

Strengths and initiatives to help

“Creating an easy-to-start grooming culture”

We at Mandom aim to be a company that is dedicated to service by proposing concepts born from the day-to-day lives of consumers as genuine value through our “human-oriented” approach.

Dedication to Service (Oyakudachi) has two aspects: “depth” in terms of how much satisfaction can be provided to a single consumer, and “breadth” in terms of how many consumers can be satisfied. In the age of VUCA, where the future is uncertain and complex, and consumers’ needs and wants are becoming more and more diverse, proposing unique and one-of-a-kind products and services that meet their needs and wants will expand the “depth” of our Dedication to Service (Oyakudachi) and lead to the realization of well-being* for as many consumers as possible and to Mandom’s sustainable growth.

Mandom has always been and will continue to be committed to our original concept of “Health, Cleanliness, Beauty and Fun” that is, the basic parts of “Health, Cleanliness and Beauty” combined with “Fun,” and we will make consumers have fun and feel satisfied with everyday life through products and services that only Mandom can provide.

Strengths of Mandom 1

Only One Marketing

Proposing products that lower taboo lines to freely enjoy cosmetic actions

The Mandom Group pursues a unique marketing model in which we constantly interact with and give care to consumers. This is in order to meet their latent needs and wants and guide their discoveries and feelings under a marketing philosophy of “Only One Marketing through Consumer-led Lifestyle Value Creation.”

For example, in 1989, when it was considered a given that cosmetics had fragrances, Mandom launched the fragrance-free brand LÚCIDO in response to the wants of consumers who said they could not use fragrant cosmetics because of their professions, or that the fragrance of cosmetics bothered them because they were particular about the fragrance they wore.

In 1996, “GATSBY Facial Cleansing Wipes” were launched to meet the want to wash and thoroughly refresh one’s face while on the go.

This product introduced the grooming habit of cleansing one’s face with wipes, which had not existed until then.

This was followed by the release of body cleansing wipes that easily wipe away perspiration and provides a refreshing sensation as a body care product for the hot and humid Japanese summer.

In addition to proposing a new grooming habit, we expanded the sheet care category in the men’s cosmetics market.

In 2001, we launched the GATSBY hair color series for men with dark hair to accommodate the rapidly-increasing want among young men to make their hair a lighter color.

This series made it easier for men to color their hair and has led to the spread of hair coloring as a fashionable daily activity for young men.

In this manner, we have created several new markets for men’s cosmetics.



1 LÚCIDO, a fragrance-free brand (launched in 1989)



2 GATSBY Facial Cleansing Wipes (launched in 1996)



3 GATSBY Hair Color Series (launched in 2001)

This is true not only for men's cosmetics, but also for women's cosmetics.

Against the backdrop of an increase in the number of busy women with the progress of women in society, such as working women, working mothers, and solo-parenting mothers, we proposed a water cleansing product that can perform cleansing, washing, and toning in a single wipe-off, regardless of location, to meet the wants of women who are tired and want to go to bed immediately and who do not have time for cleansing. This product is now widely distributed not only in Japan but also in other Asian countries.



4 Bifesta water cleansing (launched in 2011)

Under the philosophy of "Consumer-led Lifestyle Value Creation," we have always been close to consumers, proposing new cosmetic actions and creating markets in order to respond to the changing wants of consumers over time.

Consumers, either consciously or unconsciously, draw lines that define what acceptable cosmetics and cosmetic actions are and which ones cross into taboo territory. We believe that offering value propositions that encourage consumers to freely realize their own individuality while enjoying cosmetic actions, free from such their stereotypes and current norms will lead to the realization of our corporate slogan of "BE ANYTHING, BE EVERYTHING."

1. Fragrance-free cosmetics

Cosmetics being fragrant is to be expected, but the fragrance gets in the way of my perfume. (1989)

I would love to wash my face or shower to refresh myself away from home, but it's just not feasible. (1996)

2. Casually refresh both your face and body even when away from home with sheet cosmetics.

Lowering taboo lines to make cosmetic actions more freely enjoyable

– Creating new markets with new value proposition –

3. Hair coloring for men for them to freely enjoy coloring their hair too.

Changing hair color is a part of women's fashion. When men do it, however, they are likely to be seen as unserious. (2001)

Cleansing requires a place to wash up. Facial care is something you do carefully after washing your face twice, right? (around 2010)

4. Completely cleanse and moisturize your face anytime, anywhere just by wiping it.



<Feature> Only One Marketing Topics

– LÚCIDO-L: A popular, dear-and-near hair beauty cosmetics brand –
Tackling the challenge of the hair care category and mass-marketing LÚCIDO-L as a salon brand



Since we launched it in 1993 as a hair styling brand, LÚCIDO-L has won over considerable recognition and popularity for its reliable quality and a newly-proposed form. Today, we have a wide-ranging lineup of LÚCIDO-L products that go beyond hair styling to hair coloring, hair care and other types of hair beauty cosmetics that we have rolled out across Japan and in other Asian countries.



