Facial Aesthetics Market to 2020

Economic Recovery Drives Growth in the US as Increasing Awareness Fuels Demand in Developing Markets

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Global Business Intelligence

GBI Research Report Guidance

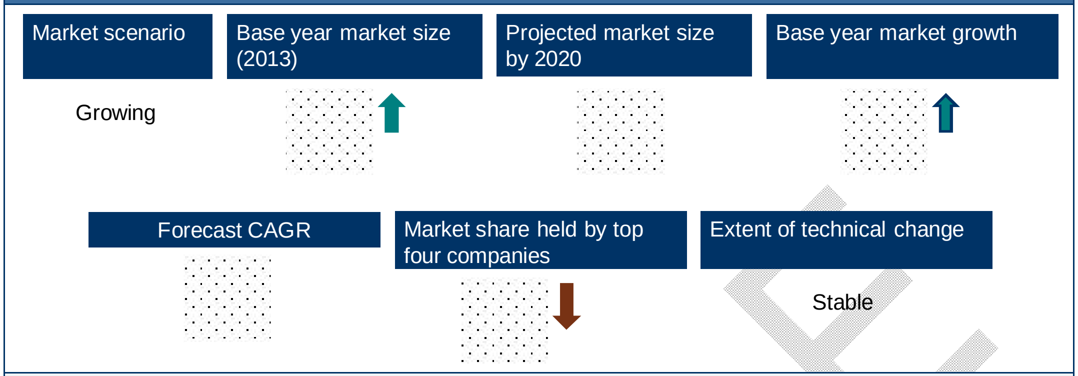
- Botox refers to botulinum toxin Type A used to address cosmetic indications including glabellar lines and lateral canthal lines.
- The scope of the report only considers Botox treatments used in aesthetic indications and does not include Botox treatments used in therapeutic indications.
- The facial aesthetic procedures for countries other than US are modeled using the latest International Society of Aesthetic Plastic Surgery (ISAPS) data published in 2011. The updated ISAPS data for 2013 are expected to be published in June 2014.
- The facial aesthetic procedures data for US have been sourced from American Society for Aesthetic Plastic Surgery (ASAPS).
- Chapter Three provides the device overview of the facial aesthetics segments included in the scope of the report.
- Chapter four provides information on the market size for the 2006–2013 historic period and for the 2013–2020 forecast period. The chapter also provides information on key companies' shares in the global Botox and dermal fillers market. The key company share in the Botox market provides the sales revenues of the top three Botox drugs in the world. The chapter discusses the key trends and market dynamics that are expected to impact future growth.
- Chapter five discusses Botox and dermal fillers. The market sizes for the historic and forecast period are provided for each segment.
- Chapter six gives information on the market size for the historic and forecast period for the US, Japan, Germany, South Korea, France, Brazil, Italy, China, Colombia, Turkey, Spain and India, selected based on the number of Botox and HA filler procedures performed, with cross-country analysis.
- Chapter seven contains profiles of the leading facial aesthetics companies, outlining their products and their features and benefits.
- Chapter eight focuses on the pipeline products for each segment. The key pipeline products are listed and discussed in detail alongside product approval and expected launch dates.
- Chapter nine discusses the deals that took place in the facial aesthetics industry between 2009 and 2013.

Executive Summary

Facial Aesthetics Market Expected to Grow Rapidly during the Forecast Period

The following figure shows the projected revenue growth of the global facial aesthetics market during the 2013–2020 period.

Facial Aesthetics Market, Global, Revenue ($bn), 2013–2020



Source: GBI Research proprietary database [Accessed April 10, 2014]

CAGR: Compound Annual Growth Rate

The global facial aesthetics market was valued at $XX billion in 2013 and is forecast to reach $XX billion by 2020, at a CAGR of XX%.

