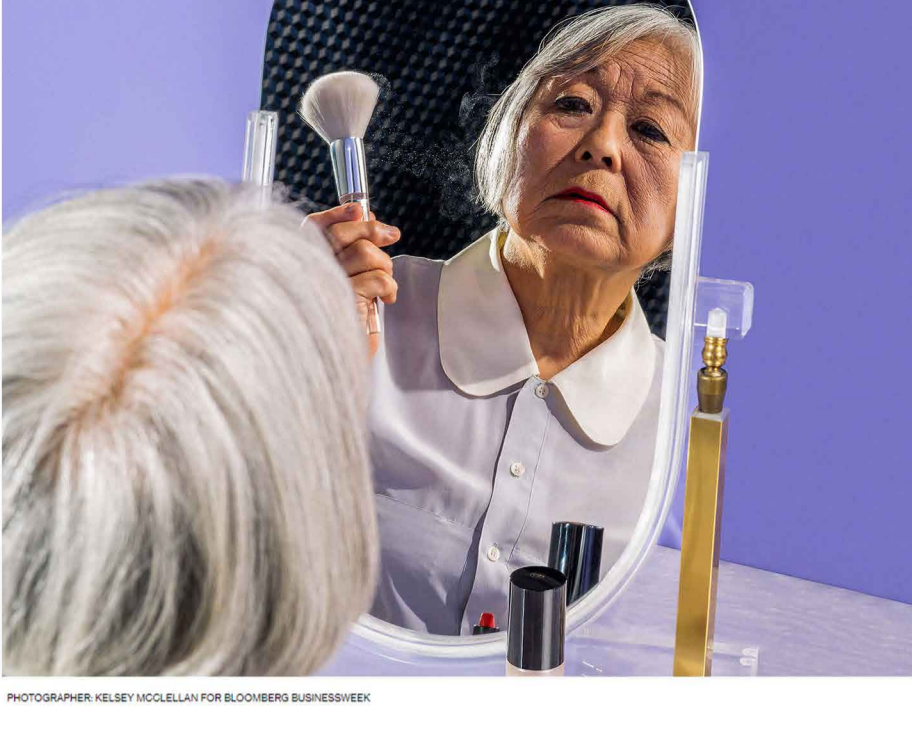


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# Older Women Are the Beauty Industry's Next Potential Gold Mine

● Demand for cosmetics among seniors in Japan is growing fast.

By Lisa Du



PHOTOGRAPHER: KELSEY MCCLELLAN FOR BLOOMBERG BUSINESSWEEK

At 99 years old, Kikue Fukuhara knows a thing or two about selling makeup to old people: She's been talking about lotions, lipstick, and foundation for six decades. Fukuhara works for [Pola Orbis Holdings Inc.](#), one of Japan's top cosmetics companies, and was recently recognized by Guinness as the world's oldest beauty adviser. Her strategy: testing the merchandise on her own skin. "For makeup, there's no day that I slack off out of 365 days," she says. "It's always important to keep up personal appearances."

Selling lotions and cosmetics to women in their 50s, 60s, and older is a golden opportunity for global beauty companies. The market for aging-related products and services is set to jump 58%, to almost \$80 billion, in the next five years, according to Research & Markets. Sometime during the next decade, the world will have more people over the age of 65 than those under age 5. "The aging population is going to be one of the key areas of focus for all beauty companies around the world," says Stephanie Gabriel, vice president for business development at Beautystreams, a trend forecaster.

Japan has become an ideal test bed for cosmetics manufacturers interested in senior-friendly products. About half of the women in Japan are already over age 50, and by 2050 that demographic will make up almost 60% of the female population, according to the National Institute of Population & Social Security Research.



▲ Fukuhara at age 22 (left) and at age 99. SOURCE: POLA ORBIS

That's why Pola Orbis, along with rivals [Shiseido Co.](#) and [Kosé Corp.](#), which employs 45-year-old Kate Moss as its brand ambassador, are increasingly targeting older women with products tailored to them. Some are cream-based, because powder tends to accentuate wrinkles. Wax is great for eyeliners because it doesn't drag on the thinner skin around the eyes. And Shiseido sells a minicomb with a little bit of black dye on the tip to color white hair roots.

All of this will give Pola, Shiseido, and other Japanese manufacturers an edge in places such as China, where those 60 and older will make up about a quarter of the population by 2030. And there's plenty of potential far beyond Asia: Already in the U.K., people over 55 account for 44% of spending on cosmetics, a 5 percentage-point increase in the past four years, according to researcher Kantar Worldpanel. "People are coming to the realization that the population aging is not only in Japan, but in other countries," Gabriel says.

## Top Cosmetics Markets



Data: Euromonitor, World Bank

The market in Japan got a boost recently when the government started categorizing some anti-wrinkle creams as over-the-counter drugs because they contain such active ingredients as pure retinol and compounds that fight wrinkle-promoting enzymes. The regulatory designation convinced some shoppers that the products were safe and effective. Pola's Wrinkle Shot serum was the first to receive the designation, in 2017, prompting a 12% jump in the company's revenue. Since then, Shiseido and Kosé have followed suit; now there are about 20 products in the wrinkle-improvement category.

Making beauty products for the elderly comes with unique challenges. Labels need bigger fonts so they're easier to read, packages with pumps fare better than tubes, and product tops are ridged to make them easier to grasp. Eyebrow pencils made by Prior, Shiseido's beauty line for customers over age 50, have little tabs on the cap so they can't roll away and are waterproof because older women tend to sweat more on the forehead, according to brand manager Yuki Kawai.

And you can't target older women explicitly by age. Words such as "anti-aging" don't resonate well. It's not so much about hiding the bad, but accentuating the good, Kawai says: "It's more 'What's beautiful about my age? How do I highlight parts of my age?'"

While the current crop of senior-focused products are mainly in the midprice range, Jefferies Group LLC analyst Mitsuko Miyasako says Japanese cosmetics makers could do more to profit from the demand for senior beauty goods. "It's a consumer segment that has more money," she says, "so there's room for more premium products."

Although Japanese cosmetics exports almost doubled, to more than 500 billion yen (\$4.6 billion), in the two years to 2018, according to the Japan Cosmetics Industry Association, manufacturers in the senior segment haven't been aggressive in expanding overseas. That means rivals in local markets have a chance to establish themselves before big brands move in.

Rageism, an Australian startup, began selling makeup for older women this year using targeted web ads that pop up when consumers search for phrases such as "hot flashes" or "loose eyelids," says Chief Executive Officer Doris Humunicki. Pola is taking a more old-school approach by using its Avon-like direct sales network, where people sell beauty products to peers. About 45% of Pola's salespeople are over 50, according to the company's president, Yoshikazu Yokote. They're encouraged to open small stores and build strong relationships with customers, a model that's being adopted in China. "We want to build a relationship of trust over many years," Yokote says.

Fukuhara, the record-holding beauty adviser who survived the Hiroshima atomic bombing, raised four sons, and still teaches flower arrangement on weekends, concurs. "Customers trust me," she says, "and that trust is the most important thing of all." — *With Grace Huang*



▲ Pola's Wrinkle Shot product. SOURCE: POLA ORBIS

**BOTTOM LINE** - By 2050, almost 60% of Japanese women will be over age 50. So cosmetics makers there are pitching beauty products suited for older skin.