



“Market Trends And Growth Prospects Of Green Cosmetic Brands: A Comparative Analysis”

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ABSTRACT:

This comparative study looks at the current patterns and potential growth opportunities of green cosmetic companies in the beauty sector. Green cosmetic businesses have become significant participants in this developing market category as customers prioritize eco-friendly and sustainable goods. The study looks on the success of green cosmetic brands, as well as their strategies and competitive positioning. Using a comparative analysis, it examines the market share, consumer appeal, and potential for future growth. Furthermore, the role of legislative backing, certifications, and customer preferences on the trajectory of green cosmetic products is highlighted in the current investigation. The data show that the brands are growing steadily and have a growing market share, although competition is increasing. Product differentiation, as well as worldwide expansion, are critical drivers of long-term success. Green cosmetic businesses are well-positioned for future success as eco-conscious consumers continue to drive demand for sustainable beauty products, providing they adapt to changing market dynamics and customer expectations. In a rapidly changing beauty scene, this study provides light on the hopeful future of green cosmetic products.

Keywords: Green cosmetic product, Green cosmetic brands, Market Trends, Future Prospects.

INTRODUCTION:

In recent scenario, consumer preferences are shifting from ordinary beauty brands to green beauty brands or the brands who are opting to make their brands green, green brands are clean brands. The shift is not only to foods or fashion product's but has also extended to beauty brands, which had emerged a significant force in the market, responding growth in the demand of green beauty brands compare to chemical beauty brands. In recent years, there is remarkable shift towards sustainable and ecofriendly products it may be anything.

Green Cosmetic Products

Green cosmetics are skincare and beauty products that are produced with consideration for the environment, natural ingredients, and sustainability. These products don't include any dangerous chemicals, which are frequently present in conventional cosmetics and have a negative impact on the body and skin. These goods frequently arrive in environmentally friendly packaging.

Here there are few types of green cosmetic product:

- 1) **Mineral Cosmetic:** Mineral cosmetic is those products which are made from zinc oxide, titanium dioxide and mica from sun protection. They are usually free from any irritation and helpful for sensitive skin.
- 2) **Zero-Waste cosmetic products:** These are those products which are which offer zero or low waste alternatives such as shampoo bars, Natural Loofah, dishwasher as well which is made from Ridge Gourd such product helps in reduce wastage and help to save environment.
- 3) **Essential Oils:** Essential oils are often using as green cosmetic product for their natural scents and skincare benefits. They can incorporate into various beauty and wellness products.
- 4) **Sustainable Hair Care:** Green hair care products are formulated with natural ingredients free from sulphate, free from paraben and synthetic fragrances. They almost come in eco-friendly packaging.

Green cosmetic Brands:

Green cosmetic brands are those companies or industries which are manufacturing the green cosmetic brands prioritizing the environment and responsibility towards sustainability and using organic ingredients, material for making such products. These brands are committed towards reducing negative impact on environment, making product healthier,

The key features of Green Cosmetic brands:

Transparency: Green Cosmetic brands need to be transparent and disclose the information about the ingredient, are used and also the sources, manufacturing process. The company provide detailed information about the origin and benefits of the product.

Sustainability Initiative: These brands are taking initiative to promote sustainability such as reforestation, reducing carbon foot print, using renewable resources energy production and reducing wastage by recycling the product.

Cruelty-Free: Many cosmetic brands are making cruelty free products, which mean they do no test their product on animal and do not use any ingredient which are come from animals.

Natural Ingredients: These brands use natural ingredients for manufacturing their product. The ingredients are used are sustainable in nature free from synthetic chemicals, paraben free, sulphate free etc.

In recent years the demand for the cosmetic brands is increased specially post Covid, now people are more aware bout their health, environment and safety towards animals. As a result, now brands are stepping towards eco-friendly product due it raising in demand for green beauty and sustainable options.

Consumer Trends and Preferences for Green Cosmetic:

The role of eco- conscious millennials and Gen Z

Gomes, S., Lopes, J. M., & Nogueira, S. (2023). Willingness to pay more for green products: A critical challenge for Gen Z, according to a research paper that was published, Gen Z values money more than earlier generations did. The study also found that Gen Z is more prepared to spend more and demands more environmentally friendly products. There was a quantitative analysis done. The results show that Gen Z is influenced by environmental concerns to pay more for the green brands.

