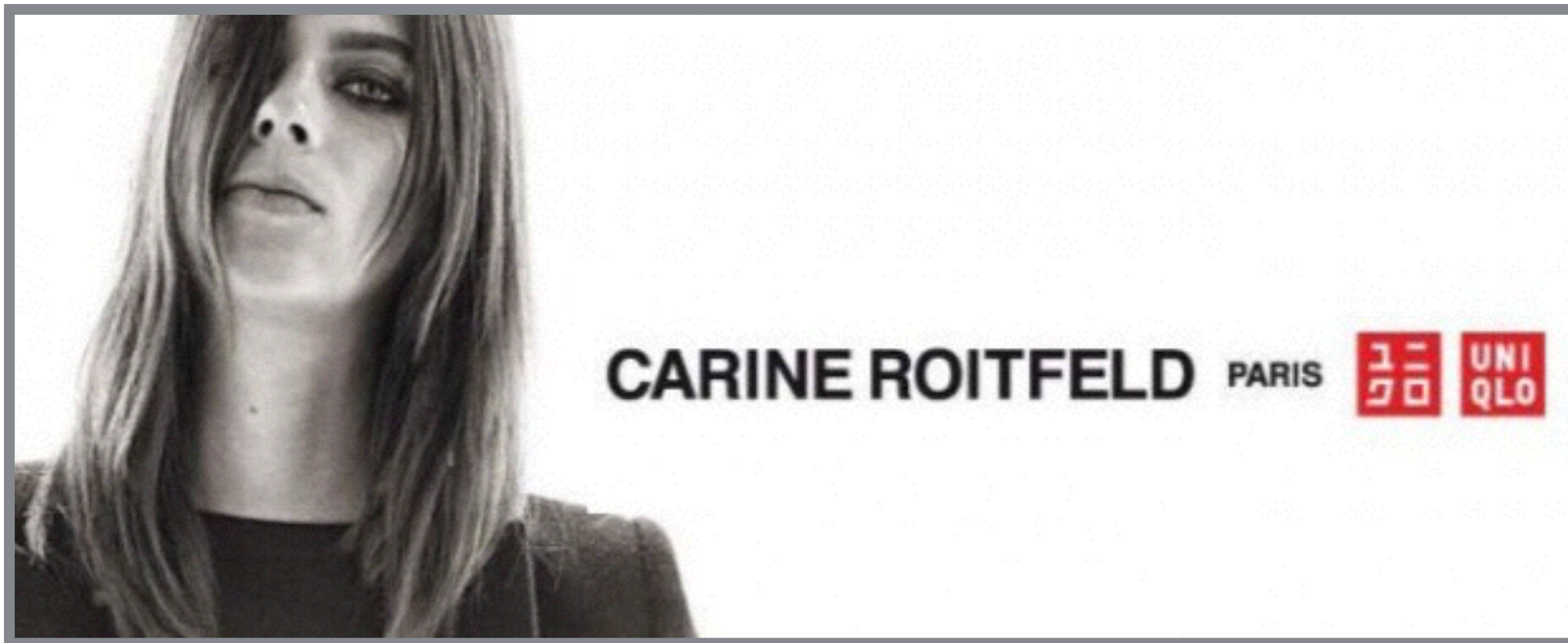
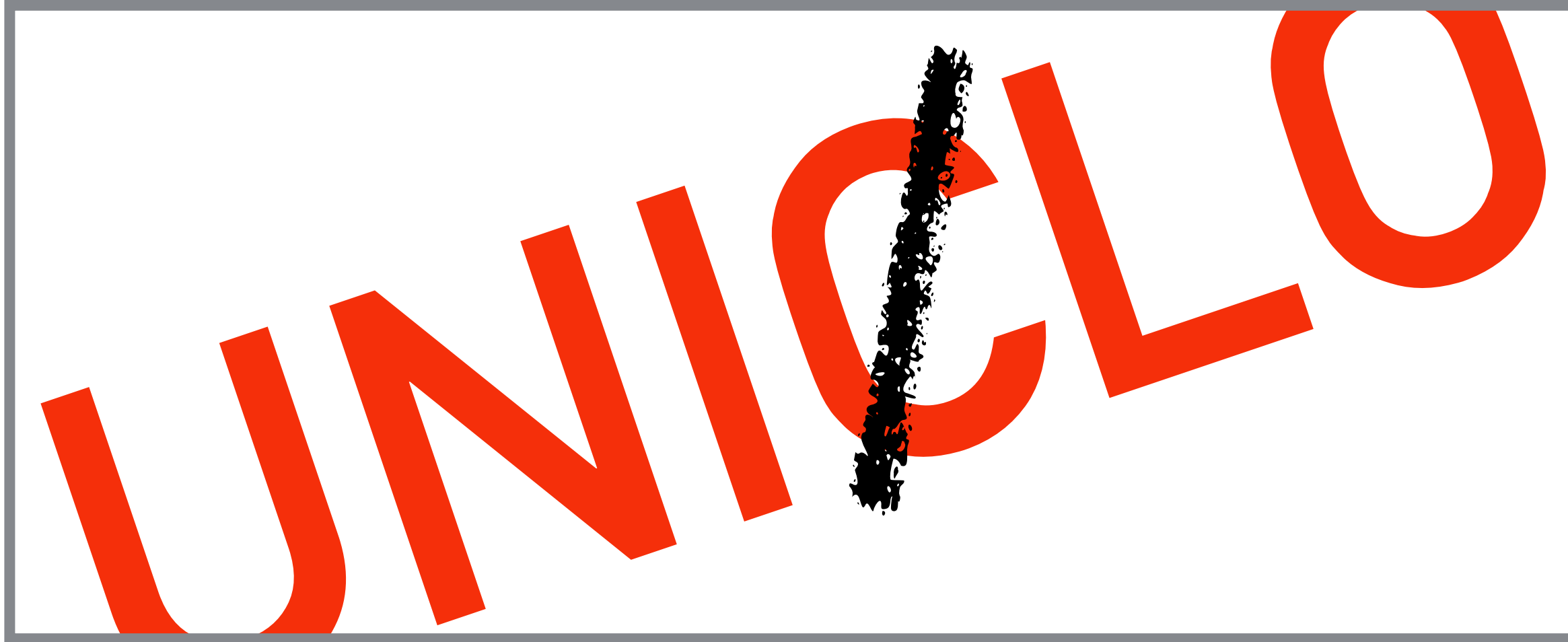

UNIQLO BEAUTY



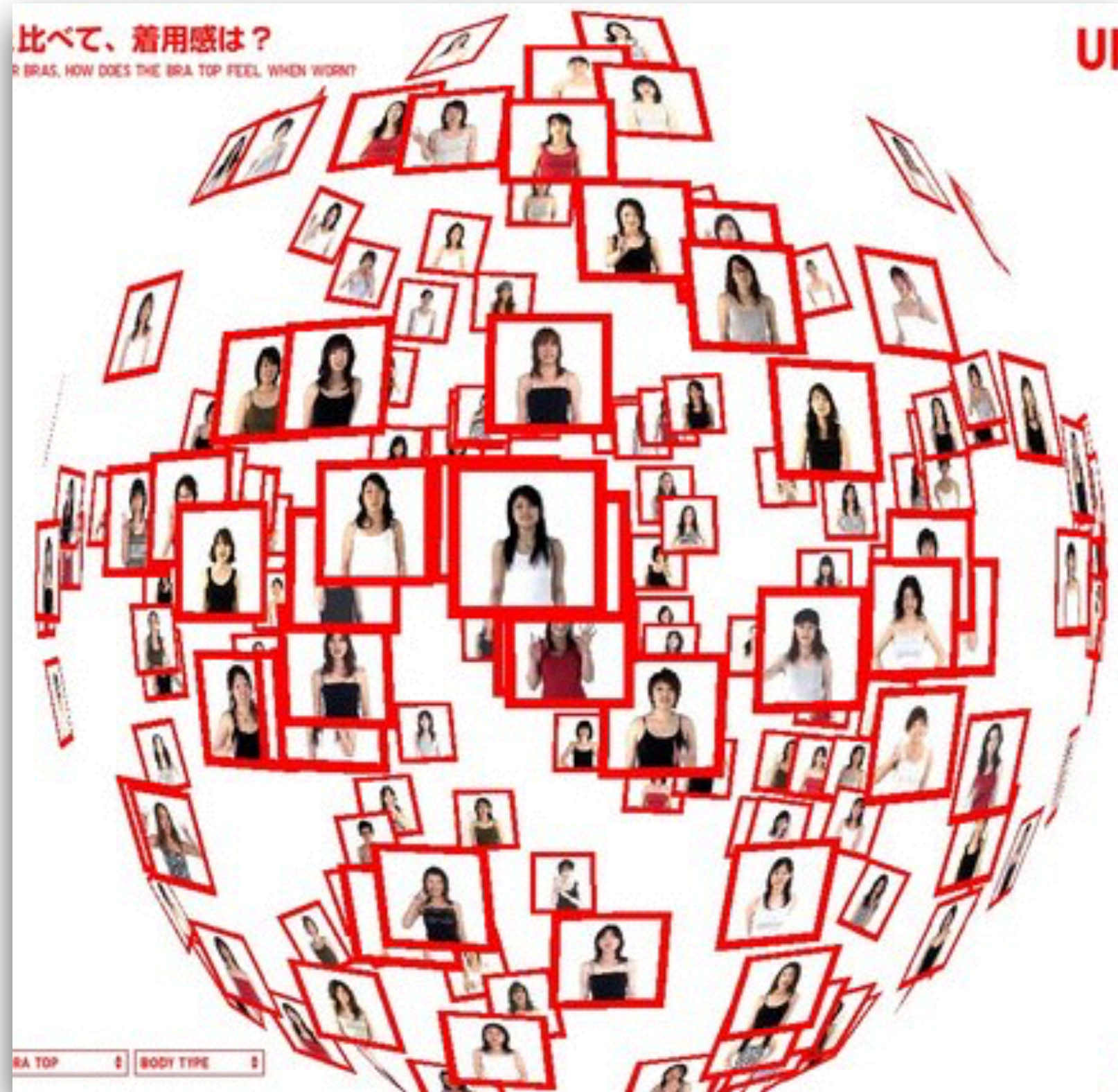
Nicole Goette, Grace Gordon, Morgan Hagny, Erica Roe, Adele Yeam



