiness.com/beauty/gen-z-changing-beauty>

EMBRACING BEAUTY & SKINCARE FOR ALL

FROM BLIND CONSUMERISM TO INGREDIENT LITERACY

BRINGING THE DIGITAL WORLD INTO BRICK-AND-MORTAR

DEMAND

INDIVIDUALITY

Gen Z individuals value self-expression as a whole and with that, beauty brands should offer a skincare range that appeals to a wide range of skin concerns, allowing them to **express individualism** via their personalized skincare routines.

INCLUSIVITY

“Beauty for all” is non-negotiable among Generation Z, and they root for diverse representation in a beauty brand. There is no better time than now to create **gender neutral skincare products** that cater to all genders.

TRANSPARENCY

The highly informed Gen Zers are more likely to research on their own to ensure that whatever the beauty brands claim to be, such as **ingredient effectiveness and natural origins**, is true. By offering thorough information about ingredients, sustainable practices and more, beauty brands will be able to gain their trust.

SUSTAINABILITY

As an environmentally conscious generation, Gen Z is more likely to engage with skincare brands that align with their values. Skincare brands should create products with **sustainability and ethical** considerations in mind, allowing them to access products that are cruelty-free, vegan, and more.

“PHYGITAL”

Being the first generation to grow up in a digital-centric world, Gen Z appreciates bricks and mortar stores that provide **omnichannel brand experiences** with mixed reality. Beauty brands can leverage AR mirrors or virtual assistance to enhance the in-store experience.

AI-TECHNOLOGY

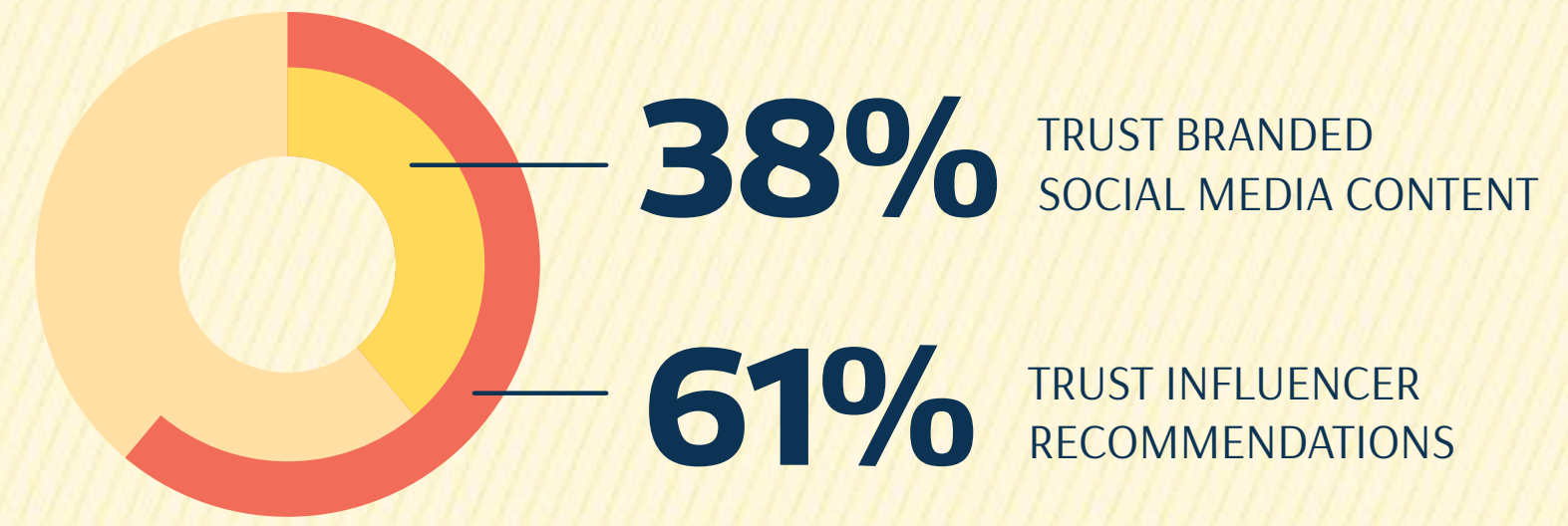
Taking personalization up a notch by bringing skin **diagnostic tech with AI** to brick-and-mortar. With immediate recommendations according to skincare types and concerns on the spot, the likelihood of buying or repeat purchases among Gen Z store visitors will be higher.

