



Executive Insights

Men's Beauty and Personal Care Is Poised for Handsome Growth

Men's beauty and personal care products (BPC) are shedding their stigma. Basic hygiene and shaving products once marked the extent of the masculine grooming regimen. Today, men have a universe of options for skin, hair, beard and body. A proliferation of categories and brands, from mass to prestige, are targeting the male consumer as they tap a promising segment of the BPC market. Those that find the right formula are pulling ahead.

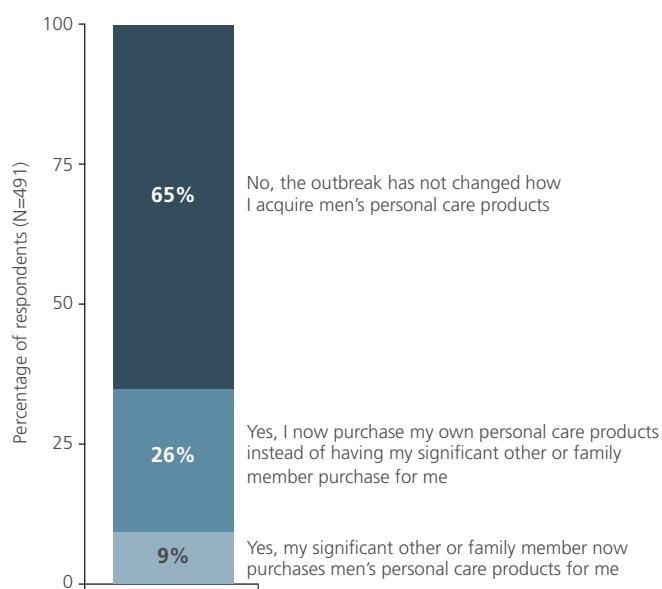
In this *Executive Insights*, we unpack some of the consumer purchasing trends and marketing strategies that are enabling men's BPC products to capture significant growth and inch closer to the mainstream. We also look at a sample of companies that are taking the plunge into men's cosmetics and then wrap with an exploration of growth and M&A trends in men's personal care.

New additions to the bathroom shelf

A signal of strength in men's BPC products is that men are increasingly shopping for these items on their own. The recent pandemic has catalyzed this trend by giving men more disposable income, not to mention more time to participate in the purchase decision, browse for products and begin a routine. A recent L.E.K.

Consulting survey of U.S. consumers reveals that COVID-19 conditions prompted 26% of all males to purchase their own personal care products instead of having a significant other or family member do it for them. Overall, there's been a net increase of 17% of men now engaging actively in their personal care choices versus pre-pandemic levels (see Figure 1).

Figure 1
Impact of COVID-19 on method of purchasing personal care products (2021)



Source: L.E.K. survey, research and analysis

Men's Beauty and Personal Care Is Poised for Handsome Growth was written by **Maria Steingoltz** and **Emile Santos**, Managing Directors in L.E.K. Consulting's Consumer Products sector. Maria is based in Chicago, and Emile is based in New York.

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For the men who are taking charge of their personal care choices, over 50% say they prefer brands like Harry's, Jack Black and Dr. Squatch that specifically target men. By contrast, only 32% prefer brands that are gender neutral (such as Kiehl's, C.O. Bigelow or SkinCeuticals), and just 16% favor female-oriented brands with a subline for men (e.g., Clinique for Men, Dove Men+Care).

The preference for male-oriented brands is especially strong among higher-income consumers. About 55% of men earning up to \$75,000 a year prefer brands that target men. That share goes up to 66% among men earning over \$100,000 a year. Clearly, a relevant, male-centric brand is emerging as a pathway to capturing a more attractive, higher-income segment composed of men who are also most likely to be early adopters.

Making it easier to buy

To break through the social conditioning that can make men hesitant to shop for personal care and beauty products, successful male-oriented brands place an emphasis on capturing opportunities to educate consumers and ease the purchasing process. Case in point: Dr. Squatch's social media posts and YouTube infomercials, which humorously debunk the notion that men shouldn't care about things like conditioner and effective shampoo routines.

Overall, male consumers are becoming more active in searching for information online (see Figure 2), and successful brands are taking advantage.