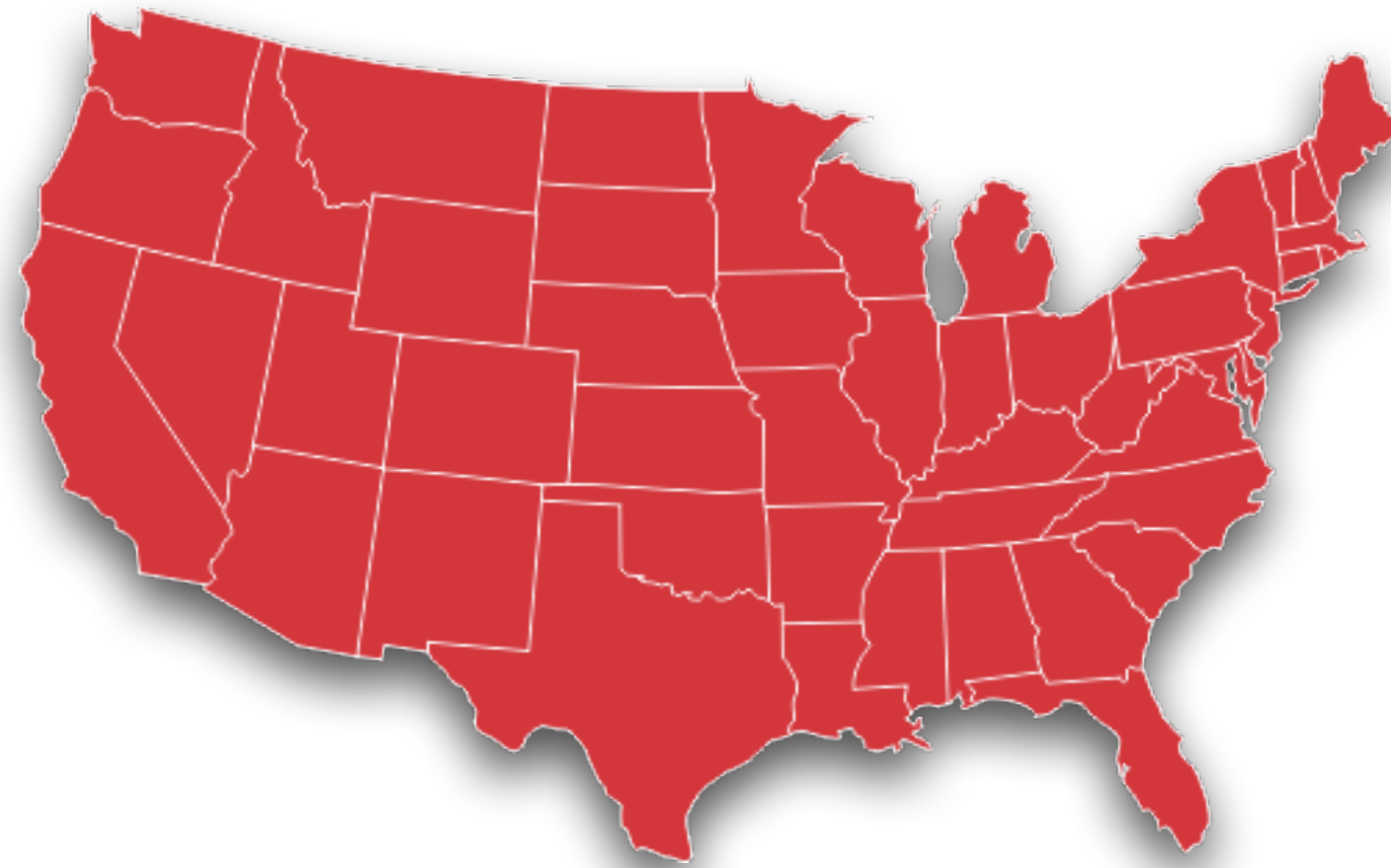


“Uniqlo is not a fashion
company, it's a technology
company.”

- Tadashi Yanai (CEO)



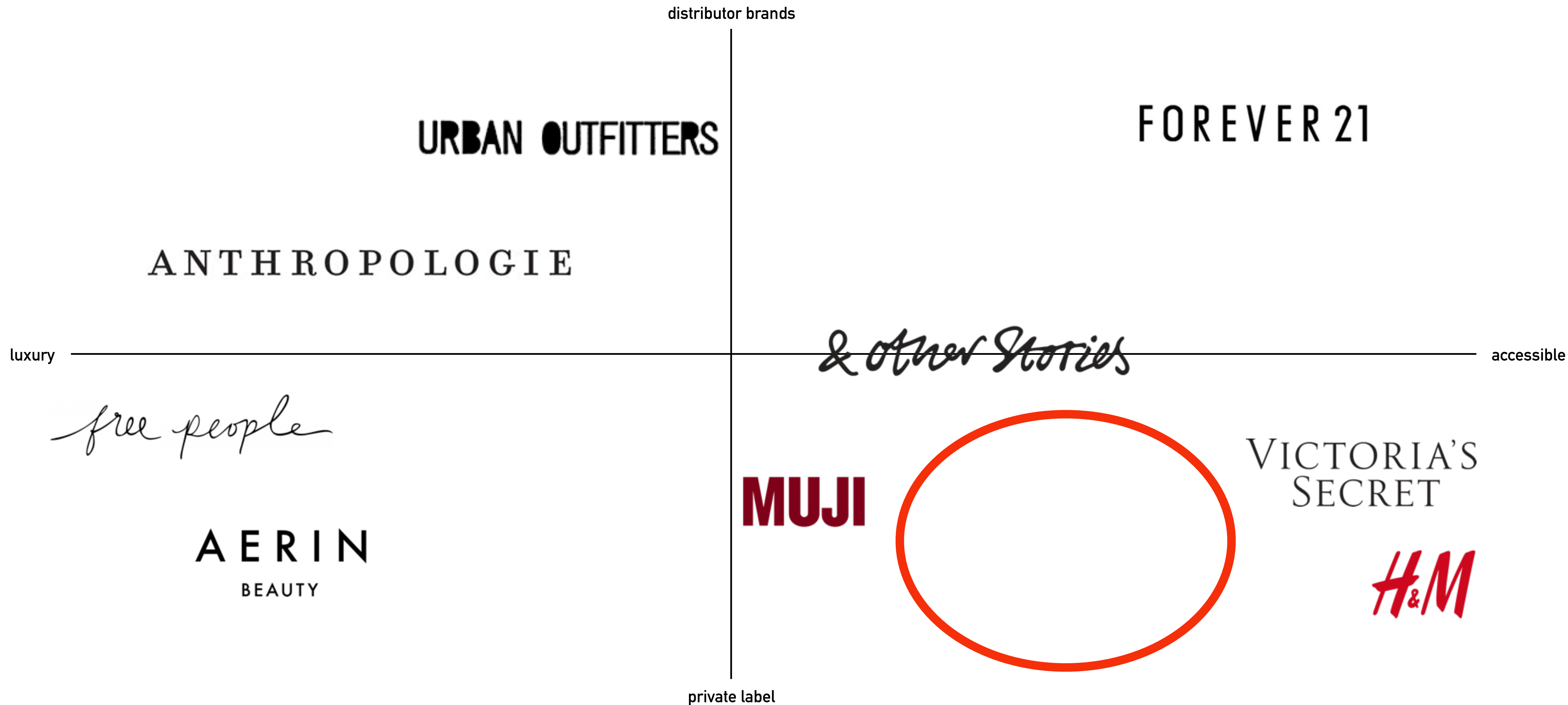
GLOBAL LIFESTYLE



U.S.A.!



BASKET SIZE INCREASE



A UNIQLO OPPORTUNITY



introducing...



ビューティー



BEAUTY



UNIQLO. MADE FOR ALL

THE ELEMENTS OF STYLE

A TOOLBOX FOR LIVING

SIMPLICITY IN DESIGN, BEAUTY AND COMFORT FOR ALL

TECHNOLOGY THAT SUITS YOUR LIFESTYLE

HOW THE FUTURE LOOKS & FEELS

QUALITY FOR THE PEOPLE

BASICS ARE THE COMMON LANGUAGE

BEAUTY IN HYPERPRACTICALITY

MADE FOR ALL. MADE FOR YOU.



STRATEGY

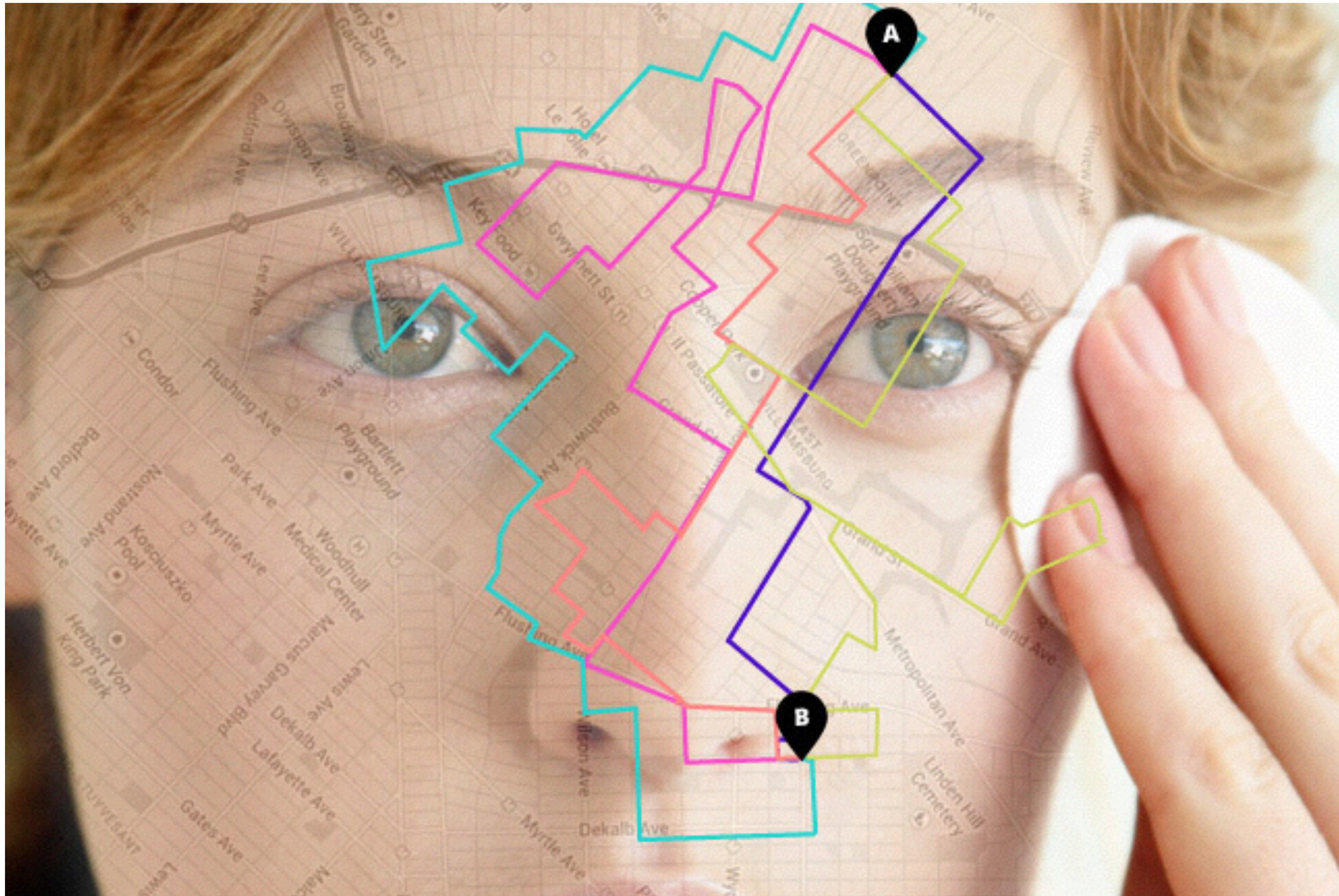




THE UNIQLO CONSUMER



* Young (15-40) * Global Demographic * Gender Neutral * Seeking Affordable Quality