Below, we will introduce our initiatives in the hair care category, which is enjoying favorable sales growth at present.

A hair styling brand tackling the challenge of the hair care category

With LÚCIDO-L, we proposed styling products matched to trendy hair styles since initially releasing the series. Our products and their considerable styling power, which constitute Mandom’s original strength, were combined with recognition of those products’ high quality to win over women of a wide range of ages. From 2000 onward, alongside the entrenchment of hair coloring and styling conducted with the use of hair irons and other thermal appliances, consumer awareness surrounding hair care grew, and the hair care market, driven by the likes of non-bath hair treatment, also grew.

Many a time, we had proposed non-bath hair treatment under the LÚCIDO-L brand as well. However, at the time, the hair care market favored in-bath hair treatment, and we continued to struggle in our challenge of the hair care category for many years.

Mandom’s Oil Treatment series becomes a hit

Then, in 2014, we turned our focus to argan oil, which had started becoming a target of attention at hair salons. As LÚCIDO-L’s image as a hair care option was anemic relative to the sway carried by in-bath brands, we shifted to product proposals that carried a sense of trendiness and quality.

At the time, argan oil was attracting attention for being plant-derived and having a considerable moisturizing feel. On the other hand, a large number of hair oils that were launched amid the prevailing trend of natural hair styles felt heavy when used, and there was no shortage of consumers who were unable to effectively use the oils due to factors such as the difficulty in adjusting what part of the hair to use them on and how much to use. Another hurdle consumers encountered in buying the oils were that they were priced somewhat highly. With that in mind, Mandom offered the “LÚCIDO-L Oil Treatment Series,” an approachable and easy-to-use product line containing argan oil, to general consumers as a series for mass distribution, which we specialize in.

In addition to offering this series with an affordable price point for many, we applied high-pressure treatment to the argan oil within to enhance the diffusibility of each strand of hair and give it a light, smooth finish. Easy for novices to use as well, the series became hit items that were lauded on word-of-mouth websites as well.

Today, there is a greater number of items in the LÚCIDO-L Oil Treatment series, which has growth into a leading series under that brand with over 17 million units shipped cumulatively.

This series played a considerable role in making argan oil a dear-and-near hair care item for many people and successfully turned it into a leading mass-market trend. These and other factors translated into both greater sales of LÚCIDO-L products and a larger hair care market.



Originating from hair salons: Acid heat treatment

In recent years, given the high damage caused by hair coloring and thermal devices such as hair and crimping irons and growing demand for more beautiful hair, “acid heat treatment” has been touted as a means of improving hair quality, and has been enjoying popularity as a popular treatment option at hair salons.

This option requires a technician at a hair salon to apply heat to hair using a hair iron in the treatment process, and typically exceeds ¥10,000 in price. While relatively high-priced, it has a real sense of being effective and is thus a popular option.

Challenge of commercializing acid heat treatment as a home hair care product

Given that, taking a cue from the treatment offered at hair salons, we launched the “LÚCIDO-L High Damage Repair Treatment Series” containing acid heat treatment* ingredients in August 2022. Using a Mandom Group company that supplies professional-use products and technologies to hair salons and leveraging our strengths from years of hair research, we developed a formula that can be easily used at home with ease and provides a truly genuine sense of treatment. With LÚCIDO-L High Damage Repair Treatment series, we proposed items that enable consumers to casually experience acid heat treatment as part of their hair care and styling routine by applying the heat from a dryer they normally use to dry their hair or hair iron they use to style their hair to simulate the level of heat required in acid heat treatment.

* Levulinic acid



Offered our first acid heat treatment for mass distribution

Even prior to the launch of this series, retailers also had high expectations for this new, unprecedented proposal of making the popular acid heat treatment at hair salons casually available at consumers’ homes. Stores carrying the series greatly exceeded our target. Following launch, the series was considerably noted and praised by highly trend-sensitive consumers as well, and was also a hot topic on social media. With growth in awareness of acid heat treatment showing no signs of slowing down, the market is expected to grow further going forward.

Meanwhile, people in the Asian region are highly conscious of hair beauty as well. The series is performing strongly in Taiwan, where we rolled it out early on through a Mandom Group company, and we intend to further expand the rollout area within that region.