Figure 2
Growth in online search traffic for men's skincare (2011-2021)

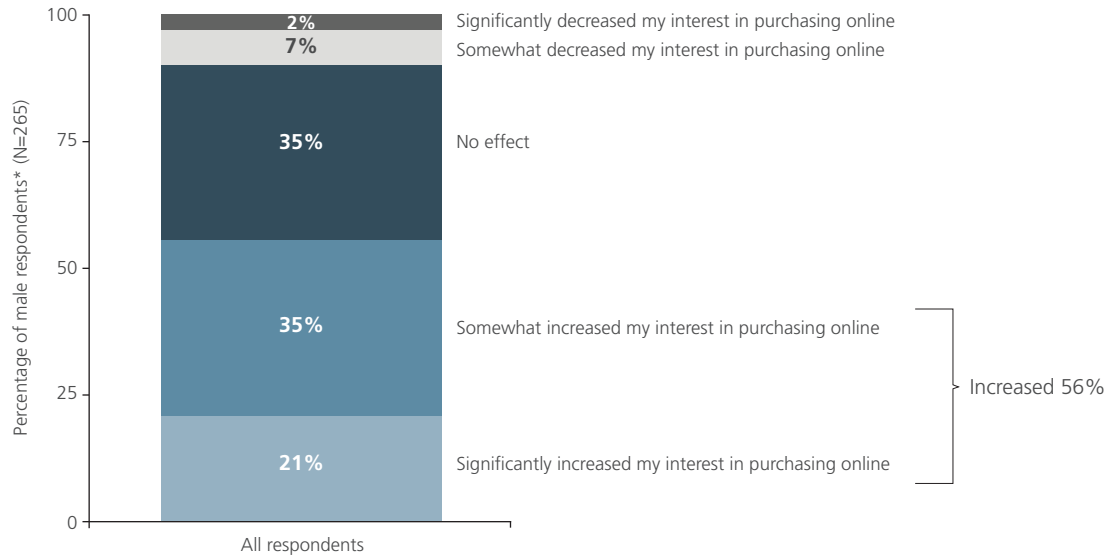


Note: Scores are based on absolute search volume for the term within the month relative to absolute search volume on Google in the same month on a scale of 1-100
Source: Google Trends; L.E.K. research and analysis

Digital channels are the go-to platform for emerging male-centric brands for both education and conversion. The convenience of online shopping is seldom lost on male consumers, of course, but there's also the benefit of creating a more private, hospitable environment to explore and find new products for

personal grooming. According to L.E.K.'s own polling, COVID-19 accelerated the shift to ecommerce, with 56% of adult males in the U.S. indicating that they somewhat or significantly increased their online purchasing of personal care products in response to the pandemic (see Figure 3).

Figure 3
Impact of COVID-19 on method of purchasing personal care products (2021)



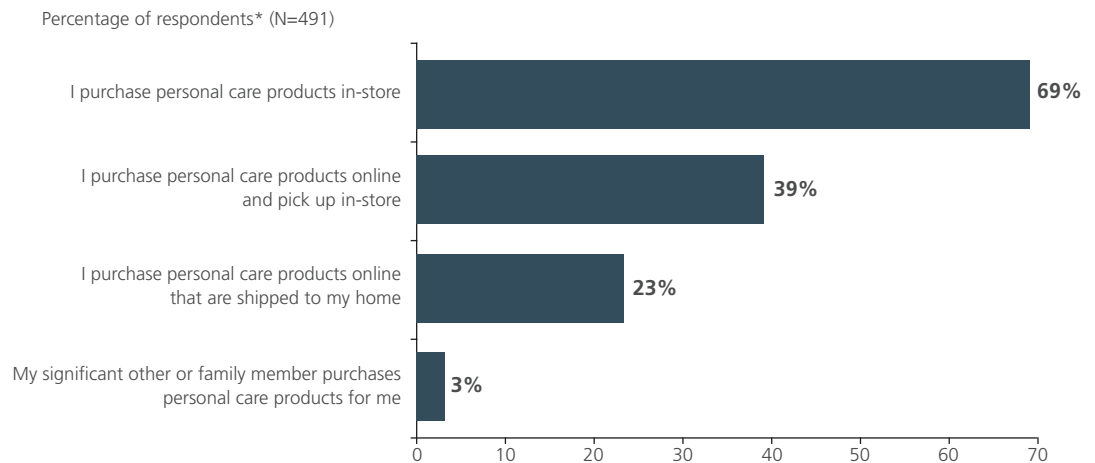
*Survey question: To what extent has COVID-19 impacted your preference for purchasing men's personal care products online?
Source: L.E.K. survey, research and analysis

Even so, 69% of male consumers say they continue to shop at brick-and-mortar locations as well (see Figure 4). Of the men's BPC products sold in 2020, 79% were purchased in-store. That suggests there's room for further growth, both in improving the in-store experience and in expanding assortment.