PACKAGING INSPIRATION



1 TIME-SAVING



SKINCARE

2 NEW FORMATS



BODYCARE

3 SIMPLICITY



COSMETICS



3-STEP FACIAL CARE

REVOLUTIONIZING YOUR ROUTINE



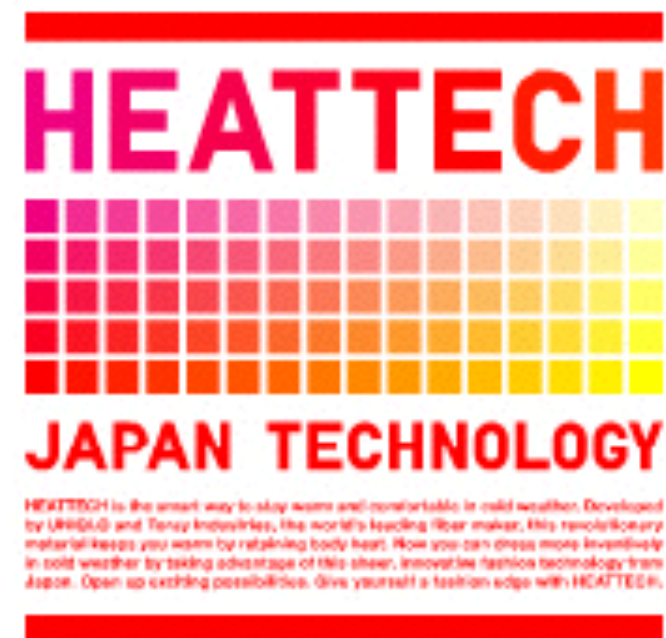
- ALL IN ONE SKINCARE REGIMEN
- CLEANSE. TREAT. MOISTURIZE.
- ADVANCED DELIVERY SYSTEM RELEASES ACTIVE INGREDIENTS WHERE NEEDED



7 PACK/MSRP: \$7.00



GPS MOISTURIZE + WARMING HAND MIST



**THE HEAT GENERATION
KEEPS YOU WARM.
KEEPS YOU FEELING GOOD.**

- **ADVANCED DELIVERY SYSTEM RELEASES MOISTURE & HEAT WHERE NEEDED**



MSRP: \$14.99



GPS LIP TINT GLOSS

MISTAKE PROOF. APPLICATION MADE EASY.



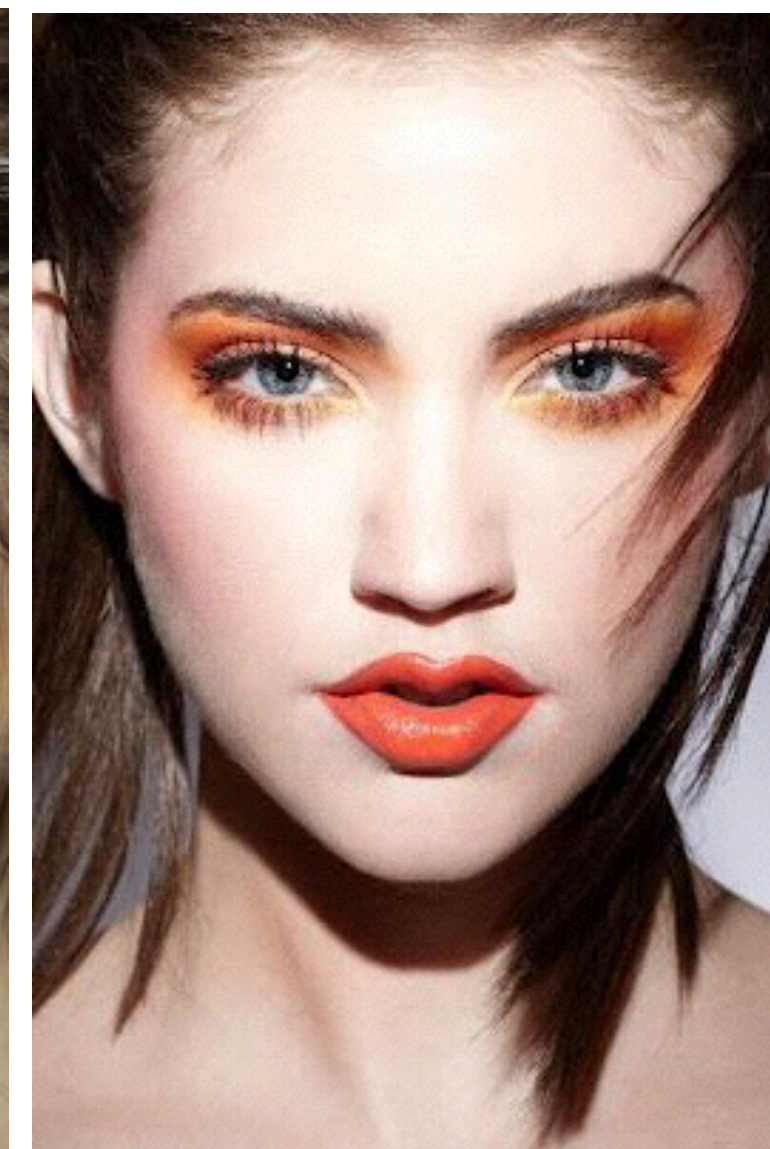
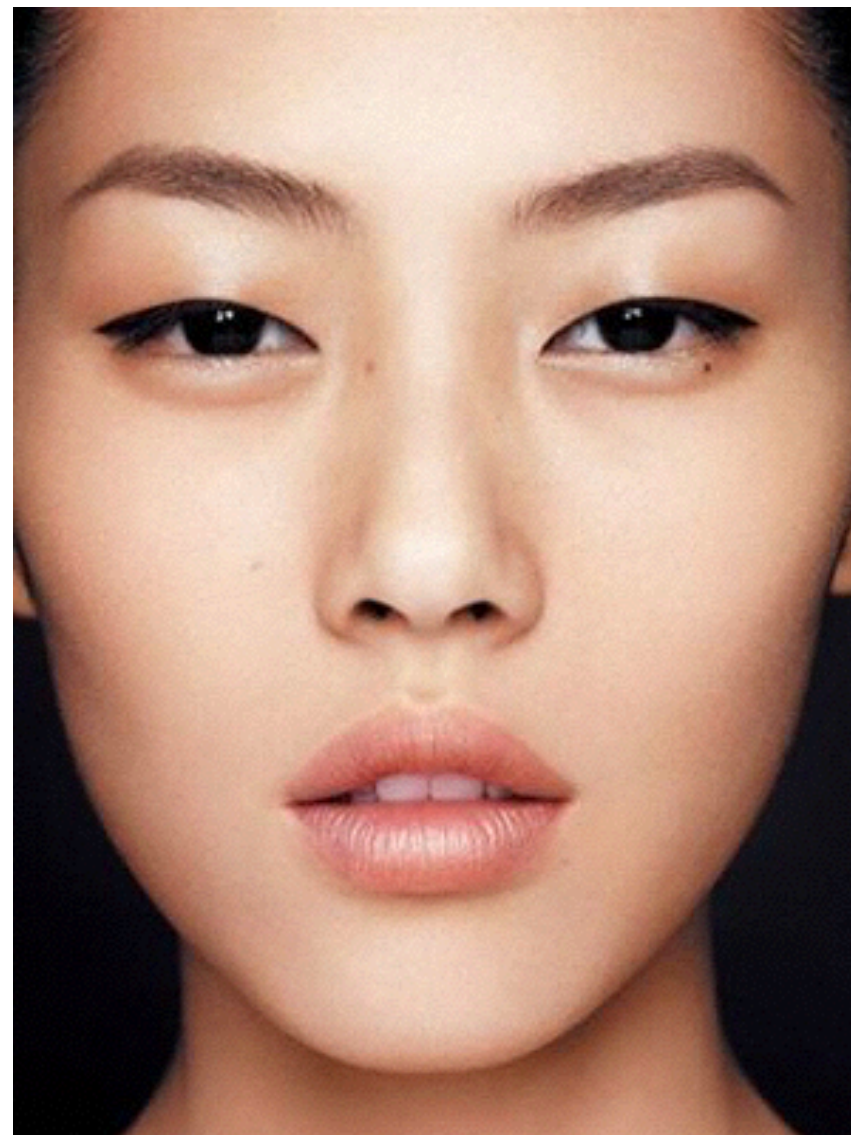
- 12 HR NATURAL COLOR WITHOUT FADING OR SMEARING.
- APPLY COLOR. SET. PEEL. LIVE.
- ADVANCED DELIVERY SYSTEM RELEASES PIGMENT ON LIPS ONLY.
- MOISTURIZING FORMULA WITH PAPAYA EXTRACT TO IMPROVE SKIN'S TEXTURE.