Additionally, in August 2023, we will add shampoo and treatment to the lineup to enhance it, and will work towards proposing this lineup as the first full-fledged in-bath series under the LÚCIDO-L brand.



Looking towards the further growth of LÚCIDO-L

Our Oil Treatment series containing argan oil, which continued to perform favorably with little impact from the COVID-19 pandemic, as well as our High Damage Repair Treatment series containing acid heat treatment ingredients, which we newly launched in 2022, helped LÚCIDO-L reach its highest net sales on record during the fiscal year ended March 31, 2023.

Going forward, Mandom will continue to propose leading trends with speed and in ways that more and more people find approachable and easy to use, and will work towards expanding its Dedication to Service (Oyakudachi) alongside creating new markets.

Materiality: “Creating an easy-to-start grooming culture”

Strengths of Mandom 2

Men’s Cosmetics

Achievements and knowledge in the men’s cosmetics field Overwhelming presence in men’s cosmetics since Tancho and MANDOM

At Mandom’s founding, we were known for Kintsuru Perfume.

Mandom did not start out specializing in men’s cosmetics.

After launching hit products such as Tancho Tique and the MANDOM series, we began to establish a strong presence in men’s cosmetics.

PIXY, a series of cosmetics centered around makeup, has been rolled out in Indonesia since 1987. Mandom also globally launched the Bifesta cleansing and face wash brand in Japan and other Asian countries in 2010 onwards. Both of these series have been performing well, experiencing expanding sales. However, even now the core brand of Mandom remains the men’s GATSBY brand. In order to satisfy the high expectations of male consumers, primarily in the long-selling GATSBY series and LÚCIDO cosmetic brand for middle-aged men, Mandom has invested people, resources, and money to continue tracking changes in men’s tastes and values. We possess the advantage of having continuously conducted proprietary research on men’s hair and skin.



GATSBY, our men’s grooming brand enjoying tremendous popularity in Asia

Born in 1978, for over 40 years GATSBY has continuously delivered an enjoyable grooming experience to young men in their teens and 20s in various Asian countries. We offer a wide range of products in a variety of categories for all grooming situations, from personal grooming to fashion, including hair styling, hair coloring, skin care, shaving, body care, and fragrances.

GATSBY is currently available in all of the 12 areas where Mandom does business, including Japan.

Although GATSBY’s brand philosophy is globally unified, different products are sold in Japan and other countries.

Needs or wants and the standard of living of local consumers differ between Japan and overseas countries; therefore, the content and selling price of the products are designed differently for each country.

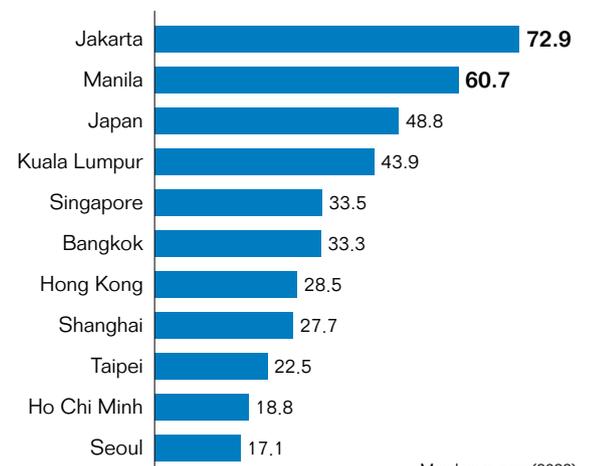
As a result of focusing on the young male in our business expansion in Asia, not just with products but also with communication and in-store points of contact, the name recognition of the GATSBY brand is high in many countries, and it has penetrated to the point of establishing a number one position in the hair styling market. With the spread of social media, we will continue to offer products and value that can help men realize their ideal selves, in line with their ever-increasing awareness of fashion.

<p>GATSBY Japan for men Cosmetics Brand share*1</p> <p>No.1</p>	<p>GATSBY Indonesia Hair styling products Brand share*2</p> <p>No.1</p>
<p>GATSBY Japan for men Hair styling products Brand share*1</p> <p>40% or higher</p>	<p>Total quantities of GATSBY-brand products shipped by the Mandom Group in FY2022</p> <p>260 million units</p>

*1 Period: April 2022–March 2023; all business categories, monetary value (market data by Mandom calculations)

*2 Period: January 2022–December 2022; monetary value of brand sales (RMS Nielsen)

GATSBY brand awareness in major Asian cities (%)



Mandom survey (2022)