A new look for BPC

One subcategory that stands out? Men's skincare, which includes not only face washes, shaving creams and gels but also moisturizers, toners, sunscreen and face masks. In the U.S., men's skincare grew roughly 8% a year — about double the growth in

Figure 4
Purchasing channel for personal care products



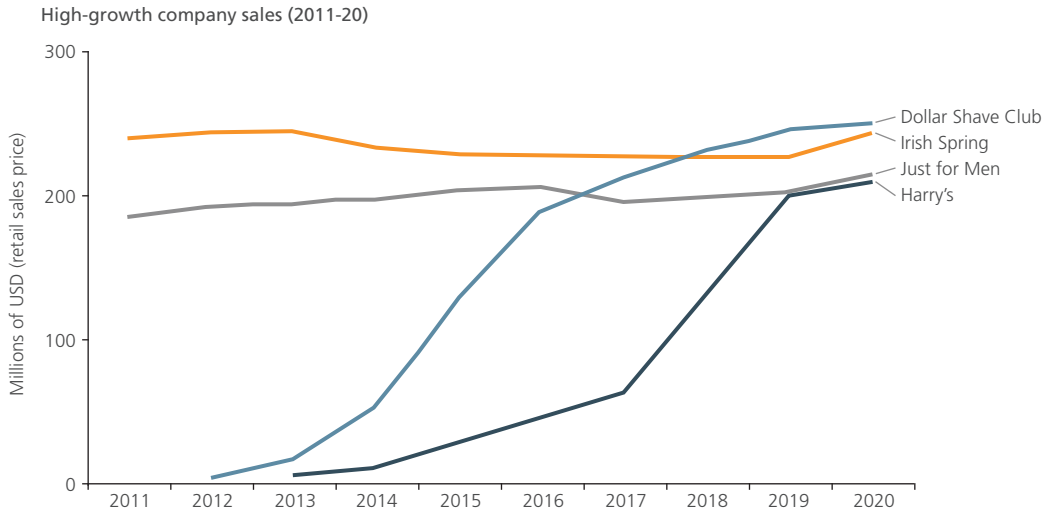
*Survey question: How do you typically purchase men's personal care products?
Source: L.E.K. survey and analysis

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men's BPC overall — between 2015 and 2019.¹ After a dip during the COVID-19 outbreak, men's skincare is expected to continue leading the market with growth of ~6% for each of the five years after 2020.²

There's an unmistakable trend of quick, significant success emerging among unique, quality brands targeting men. Examples abound with tremendous growth in brands such as Harry's and Dollar Shave Club contrasting with long-established brands like Irish Spring and Just for Men, which have seen stagnant sales over the past decade (see Figure 5).

Figure 5
Sales of new and traditional men's personal care brands (2011-2020)