8 SHADES/MSRP: \$12.99



LIP. CHEEK. SHADOW. TRIO

VERSATILE COLOR FOR YOUR EVERYDAY



- BASIC COLOR SIMPLIFIED
- EASY BLENDING. ALL DAY WEAR. HYDRATING

12 SHADES/\$12.99



2-IN-1 LASH & BROW



BEFORE & AFTER



4 SHADES/MSRP: \$12.99



GO TO MARKET - KOJI



SONY



Apple Pay





POS
- ONE STOP SHOPPING
- SEAMLESS CHECKOUT

EDUCATION
-PRODUCT TRIAL
-PRODUCT SCIENCE
-PRODUCT TUTORIALS

DIGITAL
- SOCIAL MEDIA



POS

- ONE STOP SHOPPING
- SEAMLESS CHECKOUT

EDUCATION

- PRODUCT TRIAL
- PRODUCT SCIENCE
- PRODUCT TUTORIALS

DIGITAL

- SOCIAL MEDIA



POS
- ONE STOP SHOPPING
- SEAMLESS CHECKOUT

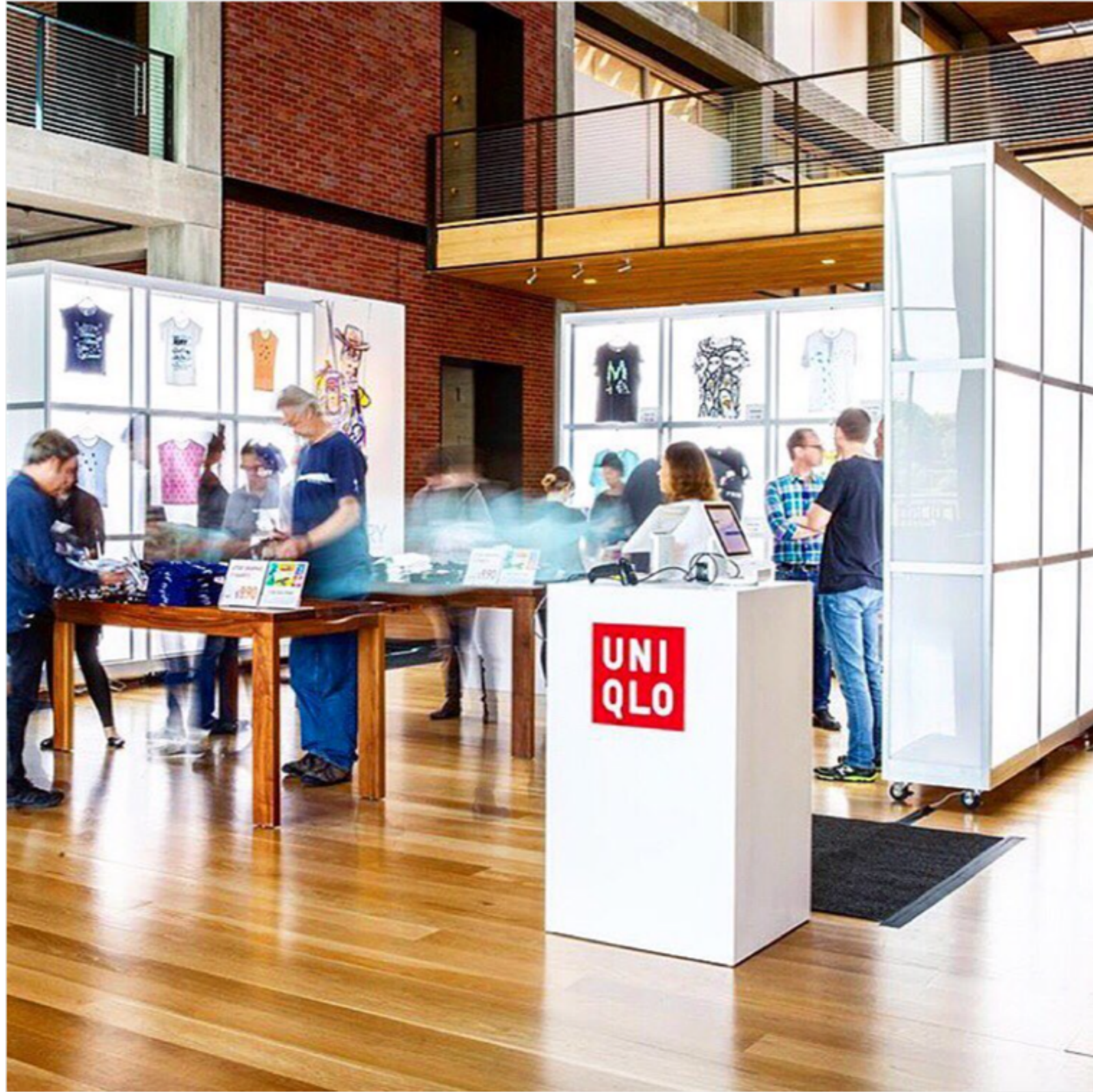
EDUCATION
-PRODUCT TRIAL
-PRODUCT SCIENCE
-PRODUCT TUTORIALS

DIGITAL
- SOCIAL MEDIA



GO TO MARKET - SCALED MODEL

LEVERAGE EXISTING FIXTURES PARTNERSHIPS TO BRING VIRTUAL BA EDUCATION AND TRIAL TO ALL DOORS



UNIQLO E-MEMBER

Be the first to know about new arrivals, special offers, in-store events and UNIQLO news.