Impact of Industry standards and practices

Rocca, R., Acerbi, F., Fumagalli, L., & Taisch, M. (2022). According to the report, chemical-free cosmetics formulae and the capacity to switch to natural and organic cosmetic chemicals are replacing dangerous synthetic substances across the whole supply chain. Furthermore, converting waste materials into higher value substances is critical, and cosmetic application might be a method to reuse by-products abandoned by various agro-industries. As (Fonseca-Santos et al., 2015) note, there are two

basic approaches to sustainable and circular packaging: (i) design and (ii) materials. Both are complimentary in that eco-design packaging can entail the use of low-impact materials (Cinelli et al., 2019; Sahota 2013). In conclusion, managers tend to view sustainability as an issue to fulfil market and government demands, rather than a business aim.

Market Expansion Strategies:

Online sales and ecommerce growth

Online sales and ecommerce have tremendous impact to influence the trends as well future growth of the green cosmetic brands. Ecommerce resulted wider reach which allows green cosmetic brands to reach to wider audience without breaking geographical barriers. Ecommerce is also worked as educational platform's which provide space for in-depth product information, ingredients transparency. The customer reviews play another important role which provide social proofs and build trust. Convenience and Accessibility are offer by ecommerce which making it easier for consumers to explore and purchase green cosmetic brands

Strategies for reaching a global audience

One of the strategies to reach global audience is social media as per the research **Pop, R.-A., Săplăcan, Z., & Alt, M.-A. (2020)** social media Goes Green—The Impact of social media on Green Cosmetics Purchase Motivation and Intention, it is observed that how social media influence people to buy green cosmetic product, the social media first influence the attitude and subjective norms to help in buying intention for the product

The other way to reach a global audience is public relations seeking media coverage in environmental and beauty publications to increase your brand's visibility.

Especially today's young generation may be women or men, the young users are preferring natural products, as they are especially sensitive to the impact of their purchase on health and environment.

The latest Market Trends:

Sustainable Beauty: It can be said now everyone wants the product which should last long lasting and have a good effect on the skin. Generally sustainable products are made keeping in mind the environment and its impact, the green beauty brands are recyclable and packaging as well.

Stability in building health: As the impact of chemical beauty products can often lead to skin problems, green beauty brands are not toxic in nature, and protect your health from further damaging.

Clean and Green Ingredients: One of the core parts of green beauty brands is the ingredient use to keep them green. Consumer are becoming more cognizant about use of chemical and toxic ingredients which were used in traditional product are seeking natural alternative. This trend has led to rise of products free from paraben, sulphate and synthetic fragrances.

Eco Friendly Packaging: Now many green beauty brands are opting for eco-friendly packaging like recyclable, biodegradable and reuseable. This resonates with environmental conscious consumer who are increasable concern about plastic waste

Growth Prospect of Green Beauty Brands:

There are several factors which are contributing for the growth prospects of green beauty brands.

Consumer Awareness and Consciousness: Now the consumer is more educated about their health and environment due to global warming and its effects on planet, so the demand for the green beauty brands is increasingly in future.

Transformation: Green beauty brands are often prioritizing research and development to transform their traditional leading product to eco-friendly product through innovation. This innovation can lead to attract more consumer in future.

Global Expansion: Beauty is not limited to specific region similarly green beauty brands are limited to particular area now. As more region are wanting clean and green beauty brands so the market potential growth expands.

Partnership and Collaboration: Green beauty brands can strength their green beauty brands for future growth by collaborating with other eco -conscious industry. This partnership can provide valuable resources.

REVIEW OF LITERATURE:

Lina S, (December 2020) Generation Z purchase intention on environment and green cosmetic product. As per the Article published it can be said the Generation Z are more influence by green cosmetic product through advertisement, they are influenced because concern for the environment and the data was collected with the help of questionnaire

Ly Duc Minh, (September 2023) Factors Influencing Gen-Z's Intention to Buy Green Cosmetics in Ho Chi Minh City, Vietnam, As the paper stated the four main factors which influence Generation Z to buy green cosmetic product the factors are eco-label, brand certification, perception of behavioural control and subjective norms. The data was collected through qualitative method, The findings reveals that most influential factors among four is subjective norms. 162 sample was collected.