The global facial aesthetics market was valued at $XX billion in 2013 and is forecast to reach $XX billion by 2020, at a CAGR of XX%. Future growth will be driven by sustained economic recovery in developed countries such as the US, aided by increasing awareness among the general public of the facial injectables available to them. The focus of companies such as Allergan on Direct-to-Consumer (DTC) marketing has been effective in expanding patient demographics from exclusively wealthy individuals to a wider range of people. Individuals born during the 1980–1994 period present a significant opportunity for companies in this market to sustain revenue growth in the future as this demographic is seeking age reversal techniques earlier than their predecessors. Recurring revenue from facial injectables encourages beauty clinics and medical practitioners to continue to recommend facial injectables such as Botox and dermal fillers to their patients. Topical neurotoxins which are expected to be launched by early 2016 will have a significant impact on the facial aesthetics market. As patients increasingly prefer non-invasive age reversal techniques, topical neurotoxins will replace injectable Botox products such as Botox Cosmetic and Dysport. Increasing job opportunities for women in developing economies such as India and China is leading to higher disposable income which drives the demand for facial aesthetic procedures. The global facial aesthetics market is highly exposed to economic volatility as aesthetic procedures are elective and purely cosmetic. These procedures lack reimbursement which is another major drawback as any economic uncertainty or insecurity at work may result in people refraining from opting for facial aesthetic procedures.

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2 Introduction

The facial aesthetics segment is one of the main segments of the aesthetic devices market used for overcoming the effects of aging. The desire to be youthful and the awareness of the appropriate aesthetic procedures have increased significantly around the world and subsequently the market for aesthetic devices is highly attractive to pharmaceutical companies. Optimized treatment outcomes and increasing consumer confidence remain the key drivers for the growth of this market. Aging leads to a loss and redistribution of collagen and facial fat and this process can be reversed somewhat by facial aesthetic procedures. New trends in the facial aesthetics industry are focused on developing less invasive and non-invasive dermal fillers that can help to address aging more efficiently. These trends are designed to help patients achieve permanent results through the use of biopolymers and substances such as Hyaluronic Acid (HA) and collagen that have no adverse effects. The facial aesthetics segment is classified into categories such as Botulinum toxin (Botox), HA-based dermal fillers, Particle- and Polymer-based dermal Fillers (PPF) and collagen products.

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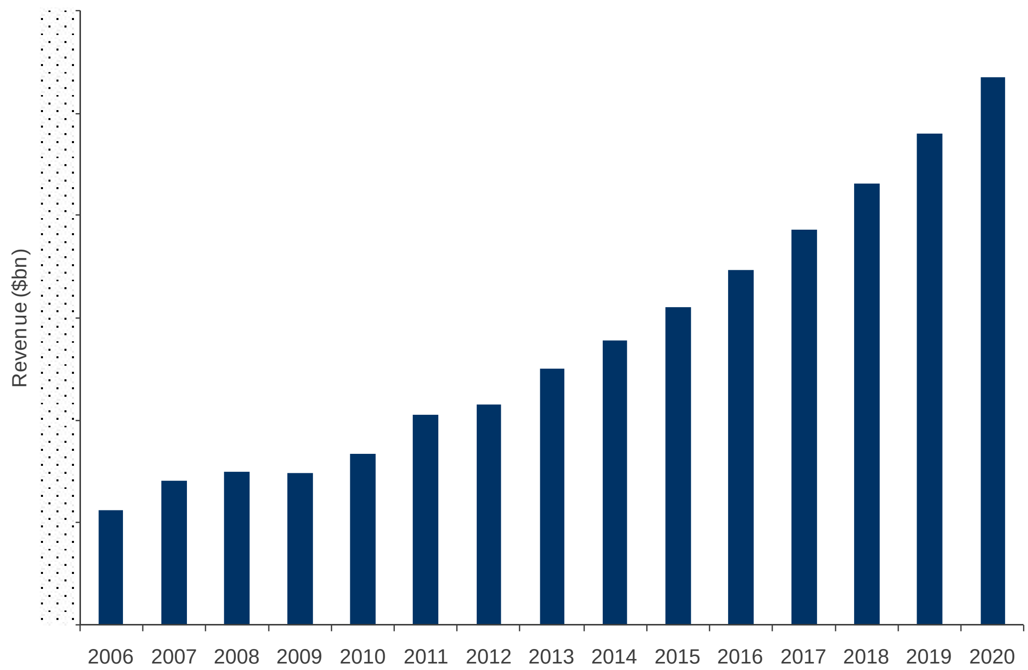
5 Global Facial Aesthetics Market: Market Characterization

5.1 Global Facial Aesthetics Market, Revenue, 2006–2020

The following figure shows the revenues generated by the global facial aesthetics market over the 2006–2020 period.

Figure 2: Facial Aesthetics Market, Global, Revenue ($bn), 2006–2020



Source: GBI Research proprietary database [Accessed February 12, 2014]

The following table shows the revenues generated by the global facial aesthetics device market for the 2013–2020 period.

