

Business Activities

Business Activities of the Mandom Group

The Mandom Group studies the dissatisfaction and troubles felt by consumers in their daily interactions with cosmetic products, and then draws out needs and wants. By delivering products and services tailored to these needs and wants, the Mandom Group is providing satisfaction and benefits to consumers.

Mandom's research, development, production and marketing functions are seamlessly linked to materialize needs and wants as appealing products and services. In this regard, we are carrying out our daily business activities from the perspective of creating lifestyle value with consumers, for consumers.



Research & Development

Meeting Diverse Needs and Wants throughout Asia's Countries and Regions

Mandom researches the wants that exist in different regions, and plans new and unique products to meet this demand.

Concentrating on core technologies involving the science of hair, body odor and skin, the Company strives to develop efficacious cosmetic products for consumers that are safe and convenient.

Establishment of the Advanced Cosmetic Science (Mandom) Joint Research Program at the Graduate School of Pharmaceutical Sciences at Osaka University

Mandom conducts joint research with the Graduate School and School of Pharmaceutical Sciences at Osaka University to find applications in cosmetics research for the stem cell-related technologies used in regenerative medicine. The research program aims to establish, apply and develop technologies to regenerate tissues and organs from stem cells harvested from human skin and related tissue. The regenerated tissues and organs will then be employed to establish the technology to assess functionality in the field of cosmetics, and to research and develop active ingredients that can be used in functional cosmetics, quasi-drugs and other areas.

Ongoing Odor Research to Address "Smell Harassment"*

Based on joint research with Nobuyuki Sakai, Associate Professor at the Graduate School of Arts and Letters at Tohoku University, we found that some Japanese consumers with a normal sense of smell are highly sensitive to diacetyl. This is a compound responsible for a distinctly greasy odor given off by middle-aged men (called middle-age sebum odor). Since the men do not detect these odors themselves, diacetyl is said to cause what has come to be known as "smell harassment."*

***Smell harassment**
This phrase refers to odors people give off that they do nothing to control, including body odors and halitosis, and scents from strong perfumes and fabric softeners. While the person might not be aware of the odor, it is unpleasant and causes discomfort to people in their vicinity.

Product Development Targeting Ultra-Long-Lasting Deodorant

Using our proprietary evaluation methods, we learned that oil esters with substantial molecular mass and hydrophobicity carry significant antibacterial benefits, and that by forming films certain high-molecular compounds keep antibacterial ingredients in the skin. We collectively refer to these ingredients, and ingredients such as silicones that have water repellent effects, as "deodorant keepers." Based on the form of the product, by combining multiple deodorant keepers, we have made the effects of deodorants last longer.



Research

Testing

Design

Production & Supply

Providing High-Quality, Reasonably Priced Products and Services That Can Be Purchased by General Consumers in Asian Countries and Regions

In every Asian country and region, Mandom targets the general population, the “mass market.”

To provide products to as many consumers as possible, we have created a stable and efficient system to supply products via three bases, in Japan, Indonesia and China.



Production Capable of Supporting Demand from Overseas Visitors

After revisions to the tax-exemption system in October 2014, Barrier Repair Facial Mask and Bifesta Cleansing Sheet saw robust sales. We established a new production facility at our Fukusaki Factory, and started mass production. Production is now able to match sudden surges in demand.

An Asia-Based Global Production and Supply System with Three Manufacturing Locations

Mandom has three manufacturing bases that enable it to effectively supply products throughout Asia and allow for future growth. Our Fukusaki Factory in Japan serves as the Group’s “mother” factory, taking the lead as our innovation center with technological and production functions. Our Indonesian factory, which serves as a global production center, has a production structure that allows it to manufacture high-quality, cost-competitive products. The factory primarily supplies ASEAN countries, but its global reach extends to the Middle East and Africa via the United Arab Emirates. Our factory in China supplies products to the country’s domestic market and additional production for the Group.



Production volume based on fiscal 2015 performance

1	Fukusaki Factory (Japan)	Site area: 71,058m ²	171 million units
2	Zhongshan Factory (China)	Site area: 27,253m ²	12 million units
3	Factory 1 (Indonesia) (Manufacturing plant)	Site area: 147,936m ²	613 million units
4	Factory 2 (Indonesia) (Factory for molding plastic containers)	Site area: 54,442m ²	

Marketing

Maximizing Contact between the Consumers of Asia's Countries and Regions and Our Products

Our marketing activities in each country and region are aimed at maximizing contact between consumers and our products.

We effectively link cross-media communications with in-store communications to promote an understanding of our products among target customers and arouse interest.

We also hold events that, in addition to providing products, are aimed at forging ties between our brands and our target customers.

Providing More Information to Middle-Aged Men through the Promotion of "Smart Aging"

"40's Life," a Lifestyle Information Site for Gentlemen

Curators from four categories, Society, Living, Health, and Beauty, provide lifestyle advice for men in their 40s, the largest demographic in the population, through this stylishly written information site.

Lúcido's "The Mid-40's Man White Paper 2016"

Lúcido's "The Mid-40's Man White Paper 2016" is a collection of insights into the grooming sensibilities, lifestyles and mindset of men in their 40s. The report highlights concerns men grapple with at work and home, including economic status and the willingness to invest in personal growth, and the contrast between the men they are and the men they want to become or who their wives would like them to be.

GATSBY CM Awards UNLIMITED

Mandom launched the "GATSBY CM Awards UNLIMITED" in commemoration of the tenth "GATSBY Student CM Award," a commercial video contest featuring a Gatsby product. Unlike the GATSBY Student CM Awards, which restricted entries to students from 11 countries and regions in Asia, Europe and North America, this award did not impose nationality, occupation or other restrictions and was open to anyone. The top three entries were exhibited at the Cannes Lions International Festival of Creativity.

Marketing Project Management Division

In April 2016, Mandom established the Marketing Project Management Division which will take responsibility for developing marketing systems in response to the changes in consumer purchasing behavior and in points of contact with the media that will take place in Japan and throughout Asia in line with expected innovations in digital technology.