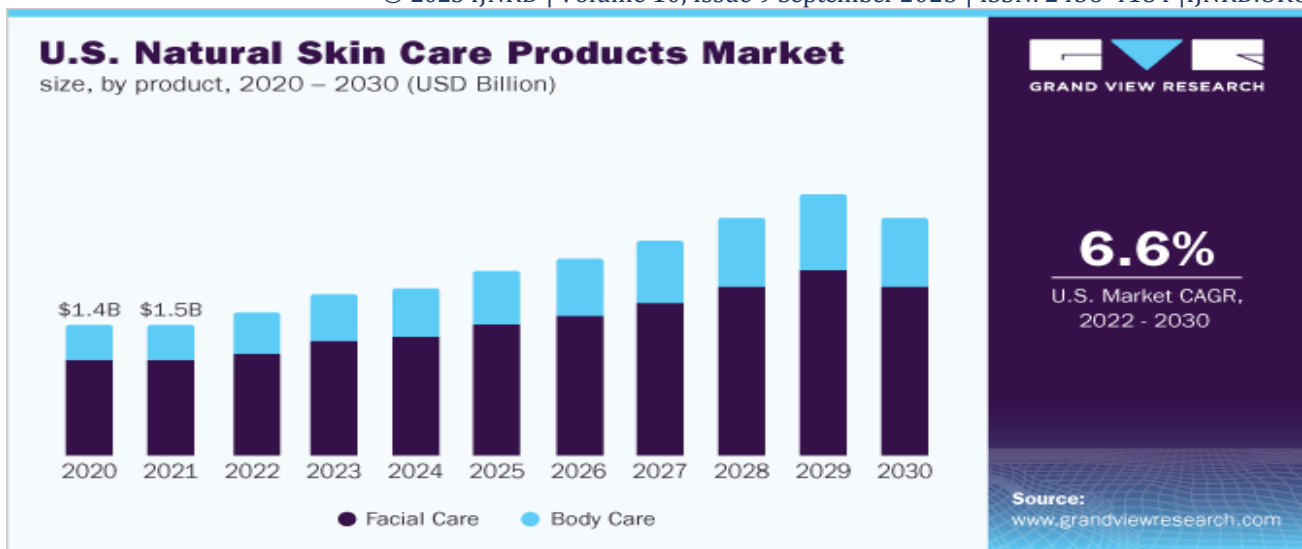
Surbhi Acharaya, Dr Santoshi Bali (November 2021), Green Cosmetic: Trends, Challenges and Future Scope in India, as per the paper it is said that Indian beauty sector is 13% 10 18% is higher than United States or the European Market.

DATA ANALYSIS AND DISCUSSION

Chitra N. The Hindu Business line (July, 2021) In the article it is stated that according to Ruhail, co-founder of Waggon Ruhail, of Vanity Waggon, the clean beauty sector in India is expected to reach a valuation of more than \$2 billion by 2025.

Indian Retailer (2023): The Rise of Sustainable Beauty and its Growing Popularity Among Consumers, with an estimated population of over 1.4 billion, India has the eighth-largest beauty industry in the world, with a valuation of \$15 billion. In addition, the Indian beauty business is going through tremendous times. It is being impacted by an increasingly youthful audience that places a premium on sustainability, one of the key factors that will guarantee the wellness of the global community.

Grand View Research Report Natural Skin Care Products Market Size, Share & Trends Analysis Report by Type (Mass, Premium), By Product (Facial Care, Body Care), By End-use (Men, Women), By Distribution Channel, By Region, And Segment Forecasts, 2022 – 2030, The study's conclusions indicate that the market for natural skin care products was valued at USD 6.7 billion in 2021. It is projected to expand at a compound annual growth rate (CAGR) of 6.6% between 2022 and 2030. Growing public awareness of the harmful effects of chemicals on skin, including dullness and irritation, is one of the main factors propelling the market.