Table 1: Facial Aesthetics Market, Global, Revenue Forecast ($bn), 2006–2020

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Historic CAGR (%)	Forecast CAGR (%)
Facial aesthetics																	

Source: GBI Research proprietary database [Accessed February 12, 2014]

CAGR: Compound Annual Growth Rate

The global facial aesthetics market was valued at $XX billion in 2006 and increased to $XX billion in 2013 at a CAGR of XX%. Historic growth is attributed to high demand for facial aesthetic procedures in the first half of the historic period. Increasing awareness of facial aesthetic procedures due to Direct-To-Consumer (DTC) campaigns run by companies such as Allergan is one of the major drivers for historic growth. Higher disposable income in developing economies due to increasing job opportunities for women is another major factor that drives growth in countries such as India and China. The market remained flat during the 2011–2012 period as facial aesthetic procedures remained subdued in developed economies such as the US and Europe due to economic slowdown. Increasing competition in Europe and Asia-Pacific leading to a declining price trend is another major factor that significantly impacted revenue growth.

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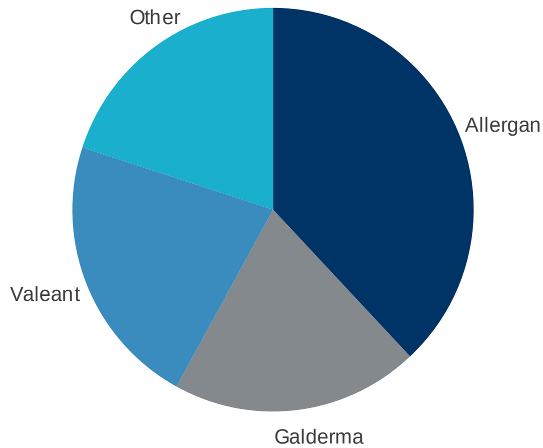
5.3 Dermal Fillers Market, Global, Key Company Shares, 2013

The following figure shows the percentage market shares for the key companies in the dermal fillers market, in 2013.

Figure 5: Facial Aesthetics Market, Dermal Fillers, Global, Key Company Share (%), 2013



Source: GBI Research proprietary database [Accessed February 12, 2014]

The following table shows the percentage market shares for the key companies in the dermal fillers market, in 2013.

Table 3: Facial Aesthetics Market, Dermal Fillers, Global, Key Company Share (%), 2013

Company	Share
Allergan	
Valeant	
Galderma	
Other	

Source: GBI Research proprietary database [Accessed April 10, 2014]

In 2013, Allergan was the market leader in the global dermal fillers market with a XX% share followed by Valeant with a XX% share.

In 2013, Allergan was the market leader in the global dermal fillers market with a XX% share followed by Valeant with a XX% share. Galderma also has a strong presence in the market with a XX% share in the global dermal fillers market. Allergan has wide presence in the global dermal fillers market as the company markets its Juvéderm line of dermal filler products in the US, Europe and Asia-Pacific. Valeant markets Restylane in the US while Galderma markets the same brand in the Europe. In 2004, Medicis (now a subsidiary of Valeant) and Q-Med (now a subsidiary of Galderma) entered into a marketing agreement. According to the agreement, Q-Med had the exclusive rights to market and distribute the Restylane line of products in Europe and Medicis had the exclusive rights to market, distribute and sell the Restylane line of products in the US. Restylane is the leading brand in terms of revenue share worldwide, however since the product is marketed by Galderma in Europe and Valeant in the US, the market presence of these companies are significantly lower than Allergan's Juvéderm.

Valeant's Restylane received US FDA approval in 2003 which provided the company with the first mover's advantage in the US. Following the approval, Medicis sustained its leadership position in the US dermal fillers market for several years before Allergan's Juvéderm secured strong presence through aggressive marketing strategies. Allergan is able to bundle its flagship brand Botox Cosmetic along with Juvéderm which led many physicians to shift from Restylane to Juvéderm.

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11 Appendix

11.1 Definitions

11.1.1 Facial Aesthetics

There are two types of facial aesthetics devices: dermal fillers and Botox.

11.1.1.1 Dermal Fillers

Dermal fillers aim to enhance shallow contours and soften facial creases and wrinkles. In this report, two types of dermal fillers are covered:

Hyaluronic Acid

Hyaluronic Acid (HA) is a natural complex sugar found in animals that retain water. HA in combination with elastin and collagen provides elasticity, structure and volume to the skin.