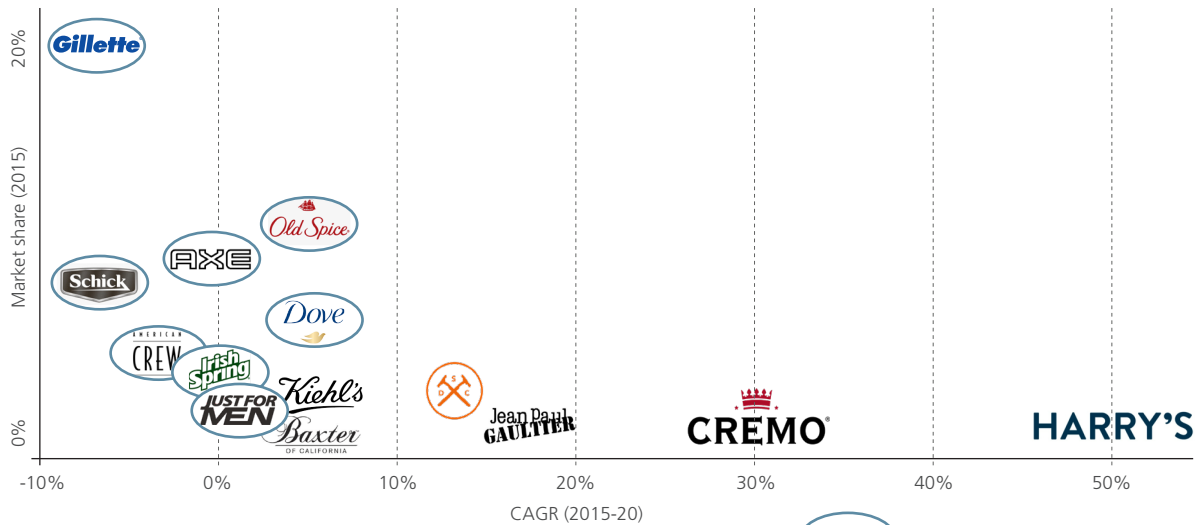


Source: Euromonitor; L.E.K. survey, research and analysis

These newer brands also had the highest CAGR between 2015 and 2020, with Harry's growing almost 50% during that time, while Cremo grew roughly 30%.

While the newer brands grew, some well-known, long-established brands such as Gillette and Schick saw a negative CAGR (see Figure 6).

Figure 6
Men's care market landscape (2015-2020)



Source: Euromonitor; Rakuten Intelligence; L.E.K. research and analysis

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In response to brands experiencing success, investment activity from financial sponsors and incumbent players alike has picked up as investors see opportunities to capture fast-growing brands in a category poised for growth (see Table 1).

Notable deals in 2020 included Carlyle's acquisition of men's personal care company Every Man Jack and Edgewell's \$235 million purchase of Cremo. In 2021, deal activity has continued, with strong-performing brands like Duke Cannon Supply Co. and Dr. Squatch driving substantial market interest.

Table 1
Examples of recent transactions in men's BPC

Target	Year	Acquirer	Seller	Business description	Enterprise value*
Cremo Company LLC	2020	Edgewell Personal Care	N/A	Branded manufacturer of personal care and shaving products	\$235M
Every Man Jack	2020	Carlyle Group	N/A	Men's personal care brand focused on naturally derived ingredients and environmentally friendly products	
18.21 Man Made LLC	2019	New World Natural Brands	Angel del Solar; Aston LaFon; David del Solar	Branded manufacturer of hair care, skincare and salon services	
Oars + Alps LLC	2019	S.C. Johnson and Son Inc.	Levy Family PTN; Breakout Capital	Branded manufacturer of skincare products	\$20M
Jack Black LLC	2018	Edgewell Personal Care	N/A	Branded manufacturer of skincare and anti-aging products	\$90M
800 Razors LLC	2016	Shave Mob LLC	N/A	Razor producer and seller	
Tag	2016	My Import Inc.	N/A	Branded fragrance company	
Dollar Shave Club Inc.	2016	Unilever PLC	Levy Family PTN; Breakout Capital	Online subscription-based service delivering razors and other shaving products	\$1B
Van der Hagen Enterprises Inc.	2016	Universal Beauty Products Inc.	Woodbridge International	Producer of shaving tools and products	

*Where available
Source: Capital IQ; Capstone Headwaters Report; PR Newswire; L.E.K. research and analysis

Breaking the gender barrier and moving forward

Looking forward, men's BPC has tremendous white space available, and men's skincare may be just the first step. As social norms evolve and stigmas disappear, emerging and established brands alike are pushing the envelope even further. Some, like Giorgio Armani and Brickell, are targeting men with skincare lines that include face wash, toner and moisturizer. Others are taking the trend further. Chanel introduced a male-oriented

makeup line, Boy de Chanel, in 2018; telehealth startup Hims & Hers announced a partnership with baseball star Alex Rodriguez to launch a concealer for men; and emerging brands such as Stryx, War Paint and Alpha Male Cosmetics have come to market explicitly focused on makeup products for men. While men's beauty and cosmetics have not yet crossed into the mainstream, we have seen early steps, and industry participants continue to push forward.

Endnotes

- ¹Euromonitor
- ²Euromonitor

About the Authors



Maria Steingoltz is a Managing Director and Partner in L.E.K. Consulting's Chicago office. Maria joined L.E.K. in 2003 as an Associate and works in the retail consumer sector with a special focus in food and beverage as well as BPC. She advises clients on a range of critical strategic issues, including growth strategy, consumer segmentation, international expansion, pricing, and mergers and acquisitions. In 2021, Maria received a Women Leaders in Consulting award from Consulting Magazine.



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