Sources: Grandview Research

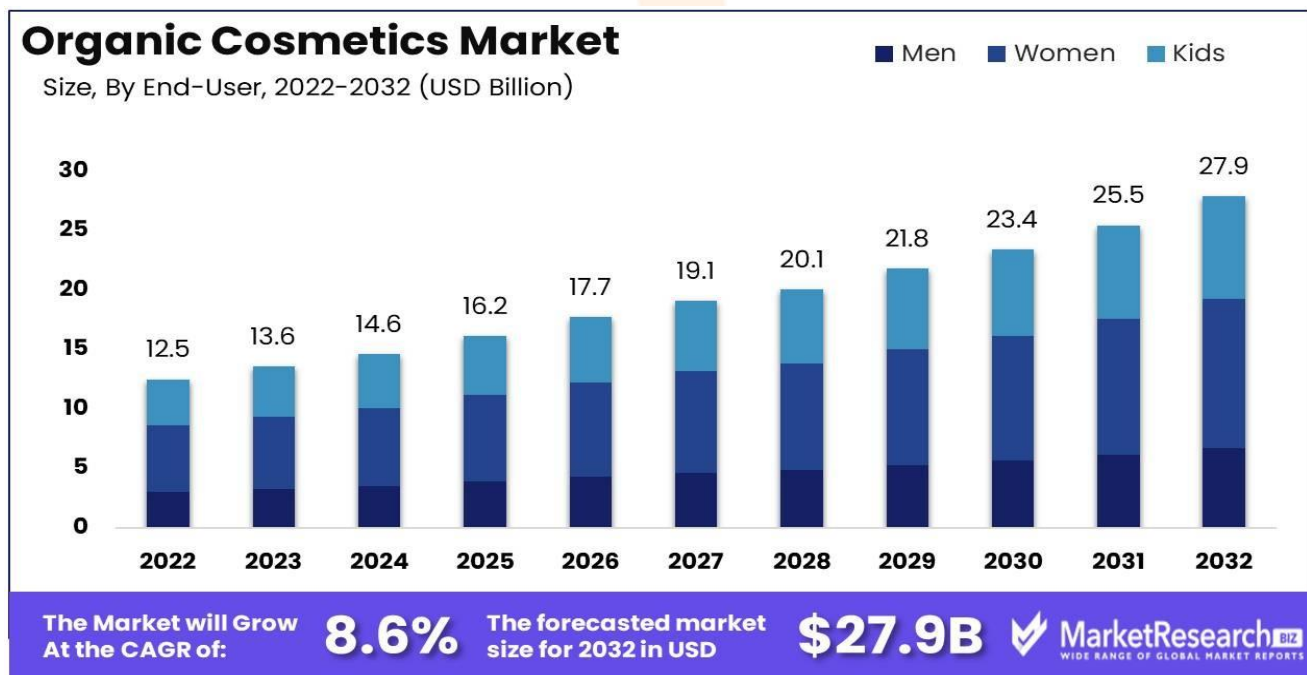
Statista (Natural Cosmetic – India)

Revenue in the Natural Cosmetics market amounts to ₹73.45bn in 2023. The market is expected to grow annually by 5.77% (CAGR 2023-2028).

In global comparison, most revenue is generated in China (₹226bn in 2023).

In relation to total population figures, per person revenues of ₹51.42 are generated in 2023.

Statista, Dominique Petrucci, Nov 2022 (Global market value for natural and organic cosmetics and personal care from 2020 to 2031) According to published data, the global market value of organic and natural cosmetic products is expected to rise significantly between 2022 and 2031; thus far, it has increased by nearly 35 million dollars in 2021 and almost 59 million dollars in 2031. This indicates that consumers are becoming more and more interested in green cosmetic brands.



Sources: Market Research. Biz

According to the aforementioned statistics, the value of organic cosmetic products is rising annually across all age groups and genders. By 2032, it is estimated that the worldwide worth of organic cosmetics would have climbed to US\$27.0 billion.

GOING BEYOND COSMETIC CHANGES

➤ Garnier's 'Green Beauty' strategy comes at a time when environmental & social consciousness is on the rise ➤ Experts says Covid also boosted the need for cos to do their part to protect the environment ➤ By the end of next year, all packaging in India of the	L'Oreal brand will show its environmental & social footprint ➤ All its factories in India would be carbon-neutral by December 2021 ➤ In less than 5 years, Garnier aims to have zero-virgin plastic packaging globally — all will be reusable, recyclable or compostable
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Times of India on (March 16, 2021) From the article it can be observed that even traditional brands which were using chemical based cosmetic product like Loreal and Garneir are shift towards the trends of green beauty as consumer are more conscious about health and environment

As per the article stated by Unilever Ltd the trend is clear, two in three people in India (65%) now pay more attention towards company stance on societal issues before they buy cosmetic products

Globally, Garnier has set a target to be zero-virgin plastic with all of it recyclable, reuseable or compostable. Now Garneir has also certified with cruelty free International for its commitment against animal.