Particle and Polymer Fillers

Particle and Polymer Fillers (PPF) are dermal filler substances consisting of viscous fluids that are used for facial aesthetics.

11.1.1.2 Botox

Botulinum toxin (Botox) is a protein that is derived from the bacterium *Clostridium botulinum*. It is highly neurotoxic and can cause paralysis. Highly diluted concentrations of Botox are used for the treatment of moderate-to-severe frown lines between the eyebrows.

11.2 Abbreviations

ASAPS:	American Society for Aesthetic Plastic Surgery
Botox:	Botulinum toxin
CAGR:	Compound Annual Growth Rate
cm:	centimeter
CRM:	Covalent Reticulated Matrix
DEAE:	Diethylaminoethyl
DTC:	Direct-to-Consumer
FDA:	Food and Drug Administration
GDP:	Gross Domestic Product
HA:	Hyaluronic Acid
ISAPS:	International Society of Aesthetic Plastic Surgery
mg:	milligram
ml:	milliliter
PPF:	Particle and Polymer Fillers
R&D:	Research and Development
VAS:	Visual Analog Scale

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11.4 Research Methodology

GBI Research's dedicated research and analysis teams consist of experienced professionals with advanced statistical expertise and marketing, market research and consulting backgrounds in the medical devices industry.

GBI Research adheres to the codes of practice of the Market Research Society (www.mrs.org.uk) and Strategic and Competitive Intelligence Professionals (www.scip.org).

All GBI Research databases are continuously updated and revised. The following research methodology is followed for all databases and reports.

11.4.1 Secondary Research

The research process begins with extensive secondary research using internal and external sources to gather qualitative and quantitative information relating to each market.

The secondary research sources that are typically referred to include, but are not limited to:

- Company websites, annual reports, financial reports, broker reports, investor presentations and SEC filings

- Industry trade journals, scientific journals and other technical literature
- Internal and external proprietary databases
- Relevant patent and regulatory databases
- National government documents, statistical databases and market reports
- Procedure registries
- News articles, press releases and web-casts specific to the companies operating in the market

11.4.2 Primary Research

GBI Research conducts hundreds of primary interviews a year with industry participants and commentators in order to validate its data and analysis. A typical research interview fulfills the following functions:

- Provides first-hand information on market size, market trends, growth trends, competitive landscape and future outlook
- Helps to validate and strengthen secondary research findings
- Further develops the analysis team's expertise and market understanding

Primary research involves email correspondence, telephone interviews and face-to-face interviews for each market, category, segment and sub-segment across a range of geographies.

The participants who typically take part in the process include, but are not limited to:

- Industry participants: CEOs, VPs, marketing/product managers, market intelligence managers and national sales managers
- Distributors, paramedics and representatives from hospital stores, laboratories and pharmacies
- Outside experts: investment bankers, valuation experts, research analysts specializing in specific medical equipment markets
- Key opinion leaders: physicians and surgeons that specialize in the therapeutic areas in which specific medical equipment is used

11.4.3 Models

Where no hard data is available GBI Research uses modeling and estimates in order to produce comprehensive data sets, for which the following rigorous methodology is adopted:

Available hard data is cross-referenced with the following data types to produce estimates:

- Demographic data: population, split by segment
- Macroeconomic indicators: GDP and inflation rate
- Healthcare indicators: health expenditure, physician base, healthcare infrastructure and facilities
- Selected epidemiological and procedure statistics

Data is then cross-checked by the expert panel. All data and assumptions relating to modeling are stored and are available to clients on request.

11.4.4 Forecasts

GBI Research uses proprietary forecast models, which utilize the following factors:

- Historic growth rates
- Macro indicators such as population trends and healthcare spending
- Forecast epidemiological data
- Qualitative trend information and assumptions

Data is then cross-checked by the expert panel.

11.4.5 Expert Panel

GBI Research uses a panel of experts to cross-verify its databases and forecasts.

GBI Research's expert panel includes marketing managers, product specialists, international sales managers from medical device companies, academics from research universities, key opinion leaders from hospitals, consultants from venture capital funds and distributors/suppliers of medical equipment and supplies.

Historic data and forecasts are relayed to GBI Research's expert panel for feedback and adjusted accordingly.

11.6 Disclaimer