OPPORTUNITY

The Impact of Skin-fluencers on the Buzzing Social Media



CONSUMERS TRUST INFLUENCERS' RECOMMENDATIONS



Going beyond the beauty brand itself, the significance of influencer marketing lies in the fact that **61% of consumers²³ trust the recommendations of influencers**, with merely 38% trusting the brand's social media content. The power of influencer marketing in the skincare industry is underestimated by many, and we, too, believe that their ability to target specific demographics goes beyond the beauty brand itself. Nonetheless, it is more than just reaching new customers with the help of influencers. By working closely with KOLs, beauty brands are able to obtain a greater insight into what their target consumers really look for in their skincare products.

However, as with any marketing stratagem, influencer marketing has its own host of potential risks. With consumers tend to listen to influencers more these days, it is crucial to **choose the right KOLs to partner with** and ensure that they promote the skincare products as intended. Beauty or skincare brands must ensure that their partnerships with "skinfluencers" are a good fit by confirming whether the collaborators have followers similar to the brand's target market. As a start, brands can monitor the influencer's activities to ensure that they are ethical in their dealings. Skincare brands should also review the potential influencers' social media profiles to determine if their content and values align with the company's objectives.

23. <https://www.businesswire.com/news/home/20200526005058/en/Matter-Survey-Reveals-Consumers-Find-Influencers-More-Helpful-and-Trustworthy-than-Brands-During-the-Pandemic>

Skincare Giants' Approaches: What Key Industry Players Are Doing?

The multi billion dollar skincare market has been expanding tremendously for many years. With **industry leaders such as L'Oreal, Estee Lauder, and Shiseido** dominating, we will explore the aspects that have driven "The Big 3" to the forefront of the skincare industry. We will also look into their worth-mentioning strategies for exuding transparency and sustainability, alongside their utilization of advanced technology like AI and biotech that propel their success.

	L'OREAL	ESTEE LAUDER	SHISEIDO
MARKET SIZE VALUE (2022)	\$47.5 billion dollars	\$17.74 billion dollars	\$19.33 billion dollars
MARKETING STRATEGY IN ONE WORD	Universalization	Individuality	Innovation
TRANSPARENCY & SUSTAINABILITY	SPOT evaluation tool to measure the impacts of its products in detail.	At least 90% of its palm-based ingredients are certified sustainable.	Achieve net-zero greenhouse gas emissions by 2050.
AI-POWERED & BIOTECH SOLUTIONS	Launched Perso, an AI-powered skincare system that creates custom skincare formulations tailored to specific needs.	Virtual try-on technology ensures racial diversity and inclusivity were achieved.	Development of a bio-inspired formula that mimics the skin's natural lipid barrier.
"PHYGITAL" EXPERIENCE	Partnered with Verily to predict skin health conditions with skin sensors in brick-and-mortar for store visitors.	Beauty consultation from experts is available in-store or from the comfort of consumers' own homes via online.	Provides a personalized skincare system combining a mobile app and a dedicated product dispenser via Optune.

Sky Resources Group of Companies, at Your Service

Finding a one-stop, streamlined solution for your skincare OEM/ODM manufacturing needs can be a game changer for your beauty brand, especially in a world where efficiency and convenience reign supreme. And that's exactly what Sky Resources Group of Companies (SRG) has been providing since 1991, with an aim in mind to raise the bar of skincare beauty standards.

As a private-label manufacturing group for beauty, nutraceutical and printing for more than 30 years, we pride ourselves on our **client-centric approach**, putting your needs at the heart of everything we do with transparency and competence. Alongside the **Good Manufacturing Practices (GMP), safety regulations and Halal compliance** in place with stringent adherence, we bring our clients peace of mind, knowing that the final product is of the best quality possible.



**REDEFINING THE BEAUTY LANDSCAPE:
OUR COMMITMENT TO DELIVERING
EXCELLENCE FOR YOU AND
YOUR CUSTOMERS**

In this highly-competitive skincare market, beauty brands can get the push they need to stand out and exceed target customers' expectations. At SRG, we take pride in our decades-long experience in the beauty and skincare realms, our diverse team that deliver quality holistic manufacturing solutions, and our commitment to prioritizing you and your products' safety. Leave your needs to us as we bring your ideas into commercial reality.

EXPERIENCES FUELED BY PASSION FOR SKINCARE, BEAUTY & WELLNESS

A diverse team of passionate experts, all fueled by a shared passion for skincare, beauty, and wellness, lies at the core of SRG's success. Our expertise is evident in every product we helped create, but what truly sets us apart is our passion that keeps us going and our desire to **satisfy your specific needs**. In addition, our long-standing experience and global reach carry a wealth of know-how about "what's now" and "what's next", bringing you only the latest to future-proof your products or campaigns.