Future Market Insights (Dec 2022) Organic Cosmetics Market by Product Type, End User, Sales Channel & Region | Forecast 2023 to 2033, According to an FMI analysis, the value of the organic cosmetic market is expected to reach US\$ 20.5 billion in 2023 and is expected to increase at a compound annual growth rate (CAGR) of US\$ 33.7 billion until 2033. The report also predicts that the US will be the one of the leading countries in the globe for green cosmetic products in the near future.

Future Forecasts of Green Cosmetic Brands by FMI

Short Term (2022–2025): To raise the standard of organic cosmetics, governments in a number of nations have passed laws pertaining to safety, regulations, and policies. Increased personal disposable income and rising living standards have fueled the global appeal of these cosmetics

Medium Term (2025–2028): As millennial males become more aware of the advantages of skincare, the market will continue to grow. Having a good skincare regimen helps reduce the appearance of acne and brighten skin caused by UV rays and pollutants. Owing to these considerations, there will be potential for growth in the organic cosmetics business throughout the forecast period.

Long Term (2028–2032): Demand for organic cosmetic goods is expected to rise sharply worldwide due to rising consumer knowledge of the benefits of organic products and rising usage of online marketplaces. Manufacturers are heavily investing in the development of digital sales channels with a focus on social media marketing since there is a large youth client base on various social media platforms.

Examples of Green Cosmetic Brands with growth and future prospects.

Business Today (Oct, 2021): According to the article, Forest Essential is one of the top green cosmetic brands. The firm generated over Rs 250 crore in revenue in 2020, up to 25% from 2019, and its sales increased by more than 17+% from the year before.

CNBC TV Today (Nov, 2023): The Mamaearth IPO includes a fresh equity issue of ₹365 crore and an offer for sale of about 4.12 crore shares. The price band of the IPO has been set at ₹308-324 per

equity share. Thus, this business—which is currently valued at about ₹1,000 crore—will likely grow to be a ₹5,000–10,000 crore revenue firm in the next five to ten years, according to Shah, who oversees a portfolio valued at over ₹835 crore.

Dollar Business Bureau (June, 2016): According to the article, said by CEO Vinita Jain, Biotique has been growing at a pace of 35% annually. The company has been on the rise. The statement that the company's clients have faith in the domestically funded, debt-free Biotique supports the market's perception of the company as a leader in the Ayurvedic and botanical beauty sectors. 10% of the company's total sales occur on the e-commerce platform, where it is also well-represented.

Voice of Fashion: The CAGR for Kama Ayurveda to 2019 was 50%. The brand revealed an annual revenue of ₹110 crores in 2020. The year 2022 has been significant for the brand. In 2019, Puig increased its minority investment to a controlling position; however, in the middle of the year, Lighthouse Advisors, a long-term partner that had allegedly invested about \$10 million, left the company. An investment that proved crucial in propelling Kama Ayurveda's business ahead by providing prompt financial advice, integrating an ERP (Enterprise Resource Planning) system, attracting talent, and modernising e-commerce technology.

With a pledge to utilise 60–40% PCR (Post Consumer Recycled) packaging and FSC (Forest Stewardship Council) certified Mono Cartons, which guarantee sustainably produced wood and paper, packaging has also contributed to the "conscious" movement. When things are bought online, they are packed in recyclable or biodegradable containers; brown honeycomb paper has taken the role of bubble wrap.

Challenges faced by green beauty brands for growth in Market

Green cosmetic companies that put an emphasis on natural, sustainable, and eco-friendly products experience several challenges in their attempts to expand within the beauty industry.

Lack of Consumer Awareness: Even now, a large number of customers lack sufficient knowledge or awareness regarding green cosmetic goods, particularly in rural regions. Educating consumer about green cosmetic brands over chemical - based cosmetic brands is one the challenges faced by industries.

Competitors: The influx of new players has resulted in a growing saturation of green cosmetic companies. Smaller beauty firms face challenges when established brands and conglomerates join this market.

Price sensitivity: High prices are one of the main obstacles to growth for green cosmetic firms, since some consumers find that price influences their decision to switch to green beauty goods. Green beauty companies need to take into account how sensitive their target market is to pricing.

Evolving Trends and Innovation: The beauty industry is always evolving, with novel developments and trends emerging constantly. Innovation and being updated are crucial for green cosmetic firms to stay competitive.