Enter your email here

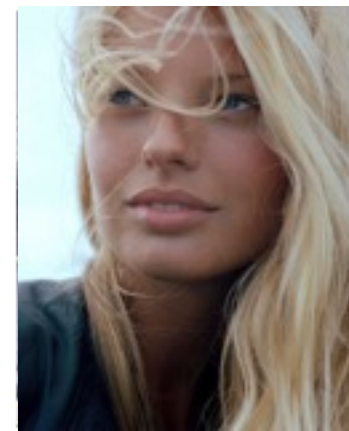
SUBSCRIBE



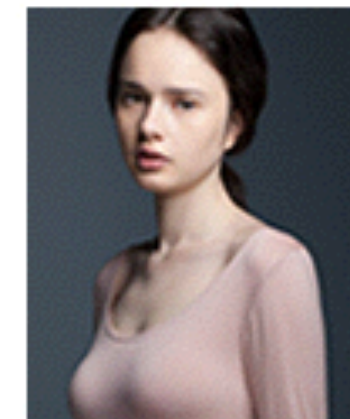
INTRODUCING UNIQLO BEAUTY




ビューティー BEAUTY



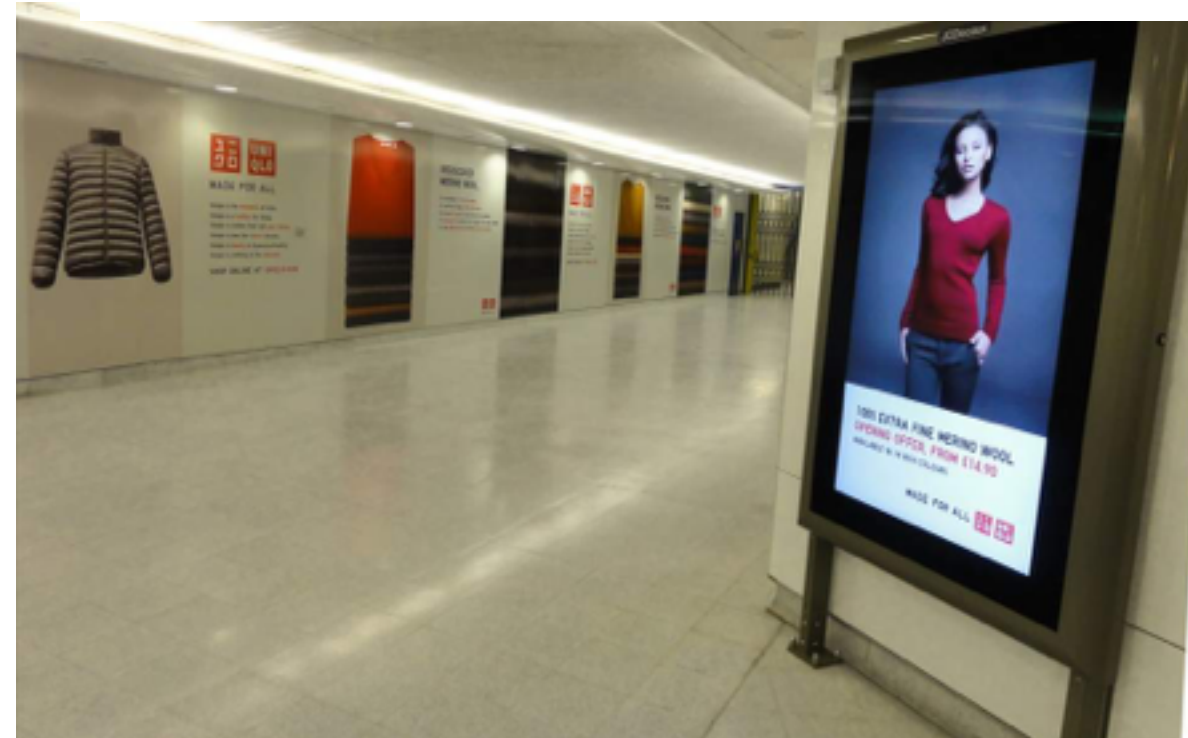
LifeWear





ADVERTISING

INTEGRATE BEAUTY INTO FASHION ADVERTISING TO MAINTAIN FASHION BRAND VOICE AND STRATEGY

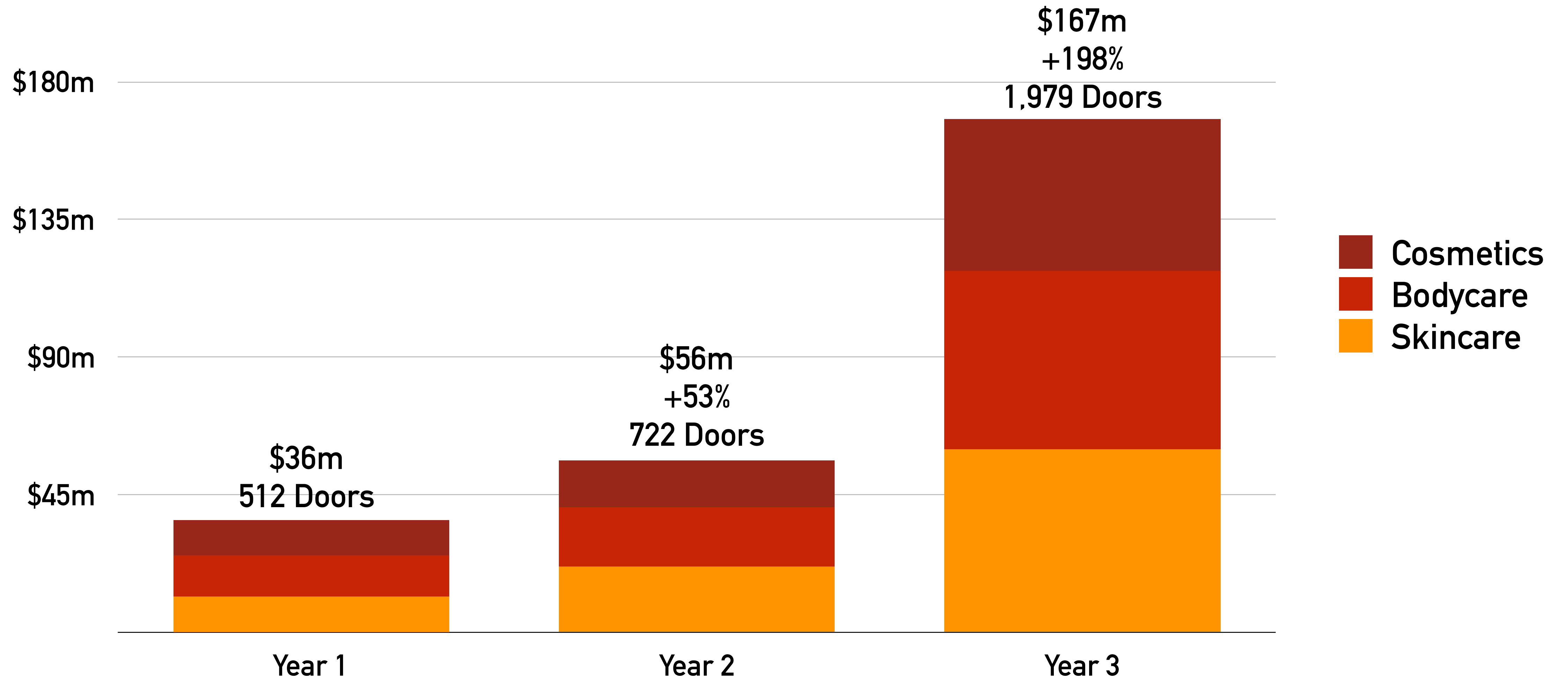




* Sources: (1) fastretailing.com, (2) H&M 2015 Annual Report



SALES PROJECTIONS





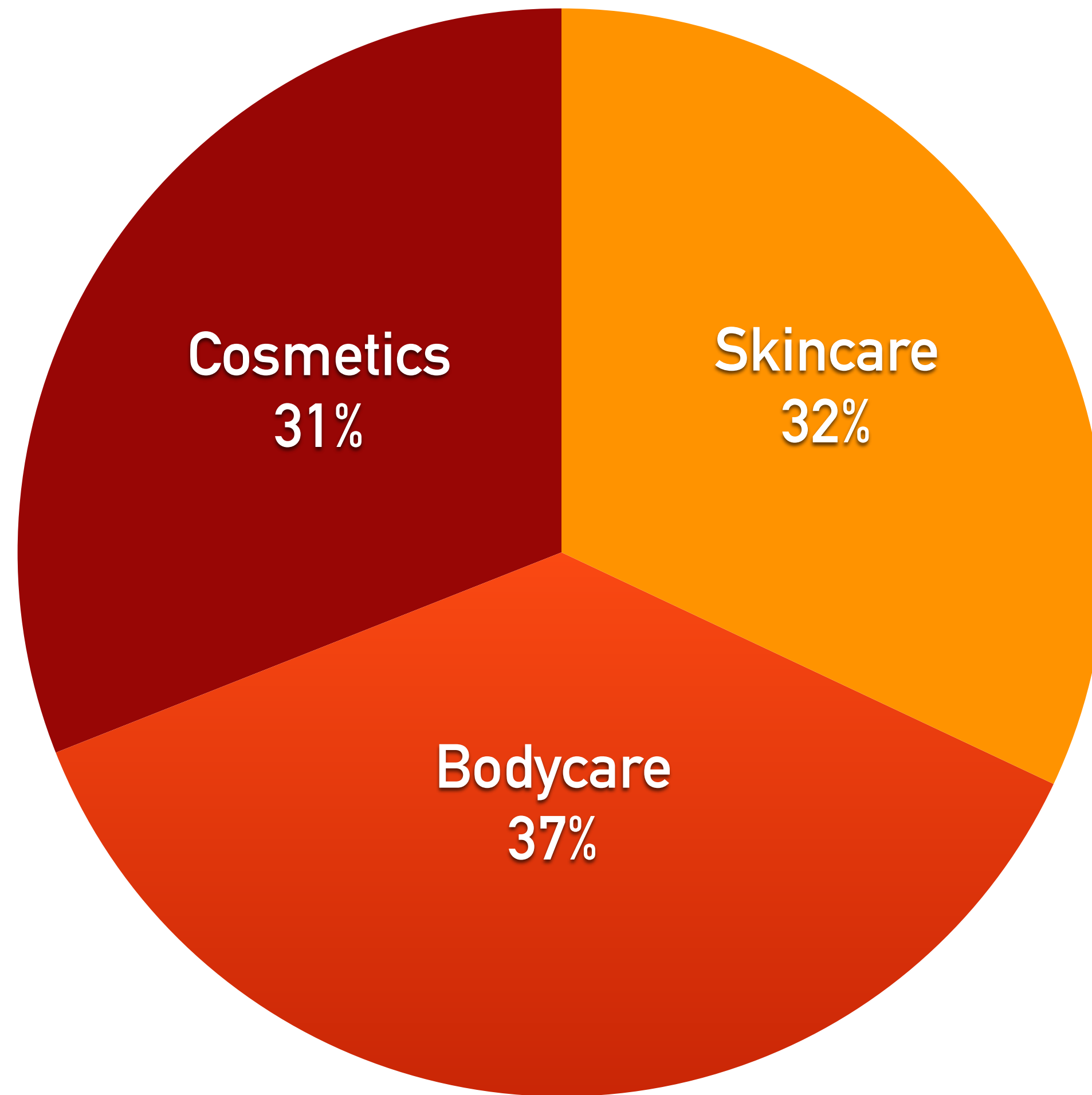
PENETRATION BY CATEGORY



GPS Lip Color

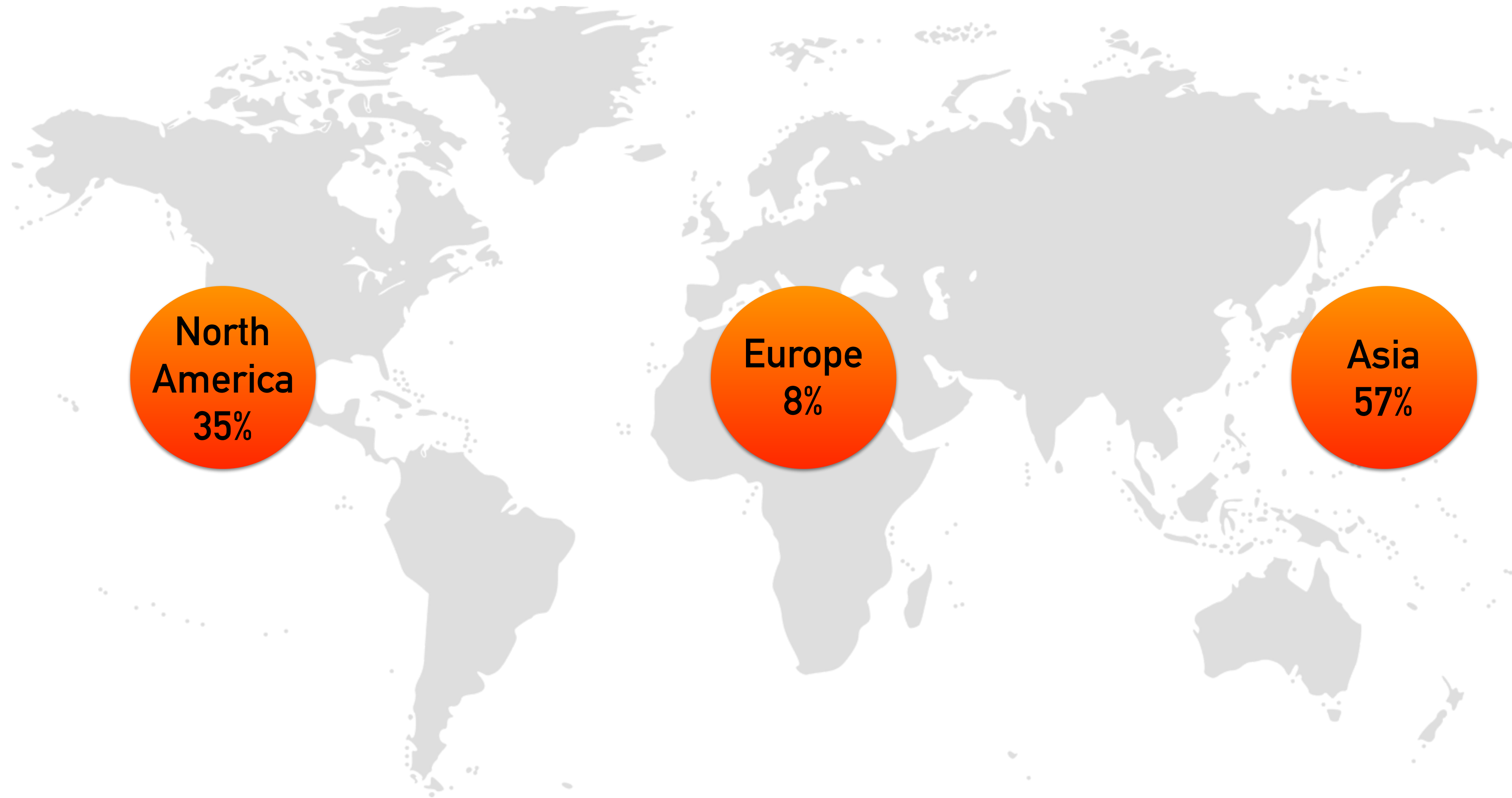


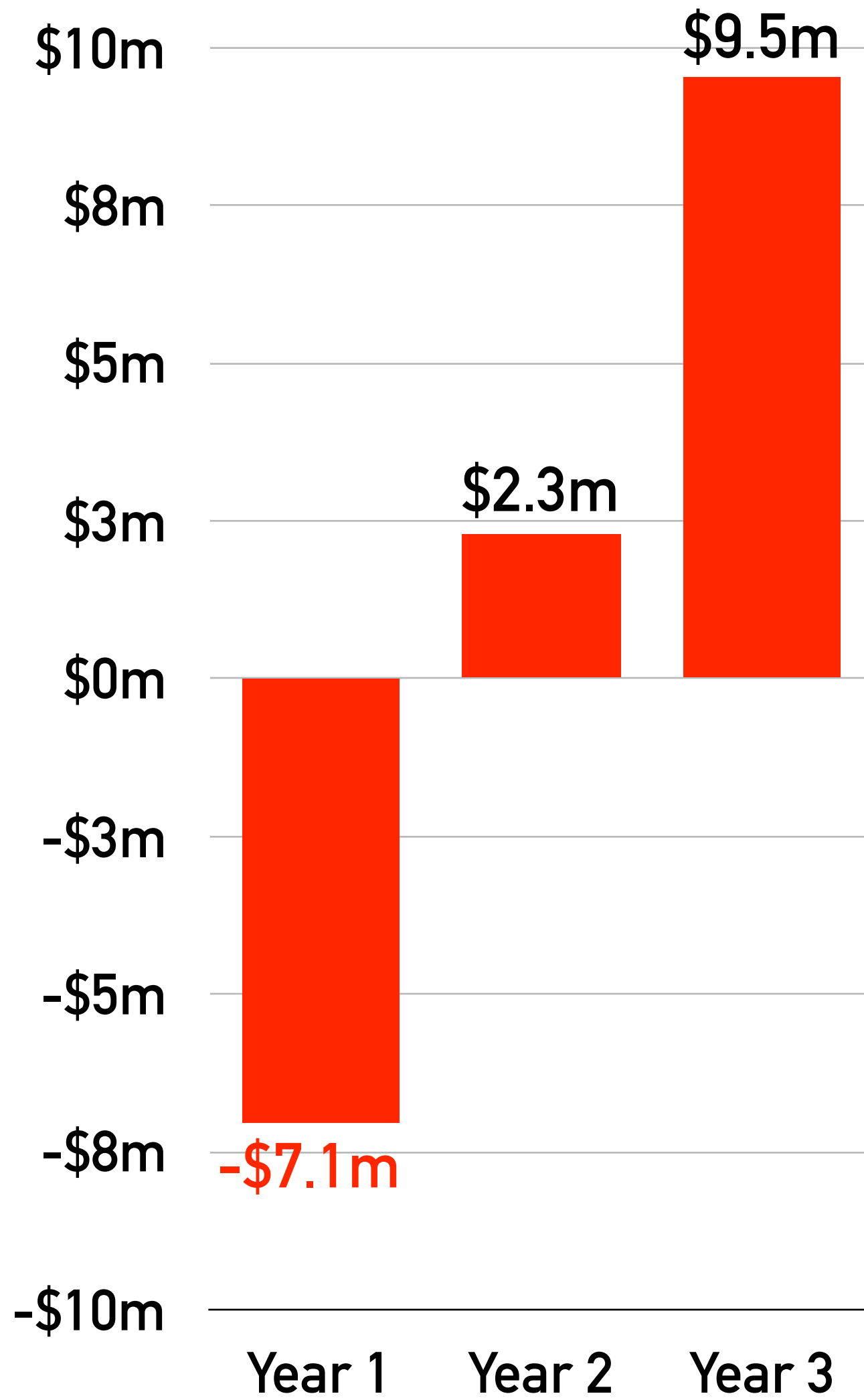
Hand Mist



3 In 1 Facial Mask

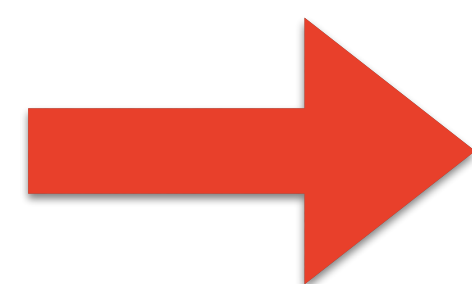
PENETRATION BY REGION



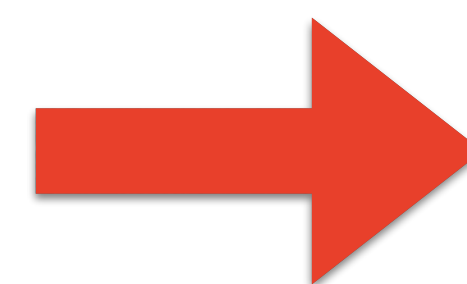


	Year 1	Year 2	Year 3
Revenue	\$36.7	\$56.3	\$167.8
Cost of Good	\$12.9	\$19.7	\$58.7
Gross Profit	\$23.9	\$36.6	\$109.1
SG&A	\$16.9	\$26.0	\$77.5
POS	\$9.2	\$0.9	\$0.1
R&D	\$7.3	\$11.3	\$33.6

Over 130million of
Heat Tech products
sold in 2015



3%



\$58m



STAY TUNED...



ビューティー



BEAUTY

Heat Moist Gloves Sleeve



**“ To achieve a revenue of
\$8.6billion by 2020.”**

- Tadashi Yanai (CEO)

ありがとう

(thank you)



APPENDIX SUPPORT



Mintel YTD November

Uniqlo Annual Report 2015

NPD YTD October

Store Manager Interview: 0035MM Asian Beauty

Beaute YTD November

<http://www.youbeauty.com/beauty/gps-for-your-skin/>

<http://www.permanentmkup.com/blog/2013/07/22/x50-targeted-skin-care-is-hot-but-pricey-new-trend/>

<http://www.harpersbazaar.com/beauty/skin-care/advice/a3953/best-luxury-face-cream/>

<http://infinitec.es/wp-content/uploads/2015/04/0-2015-TechnologyPlatform-EN.pdf>

<http://www.forbes.com/sites/walterloeb/2015/04/17/uniqlo-aims-to-be-the-worlds-number-one-apparel-brand/#485a3b6f592b>