- Extensive Experience & Stable Business Operations Spanning 31 Years

- Global Sourcing** of Exclusive Ingredients & Raw Materials from > 30 Countries

- GMP, ISO & Halal Certified** with Annual Audit for Consistency

- Integration of **Swedish ERP System** for Well-organized Management

HOLISTIC SOLUTIONS, INNOVATIVE FORMULATIONS & STREAMLINED MANUFACTURING

Eliminate the need to partner with multiple vendors and save time, costs and hassle with our **one-stop skincare manufacturing solution**. SRG's full suite of services ensures consistency throughout the production process, ranging from concept development, quality ingredient selection, research and development, creative packaging design, quality control standards, and more, all while maintaining **competitive pricing, quick turnaround time and commitment to ethical practices**.

- Client-centric Approach** in Providing Tailored Solutions for Specific Needs

- Innovative R&D Team with Annual Portfolio of > **1500 Formulations**

- Wide-ranging Product Formats & Unconventional Product Types**

- Skillful & Knowledgeable** Customer Service & Business Development Personnel

SAFE, SECURE & STEADFAST GOVERNANCE FOR PEACE OF MIND

At SRG, we possess a solid governance framework in place to secure your privacy and ensure end product quality, with an aim to allow clients to cooperate with us with confidence. Positioning **your privacy and your products' safety as one of our priorities** and ensuring that the skincare products you receive are free from harmful ingredients and comply with all regulatory requirements. On top of that, our robust governance system ensures that your beauty brand's **intellectual property is protected, and formulations are kept confidential**.

- Registration Solutions for Certifications & Accreditation** for > 25 Countries

- Austria Filtration System in Place to Ensure the **Highest Water Quality**

- 27 Points of **Safety & Efficacy Analysis** to Ensure Products' Highest Quality

- Privacy & Confidentiality** as Utmost Priority & Responsibility

Leading with Heart: SRG's Management Team Behind the Success



**Y.A.M. DATO' SERI SYED BADLISHAH
IBNI ALMARHUM TUANKU SYED
PUTRA JAMALULLAIL**
CHAIRMAN

Y.A.M. Dato' Seri Syed Badlishah Ibni Almarhum Tuanku Syed Putra Jamalullail is the Chairman of Sky Resources Sdn Bhd. He was born in 1958 and is a member of the Royal Family of Perlis. Y.A.M. Dato' Seri pursued his higher education in the United Kingdom with a background in Hotel Management. Upon returning to Malaysia, he joined the commercial sector and was the Advisor and Chairman of several organisations. Driven by his passion for marine life, he actively serves on various committees and societies dedicated to this field. Away from work, Y.A.M. Dato' Seri is an avid angler and advocates the conservation of mangrove forests and wildlife.

At the heart of SRG's triumph lies a group of individuals who lead with compassion and a genuine desire to see their team members thrive in what they do best. Likewise, through the management team's unwavering commitment and leadership, they have created a supportive work environment, evident in every aspect of the company's culture, from its **open-door policy** to its dedication to professional development.



DATO' TAN HOCK KHENG
CO-FOUNDER & CHIEF EXECUTIVE OFFICER

Dato' Tan Hock Kheng has more than 30 years of experience in the skincare and beauty industry. He started Sky Resources Sdn Bhd with his wife, Eileen Quek in 1991, to manufacture skincare products and cosmetics. His leadership has seen Sky Resources establish a customer base across the globe. His business direction in offering a one-stop OEM service aligns with his belief in helping young and upcoming entrepreneurs to create their own successful brand.



DATIN EILEEN QUEK

CO-FOUNDER & CHIEF OPERATING OFFICER

Datin Eileen's foyer in the beauty industry began in 1987 when she opened her own beauty and cosmetic center. Along the way, she obtained the Certificate in Professional Aesthetics, from ITEC, England and was a member of the CICA Aesthetician Committee and CIDESCO International. In 1991, she co-founded Sky Resources Sdn Bhd and made her presence in the manufacturing area of the beauty industry. A year later, she established Prima Oligo - a leading beauty salon product in the country.



