

Here Comes the Groom

AS MEN BECOME MORE INTERESTED IN PERSONAL CARE, RETAILERS STAND TO BENEFIT. **By Barbara Sax**

Younger consumers are transforming the men's grooming category. Millennial consumers are markedly different from prior generations in their personal care behavior, in large part because they're not just motivated by functionality.

"They're looking for more sophisticated benefits, emotional payoffs and elevated grooming experiences," explains Eric Yoch, brand manager of men's grooming at Glendale Heights, Ill.-based Universal Beauty Products, which markets Van Der Hagen

branded shaving items and Beard Guyz beard care products.

"Millennial men are much more engaged in the category, doing product research and often spending more than Gen X," adds Yoch. "They're more experimental with what they try, less likely to stay with just one brand and more likely to gravitate towards brands they feel understand them."

Growth Opportunity

With more men willing to spend on grooming products, prestige channels aren't the only retailers courting this consumer – the category is growing in mass as well as upscale outlets.

"If men are present and the retailer is doing a compelling job, there is growth to be had," asserts Yoch, noting that while some supermarkets haven't changed the brands and space allocation they gave to the category five years ago, more progressive retailers are adding new brands and increasing space for additional men's grooming solutions.

Where there was once a lack of options, new players have been streaming into the category, leading to a tidal wave of new brands.



Key Takeaways

- ▶ Millennial men are seeking more sophisticated benefits, emotional payoffs and elevated grooming experiences.
- ▶ With more men willing to spend on grooming products, the category is growing in mass as well as upscale outlets.
- ▶ New players are streaming into the category, leading to a proliferation of new brands.
- ▶ Razor sales are down due to cheaper online alternatives and more men growing their facial hair, but beard trimmer sales are on the rise.

"It's all about balance," observes Yoch. "Some categories are becoming highly fragmented by a proliferation of brands in a newer segment such as beard wax. Retailers should be putting in fewer, more productive players rather than cluttering the shelf and then delisting the segment a year later because all of the items are underperforming from splitting the volume."

According to Geoff Ice, brand manager for Franklin, Tenn.-based Olivina Men, the brand entered the category when there were few players in that space. "We wanted to focus on ingredients, so we developed a premium body care line that met Whole Foods' premium body care standards," he recounts.

What began with a basic body wash, soap, shaving cream and fragrance has since been expanded to encompass skin care, including moisturizer, scrub and facial wipes. In addition to Whole Foods Market, Wegmans Food Markets, Meijer and Harris Teeter now carry the brand.

"More specialty grocery stores are adding the line," observes Ice. "Their customers are willing to pay a premium for specialty foods, and the same thing can be said for the personal care aisle. If someone is buying organic product, they are likely to buy organic beard oil."

Giant Eagle and Wegmans are two chains that Yoch says have expanded the space they dedicate to the category. "Men will be buying new grooming offerings somewhere, and smart retailers will be flexible to provide the opportunity for men to stay in store," he notes. "We see a lot of guys trading up in store to something their friends may have posted about on Facebook, like Van Der Hagen shave butter, which is a huge win for the retailer, not just for that transaction, but for retaining him for other purchases such as ready-to-eat meals. These chains are thinking strategically and financially beyond just men's grooming, considering the total long-term value of that consumer at store level."

Wegmans, which carries Olivina, Duke Cannon Supply Co., Bulldog, Every Man Jack, Van Der Hagen and Beard Guyz, as well as men's lines from Neutrogena and Nivea, positions the premium lines at eye level, raising the profile of the category.

In addition to Olivina Men, Harris Teeter stocks men's grooming products from specialty lines Shea Moisture, American Crew and Burt's Bees, and recently included Neutrogena men's products in a promotion that offered a \$3 savings with the purchase of two of the brand's products. The chain also recently featured a number of grooming products from Bulldog, including beard oil, moisturizer and face wash, on a VIC savings end cap promotion in the front aisle.

The Pros and Cons of Beards

According to Cliff Harding, buyer for Homeland, an 85-unit chain based in Oklahoma City, Okla., the chain added beard oil to its mix and has seen good results. While Homeland hasn't extended the space it devotes to men's grooming products, Harding says that new products would be a way to offset declining razor sales, which "have fallen off," he points out, as more consumers look to less expensive online options.

Razor dollar sales dipped 4.4 percent for the 52 weeks ending March 28, 2018, according to multioutlet data from Chicago-based IRI. Blade dollar sales were down 7.7 percent for the same period, and razors have become extremely promotionally sensitive. Last year, Boston-based Gillette slashed prices on razors by up to 20 percent in an effort to win back customers from online subscription service competitors, which have significantly eroded the brand's market share.

At Harris Teeter, Gillette 3, promoted as a "high-performance, low-price" razor, had prominent placement on shelf, and other Gillette products were promoted heavily with the chain's VIC savings card.

While the razor category has also undoubtedly been affected by the popularity of beards, consumers' attention to maintaining their facial hair has been a boon for beard trimmers. The category has been growing rapidly, with sales up 27 per-



cent in 2017, according to Jeff Bovee, senior product manager at Sterling, Ill.-based Wahl Clipper Corp.: "Chains like Kroger and Publix have been increasing their selections of beard trimmers and showing strong growth."

Wahl recently introduced a Lithium Ion Vacuum Trimmer and Lithium Ion Aqua Blade, both designed with easy cleaning in mind. Wahl research has found that consumers dislike cleaning up whiskers left behind after a trim, so the company's newest products capture 99 percent of beard trimmings.

Trimmers and shavers from Wahl, Norelco and Braun, with retail prices ranging from \$11.99 to \$39.99, are included in Wegmans' men's grooming department. The chain also offers products for men looking for an elevated shaving experience, such as a Van Der Hagen branded shave set that retails for \$27.99.

Van Der Hagen recently introduced a Self-Heating Shave Cream that softens stubble and reduces razor burn with a product that heats with water, as well as a Cooling Shave Gel that imparts an invigorating chill. Additionally, under its Beard Guyz brand, Universal Beauty Products recently launched Beard Guyz Style Stick, Styling Foam and Moustache Wax. **PG**