<https://about.hm.com/content/dam/hmgroup/groupsite/documents/masterlanguage/Annual%20Report/Annual%20Report%202015.pdf>

<http://www.businessinsider.com/uniqlos-disappointing-united-states-sales-2016-1>

<https://www.fastretailing.com>

MARKET RESEARCH





BEAUTY CATEGORY PERFORMANCE

	CLEANSER	MASK	MOISTURIZER	BODY	LIPSTICK	BLUSH/ EYECARE
NPD	2.70%	21.70%	3.00%	1.40%	21.20%	-3.10%
BEAUTE	-2.10%	15.10%	-1.50%	7.50%	31.80%	1.00%
	AGE SPECIALISTS	WHITENING	MASCARA	FOUNDATION		
NPD	2.90%	N/A	8.70%	8.20%		
BEAUTE	4.00%	-1.60%	-11.50%	7.00%		

Sources: NPD and Beaute YTD October and November respectively



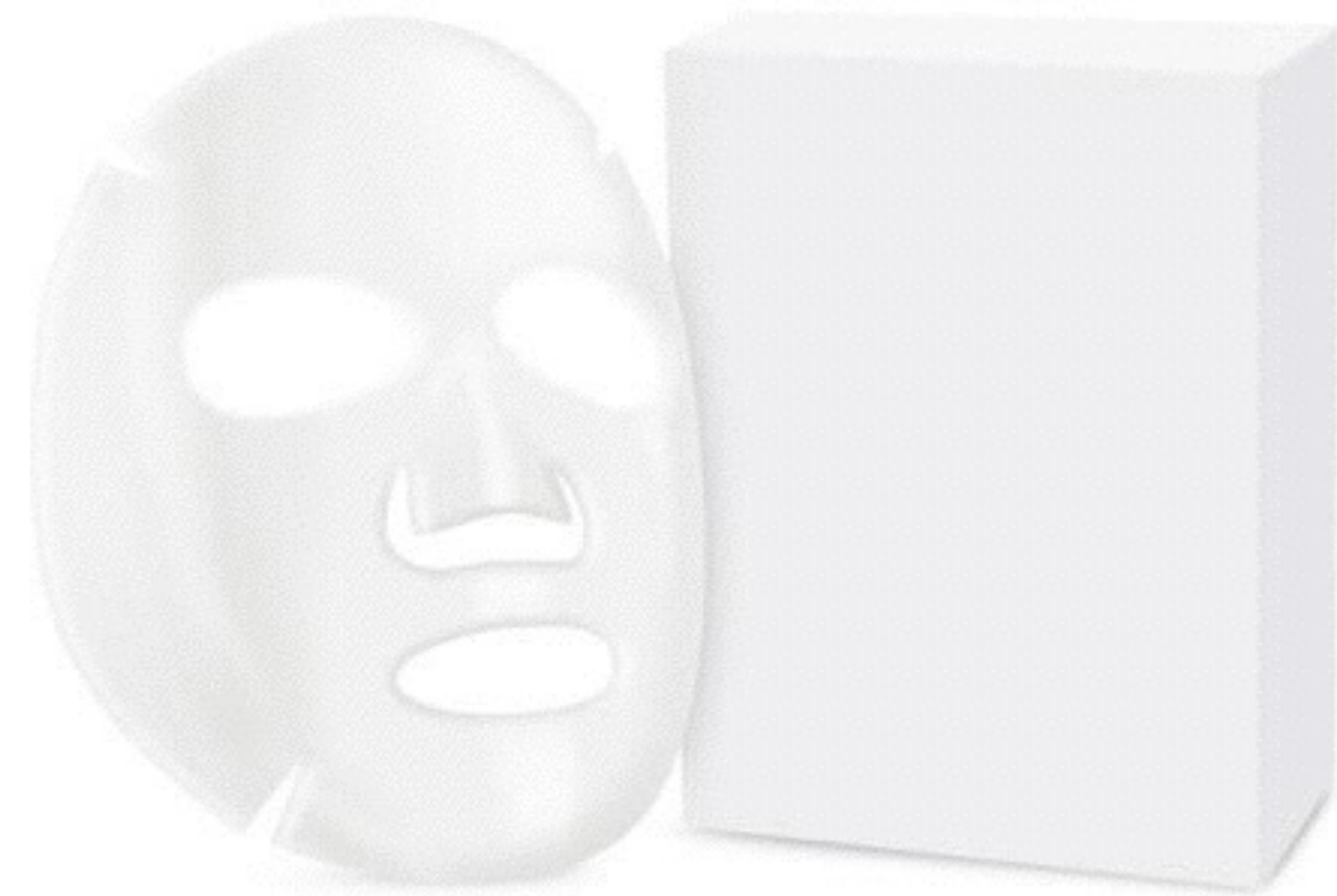
ADDITIONAL PRODUCT IDEAS

1. Tablet Cleanser; like-as Morocco Gassoul
2. Wearable Technology: Anti-Pollution; UV for NA
3. Moisturizer: All in one like-as Too Cool for School
4. Customized Label (like-as customizable shirt '14)

Sheets/masks become 2nd most used product (China).

Facial cleanser remains the most used facial skincare product in China – used by **67%** of consumers in 2016.

49% use facial masks: of particular interest is increasing penetration of facial masks (including sheet, rinse-off and sleeping formats), used by 49% of consumers (vs. 46% in 2015, and rising to **66% of women**); and just surpassing **moisturisers** which is used by a close **48%** (rising to 61% of women).



Market Overview

- South Korea is a key opportunity market, forecast to see both above-average growth and spend per capita.
- Spain (-1.2%) and the Netherlands (-2.8%) are forecast to see CAGR contract. Growth is also slow in many other mature markets such as Japan, Italy, and Germany.

Key Issues

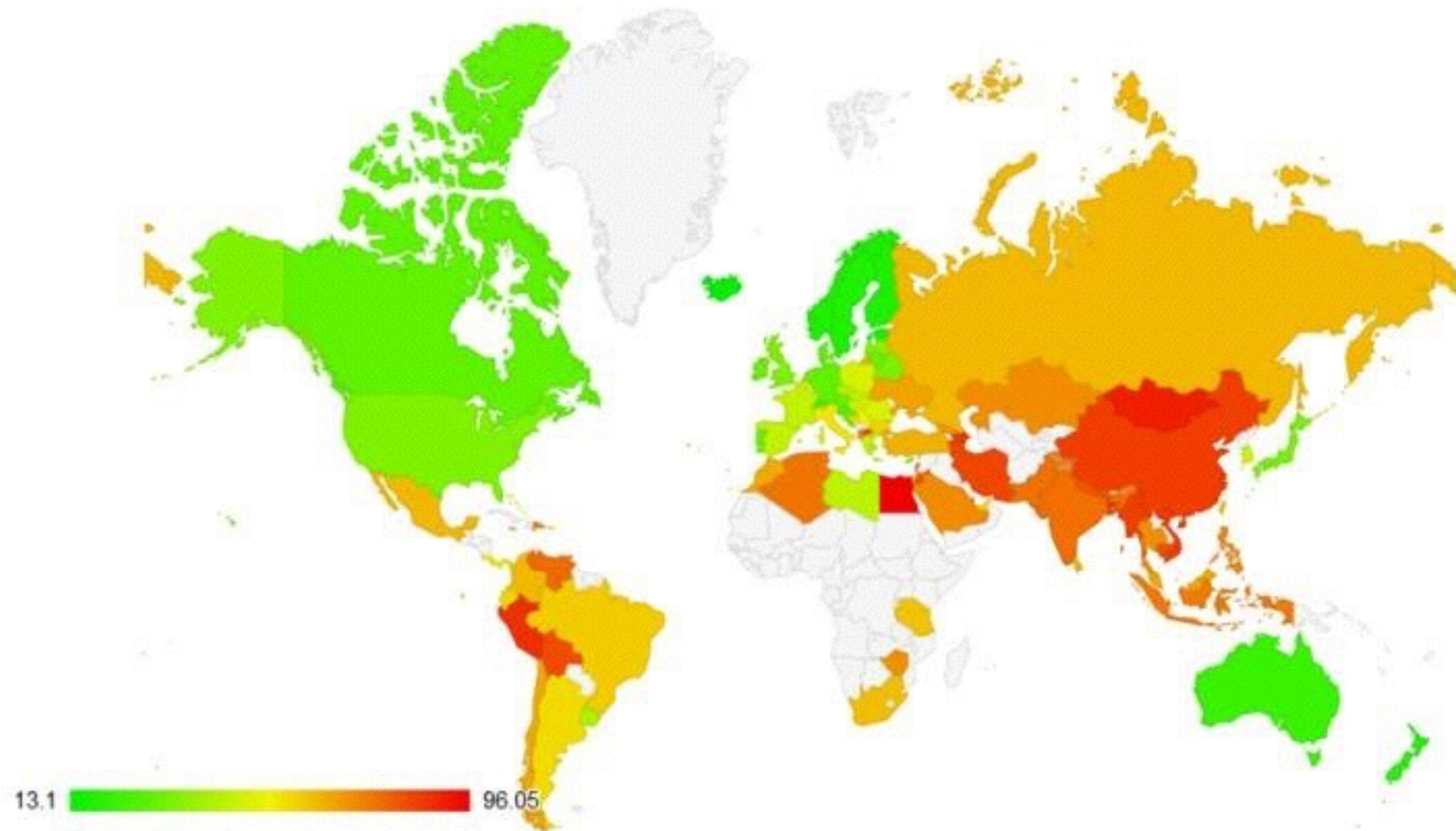
- Facial skincare launches touting anti-pollution claims can expand.
- Formats and textures can evolve in order to stand out in a crowded marketplace.