WILLIAM TAN

EXECUTIVE DIRECTOR

William Tan holds a B.Sc. Degree in Management and Strategy from the University of Buffalo–SUNY, New York and Masters of Science in Management of Business Excellence from the University of Warwick, UK. Prior to joining Sky Resources Sdn Bhd, he was attached to the Corporate Finance department of Malaysian Industrial Development Finance Berhad, Penang branch. His primary role was to help companies in their next stage of growth through mergers and acquisitions. He was also responsible for providing financial analysis for companies embarking on listing exercises. In 2014, he became the Executive Director of Sky Resources Group of Companies, managing its day-to-day operations as well as looking into business expansion plans for the organization. William Tan draws inspiration from a Mahatma Gandhi quote - "Live your Day as if it were your last, learn as if you were to live forever" and this also reflects on his daily approach to life.

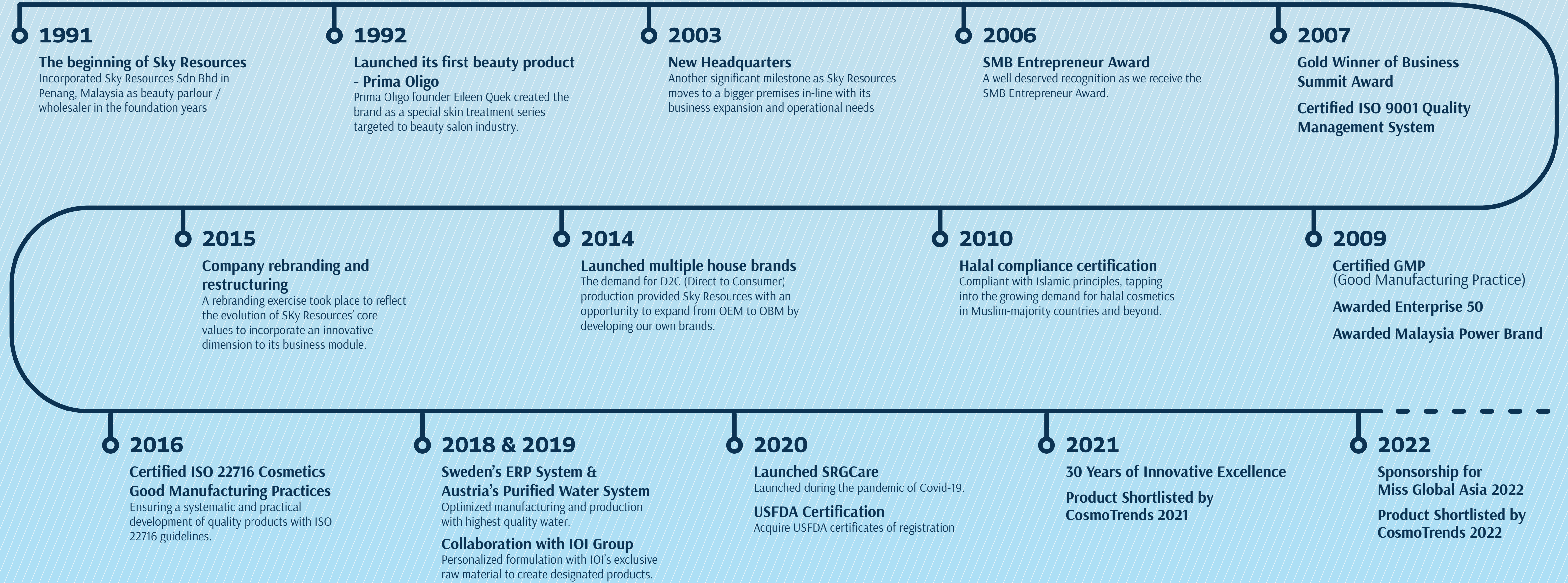


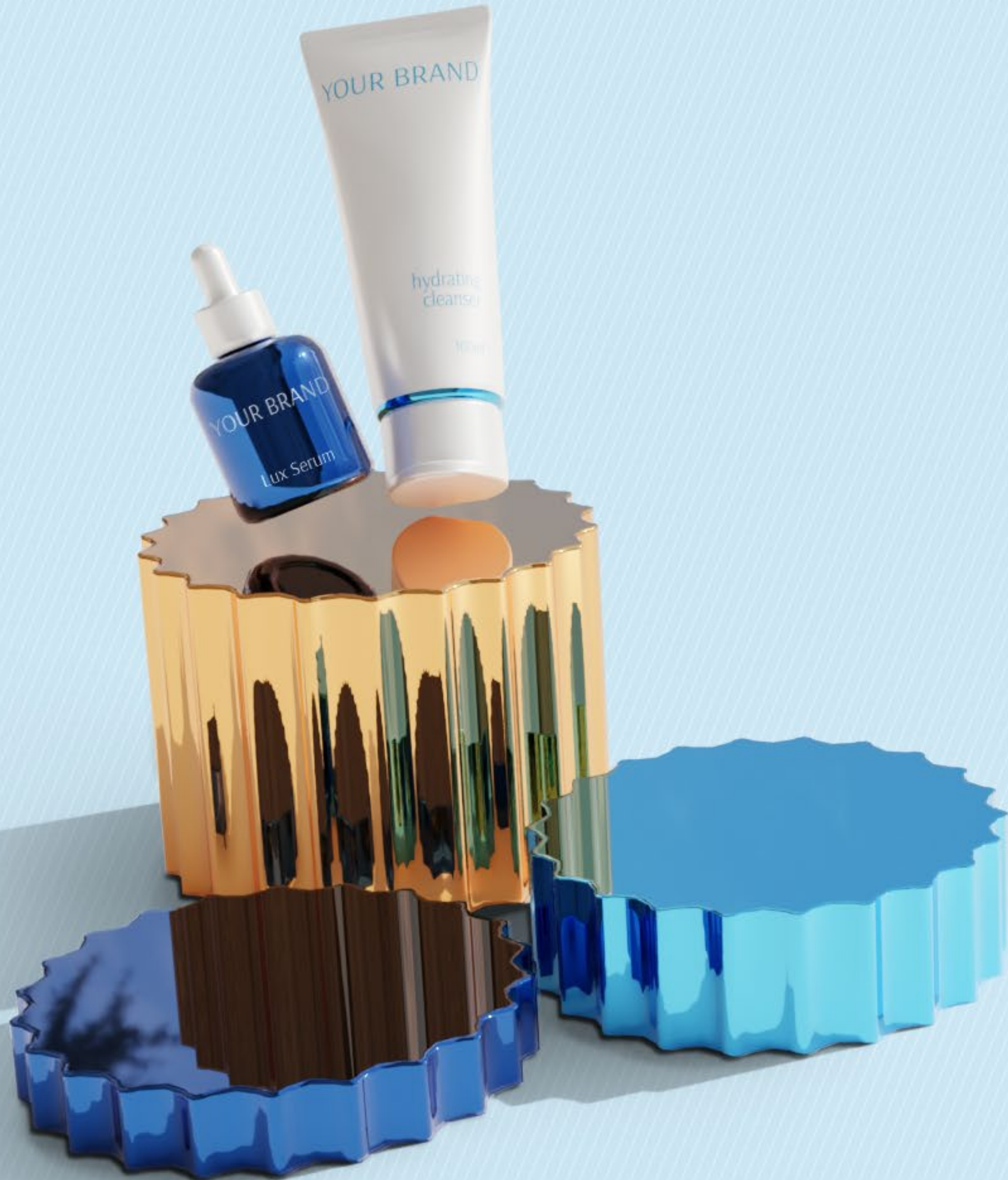
OOI FOONG FOONG

RESEARCH & DEVELOPMENT TEAM LEAD

Foong Foong holds a Master of Science (Medical Engineering) with distinction from the University of Hull, UK and has more than 10 years of experience in the research and development of cosmetic products. Besides leading the R&D team at Sky Resources, Foong Foong is also responsible for developing unique formulations to keep up with the market trends and offer a wide range of product options for our customers. Her expertise in her field not only contributes to the quality of our products but ensures it meets the demands of international standards.

From Humble Beginnings to Greatness





Congratulations! You are now one step ahead in the lucrative skincare market and beauty world.

Taking your business forward!

The future looks bright for the skincare market, and so does yours!

Tap into our years of all-inclusive expertise and industry knowledge. Our team is ready to help you unlock your full potential and reach new heights of success in the beauty industry. Reach us at:

✉ formulate@sky-resources.com

☎ +6 012 565 9189

Disclaimer: The use of third-party trademarks, product names, logos, brands and images in this editorial is for informative purposes only and does not indicate any sponsorship or endorsement by us, nor do we claim any ownership of them.

Content by: Teong Wan Teng Edited by: La Kantharao Proofread by: Nanu Kumaran Designed by: Elliot Chang Published by: SRG Creative Marketing
Copyright © 2023 by Sky Resources Group of Companies. All Rights Reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy or any storage and retrieval system, without permission in writing from the publisher. Respect copyrights, encourage creativity!

SCAN TO
CONNECT



sky-resources.com