Packaging Sustainability: Eco-friendly packaging is a top priority for green cosmetic firms, but there are drawbacks to this as well. It can be more costly to use sustainable packaging materials, and it can be challenging to make packaging that is both visually pleasing and environmentally beneficial.

Certification and Standards: Achieving several certifications and standards for green beauty, such USDA Organic, COSMOS, or Ecocert, can be difficult and time-consuming. Getting these credentials is frequently required to enter new markets and win over customers.

How to overcome the obstacles that come with the growing market for green cosmetic businesses and the shifting trends towards them.

Educate and Raise Awareness: Here the company can invest in consumer education efforts that highlight the advantages of eco-friendly cosmetics and the risks that traditional cosmetics pose to

human health and the environment. In order to emphasize the benefits of choosing green cosmetics, highlight the company's commitment to sustainability and ingredients that are natural.

Transparency and Certification: The company should be transparent about the ingredient sourcing, manufacturing processes, and any certifications your products hold (e.g., organic, cruelty-free, vegan, Peta free). In the market for green cosmetics, trust-building is crucial. To prove the legitimacy and environmental friendliness of your products, strive to receive reputable green beauty certifications.

Pricing Strategy: Provide a variety of goods at various price points in order to serve a wide range of clients. Openness regarding costs and the factors influencing them might aid consumers in appreciating the benefits of eco-friendly cosmetics. To attract price-conscious customers, take into account smart pricing and promotions.

Innovation and Adaptation: Here the industries stay attuned to emerging trends and innovations in green cosmetics. Explore innovative sustainable ingredients and packaging options as well as ongoing product improvement. The company should be easily adaptable and adjust to shifting customer demands and market conditions.

Engage with Community: Build a community around brand, engaging with customers through social media, email newsletters, and events. Encourage feedback and respond to customer concerns and inquiries. To demonstrate a brand's dedication to having a good influence, highlight its sustainability measures, such as recycling programmes or charity donations.

Through a systematic approach to these challenges and ongoing adaptation to the dynamic landscape of green cosmetics company may prosper and satisfy the increasing consumer demand for eco-friendly and sustainable goods.

Future Trends and developments in the market for the Green cosmetic brands

Biotechnology and Green Chemistry: Advances in these fields have the potential to produce environmentally friendly and sustainable substances. In order to produce goods with less of an influence on the environment, green cosmetic firms could invest in these technologies more and more

Carbon Neutrality and Carbon Footprint Reduction: When feasible, brands will try to achieve carbon neutrality and take steps to lessen their carbon footprint. This covers pollution offsets, energy-efficient production, and sustainable sourcing

Personalization and customization: The practice of allowing consumers to customize cosmetics to meet their unique requirements and preferences is growing more and more popular. While retaining sustainability, green firms might integrate this trend into their product variations.

Unique Delivery Methods: The usage and delivery of items are changing. This includes waterless cosmetics, solid cosmetics, and other cutting-edge delivery methods that cut down on the need for packaging and preservatives.

Digital and E-commerce: It is anticipated that e-commerce will continue to expand while digital platforms will be used for sales and marketing. Brands are going to employ these platforms more often to establish relationships with consumers who concerned about the environment.

Regulations: Governments are passing more stringent laws pertaining to cosmetics, particularly with regard to the safety of ingredients and their effects on the environment. In order to remain in compliance, green cosmetic businesses must adapt to these developments.

CONCLUSION:

In the end, the market patterns and growth prospects of green cosmetic companies, as shown by comparative research, point to a bright future. Eco-friendly and sustainable items, particularly cosmetics, are becoming increasingly important to consumers. Green cosmetic firms are well-positioned to capitalise on this trend due to their devotion to natural ingredients, ethical sourcing, and eco-conscious packaging.

According to the comparison analysis, the brands are growing steadily, with a constant increase in market share. Furthermore, governmental backing and certification for organic and natural cosmetics contribute to green cosmetic firms' legitimacy and dependability.

While competition in this industry has intensified, innovation and product differentiation remain critical for long-term development. Adapting to changing customer tastes, extending product offerings, and increasing worldwide market penetration may all help green cosmetic firms flourish.

In conclusion, green cosmetic businesses have the potential for continuing expansion, driven by customer desire for ecologically responsible and sustainable beauty products. The ability of the company to satisfy these expectations while also adapting to changing market circumstances will be critical in determining the trajectory of their business.

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