What does it mean?

- For a sense of superior efficacy, pollution-protection innovations can claim to specifically block PM2.5 pollutant particles, or can tap into the wearable technologies trend.
- Facial mists, cleansing powders, cleansing sticks, and ultra-concentrated boosters to mix with regular products can expand.



Pollution Index 2016



1.6 million people a year in China reportedly die due to air pollution, and 92% of China's population experienced at least 120 hours of unhealthy air in April-August 2014.*

Bangladesh, Vietnam, Myanmar and China are among the most polluted countries in the world, and concern over pollution is rising globally.

Chinese consumers are highly aware of pollution issues. They are most concerned about water pollution (70% are very concerned) and air pollution/PM 2.5 (61% very concerned).

3% of facial skincare launches featured the word “pollution” in marketing

In the 12 months to August 2016, 3% of facial skincare launches on the GNPD featured the word “pollution” within the description field – rising to 5% each in North America and Europe vs. a lower 2% in APAC and 1% in Latin America, with plenty of room for expansion.

Garnier/L'Oréal (Indonesia, Thailand etc.),
Myanmar : Matcha De-Tox Pollution & Oil
Deep Clean Foam



Garnier Skin Naturals Pure Active Matcha De-Tox Pollution & Oil Deep Clean Foam; with antioxidant Matcha extract “one of the world's most powerful antioxidant tea”; intensely cleanses skin from dirt and pollution particles

Janssen Cosmetics (Germany/UK/France):
Anti-Pollution Cream with red camellia
extract

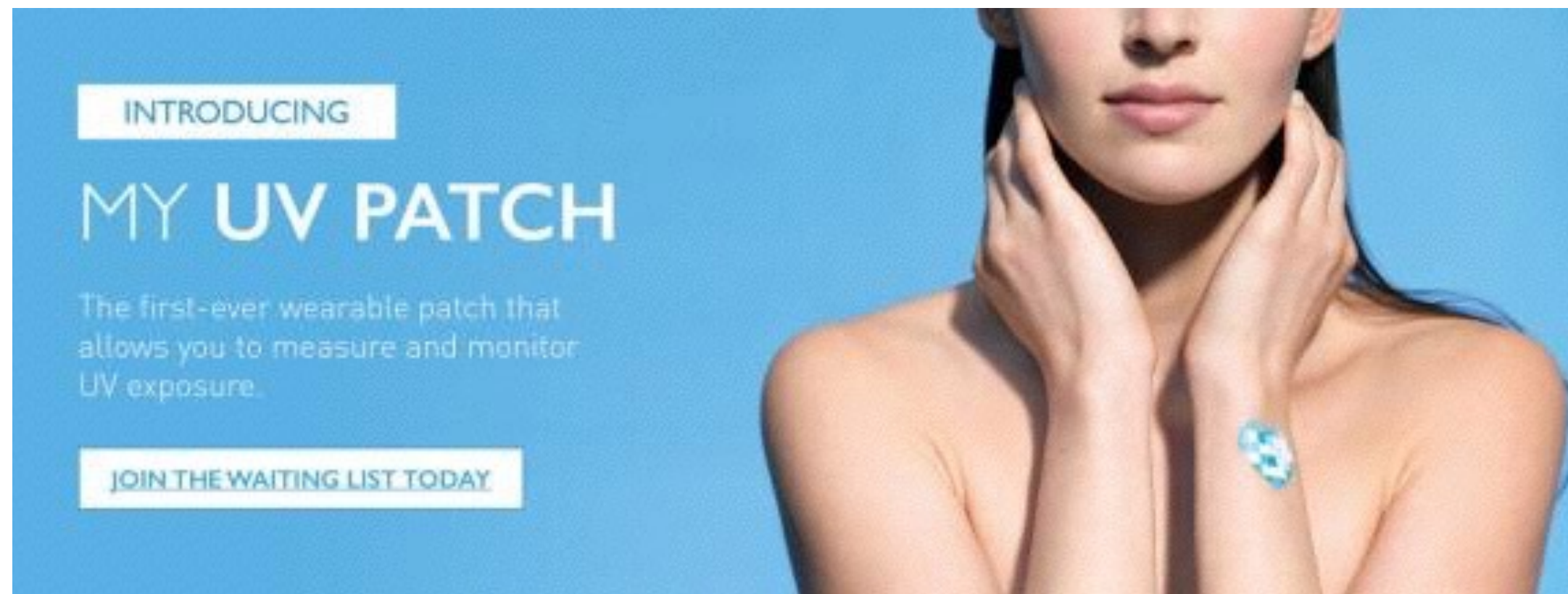


Trend Edition Skin Defense line includes Anti-Pollution Cream, said to shield against negative external influences, strengthens the skin's resistance to environmental pollutants etc.; with red camellia extract - antioxidant for pollution shielding effect

Loto del Sur (Colombia): Anti-Smog Moringa
and Tea Tree Creamy Cleansing Foam



Anti-Smog Moringa & Tea Tree Creamy Cleansing Foam for men; protects skin against pollution/other environmental contaminants; with oat cleansers, botanical actives, honey and natural purifying moringa



Wearable technologies can expand from UV monitoring to pollution monitoring

- Wearable technologies that aim to assist consumers in protecting themselves from the sun continue to emerge, and can expand to include pollution protection.
- My UV Patch from La Roche-Posay, is described as the first-ever wearable patch that allows you to measure and monitor your UV exposure.
- The patch contains a photosensitive blue dye that changes colour when exposed to UV light, with the user taking a photo of the patch at the end of the day and uploading it to the app to get information about their sun exposure.



SCAN

Scan the patch to get up-to-date data on your level of UV exposure.

MONITOR

Receive feedback on your level of risk and personalised sun safety tips.

PROTECT

Use in conjunction with a high SPF suncream to protect yourself in the sun.

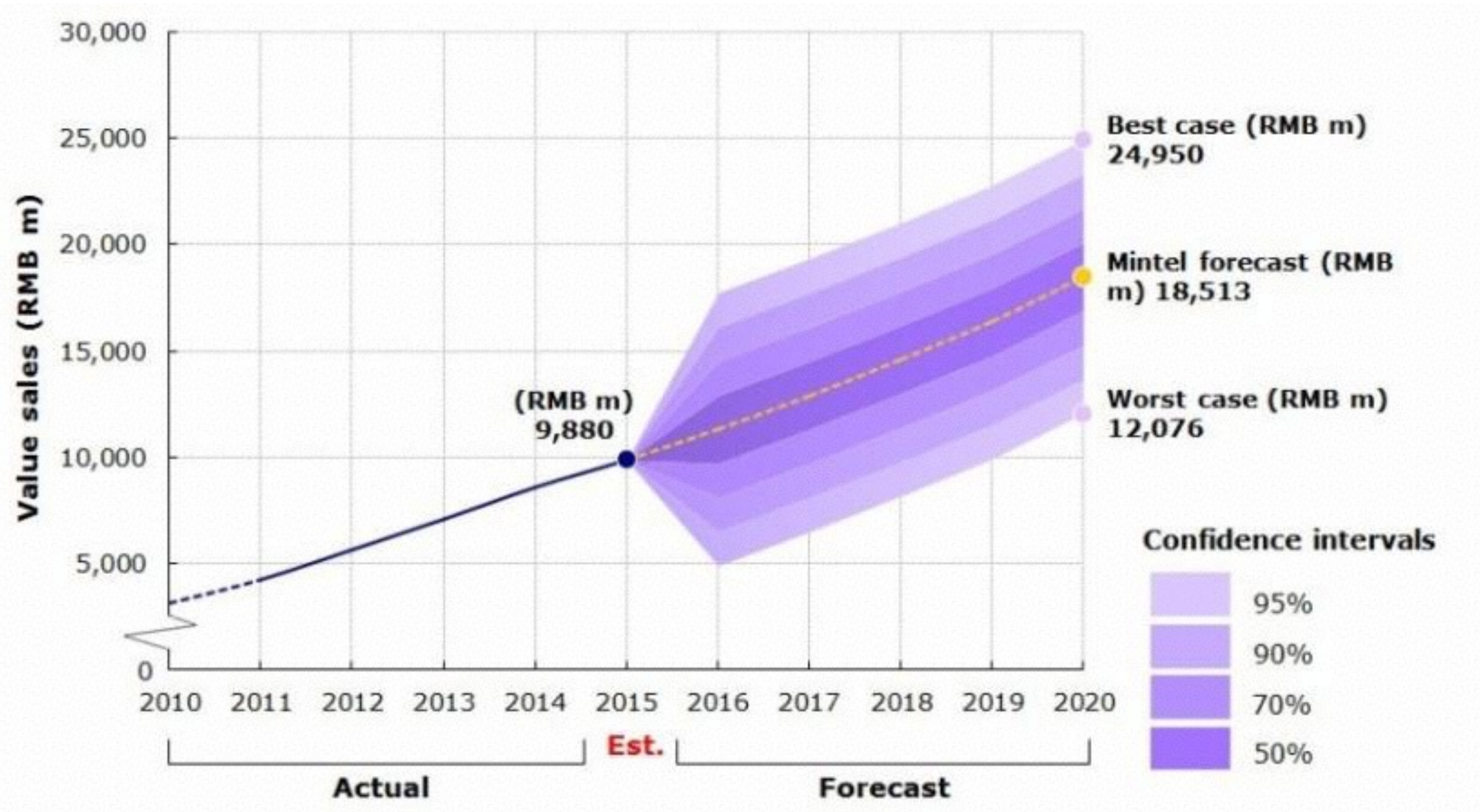


Too Cool for School “tablet” cleanser with Moroccan Ghassoul minerals



- Too Cool for School branded Morocco Ghassoul Pore Solution Tablet Pack has launched in South Korea.
- It is formulated with EcoCert-certified Morocco Ghassoul, a mineral/clay only found in the beds beneath the Moroccan Atlas Mountains, and claimed to absorb sebum, blackheads, whiteheads and skin impurities from pores, leaving skin moisturised.
- It is available in a standout “crushed” tablet format, with a few pieces of the tablets to be mixed with hot water to form a paste, and then applied to skin.

Facial mask sales in china, 2010-20



Rapid sales growth in China

- Retail sales of facial masks in China stood at RMB 9,880 million in 2015 with the market seeing rapid growth – sales increased 25% in 2013 (vs. 2012) and by a strong but slower 15% in 2015 (vs. 2014)
- As the market becomes more established, future growth will be fuelled by product extensions and premiumisation.

Spotlight on facial masks: sheet formats most popular in China

- In China, sheet masks drive usage (77% of women in the six months to January 2016) with their low unit price and immediate hydration effects key purchase motivators.
- Sleeping masks also saw high penetration (61%) and are more popular with higher earners (66% of women earning RMB 12,000 or above) suggesting potential for more high-end sleeping masks.
- Rinse-off masks (not featured in infographic) are used less (52%) – but the popularity of masks overall is further highlighted by findings that only 7% of women have not used any facial mask.





Ke Ying Cosmetics (China): Bingjuwuyu Forehead Mask smooths out wrinkles/lines



Jun Zi Rosa Products (China): Little Dream Garden Rose Collagen Lip Mask



Huan Ming Bio-Tech (China): Luqi Lip Sleeping Mask with strawberry and plant extracts

Spotlight on facial masks: variants for nose, lip, cheeks, forehead etc.

Considering high usage of facial masks in China and other parts of Asia (e.g. South Korea), more specialised variants for the face (e.g. nose, lips, cheeks) or even other body areas (e.g. neck, hands) can expand and help boost growth further.



Have & Be (China): Dr. Jart+ Dermask Cheek & Eye Lift Targeted Hydrogel Patch



Somang Cosmetics (South Korea): Danahan RGII Premium EX Firming Neck Mask; anti-wrinkle, whitening



Youxi Cosmetics (China): Rolanjôna Seaweed Pores Deep Cleaning Nose Paste Mask

Spotlight on facial masks: 2-step approach for superior care

Sexy Look (Malaysia/Hong Kong):
sheets for upper face, and for chin to ear area



2-Step Synergy Effect Mask claimed to be the first moisturising and firming treatment in one; comprises Step 1 black mask for hydrating the upper face, and Step 2 white mask, for the lower face - from the chin to the ears – said to reduce the look of a double chin

Skin Food (South Korea): collagen ampoule, and sheet mask



Boosting Juice Collagen 2-Step Mask Sheet comprises Step 1 Collagen Boosting Ampoule to apply over face; and Step 2 Boosting Juice Mask Sheet with fruit and vegetable extracts from apple, carrot, tomato, pumpkin, broccoli, cabbage leaf, asparagus stem, celery, lemon, kiwi, orange, raspberry, spinach, alfalfa, strawberry and cotton

JSUT International (Taiwan): sheets for upper face and chin area



My Scheming Black and White Series Hyaluronan Moisturizing & Firming Masks comprise: Step 1 Deep Hydration Mask with hyaluronate acid, said to keep skin moisturised and soft; and Step 2 Face Firming Mask for the chin, formulated with precious seaweed and peptides to tighten the chin line

Spotlight on facial masks: focus on benefits and naturalness

52% of Chinese women who use facial masks would be motivated to use new masks if they provide a particular function that they seek (e.g. hydration, whitening, anti-acne);

34% if products are made from natural ingredients;

31% if products are free from additives;

and **27%** if products contain effective ingredients (e.g. collagen, hyaluronic acid).



South Korean influence: a plethora of foodie/natural ingredients, from eggs...

- Too Cool for School Egg Mellow is an all-in-one firming cream, designed to make the skin as smooth and elastic as an egg.
- The whitening and wrinkle improvement formula features a 5-in-1 action - acts like a toner, serum, cream, eye cream and mask.
- It is enriched with egg yolk extracts (3%), albumin extract and Inca omega oil, and also contains collagen fiber (98%) to help increase skin elasticity.



98% 콜라겐 파이버
올인원 탄력 크림

피부가 필요로 하는 필수 3대 영양소와
콜라겐 파이버 성분이 함유되어
영양 탄력 향이 기능을 크림 한 병에
모두 담아냈습니다.
5in1 올인원 크림으로
하나만 밀어도 피부는 스킨 케어를
결함해 보세요!



CLEANSE

Used by 67% of consumers in 2016

MASK

Used by 49% of consumers (trending up)
*66% women

MOISTURIZE

Used by 48% of consumers
*61% women



TIME-SAVING



1. Moisturizing Micro Mists
2. Nespresso-Like Pods
3. Advanced Sheet Masks

SIMPLICITY



1. Skin Tone Enhancers: Lip & Skin
2. Brow Enhancements

DISTRIBUTION





DISTRIBUTION

JAPAN: 841
CHINA: 497
HONG KONG: 25
TAIWAN: 63
SOUTH KOREA: 178
SINGAPORE: 25
MALAYSIA: 35
THAILAND: 35
PHILLIPINES: 34
INDONESIA: 10
AUSTRALIA: 12
USA: 49
CAD: 2
UK: 10
FRANCE: 15
GERMANY: 4
BELGIUM: 2
RUSSIA: 14



PRICING STRATEGY

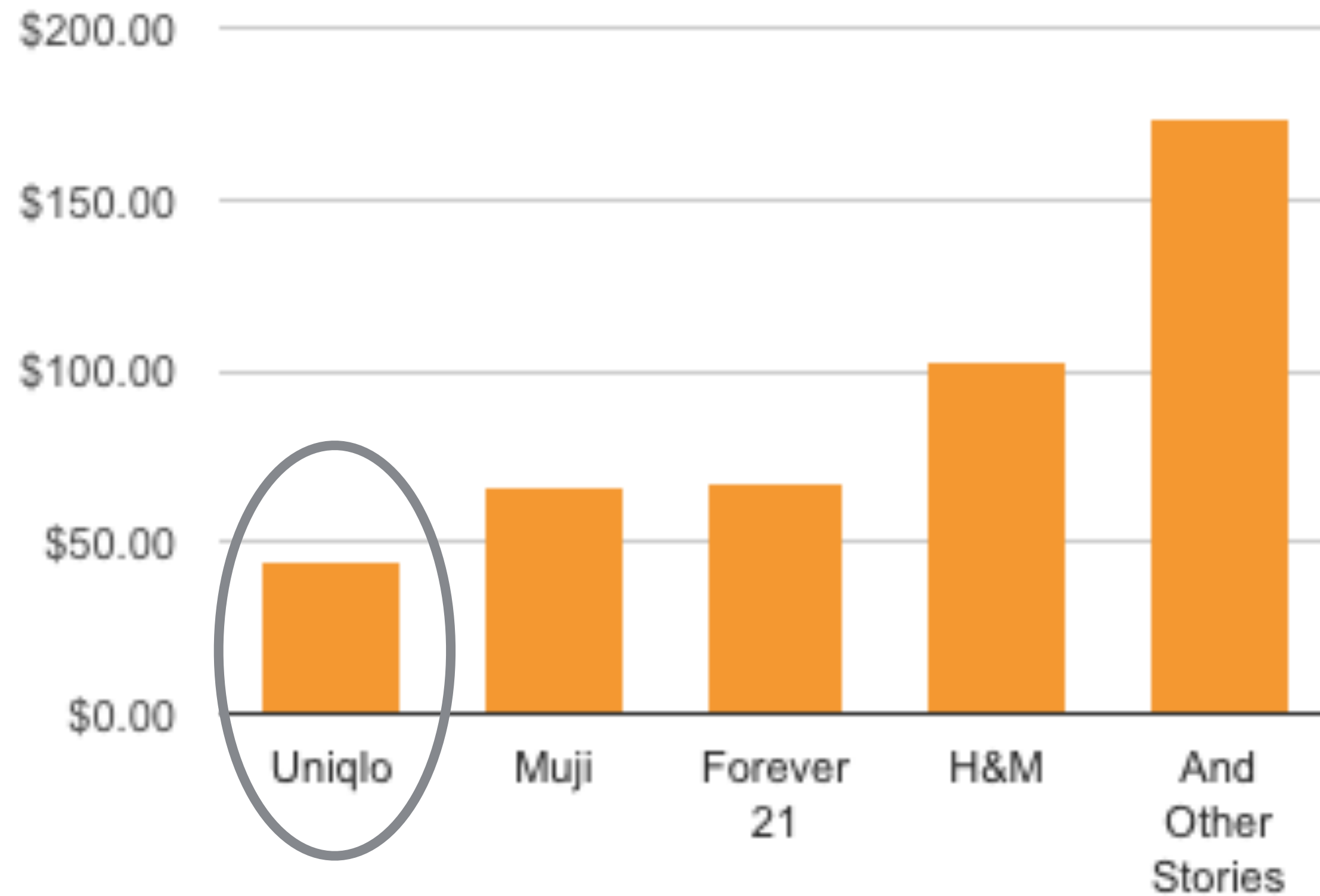




PRICING STRATEGY

	Face		Lip		Eye		Brow		Skincare		Masks		Bath & Body	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Victoria's Secret			\$10.00	\$10.00									\$5.00	\$25.00
Muji									\$14.00	\$35.00			\$12.00	\$24.00
Urban Outfitters	\$5.00	\$45.00	\$6.00	\$35.00	\$10.00	\$42.00	\$18.00	\$25.00	\$7.00	\$70.00	\$3.00	\$60.00	\$4.00	\$50.00
And Other Stories	\$15.00	\$28.00	\$9.00	\$18.00	\$7.00	\$22.00	\$12.00	\$12.00	\$8.00	\$35.00	\$15.00	\$15.00	\$8.00	\$50.00
H&M	\$7.00	\$15.00	\$6.00	\$10.00	\$5.00	\$13.00	\$5.00	\$10.00			\$4.00	\$8.00	\$5.00	\$13.00
Forever 21	\$4.00	\$24.00	\$2.00	\$18.00	\$3.00	\$36.00					\$2.00	\$14.00	\$7.00	\$11.00
Anthropologie	\$19.00	\$60.00	\$6.00	\$36.00	\$17.00	\$35.00	\$20.00	\$25.00	\$7.00	\$169.00	\$8.00	\$95.00	\$4.00	\$110.00
Aerin Lauder	\$36.00	\$70.00	\$30.00	\$42.00	\$28.00	\$70.00							\$25.00	\$80.00
Free People	\$20.00	\$56.00	\$8.00	\$36.00	\$18.00	\$36.00	\$14.00	\$26.00	\$9.00	\$149.00	\$5.00	\$94.00	\$6.00	\$92.00
Average	\$15.14	\$42.57	\$9.63	\$25.63	\$12.57	\$36.29	\$13.80	\$19.60	\$9.00	\$91.60	\$6.17	\$47.67	\$8.44	\$50.56

CLOTHING PRICE COMPARISON



BEAUTY PRICE COMPARISON

