Image is everything, but integrity is more than skin-deep

A White Paper from Kallik

KALLIK

Achieving transparency & trust in the global cosmetics industry: the growing importance of enterprise labeling management in 2020

Today's consumers are more conscious than ever about the products they use and the effect these may have on their bodies and on the environment. As a consequence they have high expectations about the brands they buy from to be transparent about how and where they made their products, what goes into them, and what experience they can expect if they apply them. Growing concerns about harmful ingredients or allergens, and the need to understand any changes to or updated safety advice about familiar products, mean that consumers now pay closer attention to the information provided by cosmetics brands across their labeling - from physical packaging to online resources.

Consumer trends: trusting brands to be open & truthful

A 2019 survey by US market research firm NPD Group[1] found that skincare brands pledging ingredient transparency are gaining new traction in the market. It discovered that over half of American women are seeking out skincare products claiming organic ingredients, while 46 per cent are choosing products without sulfates, phthalates and gluten - a six-point increase from 2017. As a result they are studying product information in more detail, paying closer attention to what's in products and how 'natural' they are, research which often starts online.

Regulators' response

In response to public demand, and out of responsibility for consumer safety, industry regulators continue to strengthen their requirements – putting pressure on brands to have robust measures in place for ensuring that they provide complete, accurate and up-to-date information on all of their products, and that they don't make unauthorized or false claims about them.

In 2019, the FDA launched its first survey of cosmetics companies' safety and manufacturing practices, after decades of self-regulation in the make-up industry. Easy internet access to products from China, and health concerns generally, have begun to trigger more proactive interest by public authorities in keeping consumers safe. The EU is increasing its own rigor too, proposing to clamp down on 'free from' claims linked to cosmetics products.

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[1] Women's Facial Skincare Consumer Report 2019, NPD Group

Keeping quality consistent in the face of continuously evolving requirements

For international brands, keeping labeling consistent, transparent, consumer-friendly and on message from a regulatory perspective is a daunting prospect. When each market may have its own special regulatory requirements, different culture reference points, and particular ways of wording safety messages, the job of ensuring that each products carries exactly the right label content for the intended market and target consumer group, cannot be underestimated.

Consumers' changing concerns and continuously evolving safety information add to the complexity, as regulatory requirements are updated in line with the latest market preferences and findings about potentially harmful ingredients, affecting everything from eye liner to sunscreen. Unless the cosmetics brand has a clear line of sight across both evolving market requirements, per country, and how these affect each product and its different forms of labeling/customer information, the risk of wrong or out-of-date information getting through could be significant. The implications could include risks to consumer safety, reputational damage, potential fines and loss of revenue if products are rejected or withdrawn from affected markets.

Diversity of label formats is driving up labeling workloads

Definitions of 'labeling' are broad too. In the US[2] , labeling encompasses everything stated on the product itself (which could be designed or embossed directly onto a bottle, a clear plastic strip affixed to a tiny tube of blemish concealer, or a sticky paper attachment to the base of a lipstick); to product descriptors and identifiers on packing and shipping cartons; to promotional inserts in magazines and product information published online. This adds up to a lot of collateral to coordinate and control for accuracy, currency, quality and compliance.

If these different elements are handled by different teams, or collated from scratch for each new use case, the demand on resources and the scope for something going awry are considerable. Yet, all too often, responsibilities for product labeling in cosmetics is a fragmented affair characterized by an over-reliance on manual generation of content assets and individual approval of labeling output for each new purpose.

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[2] Cosmetics Labeling Guide, US FDA

Streamlining requirements & reducing risk: enterprise labeling management

To alleviate spiraling workloads, mitigate risk, and keep pace with evolving requirements without compromising label quality, cosmetics brands should consider introducing some form of central control and visibility across everything that is going out to the market, anywhere in the world.

This means creating a single source of labeling truth – of approved, current content components – which form the basis for all forms of future labeling. If anything changes – to the brand, to the product or its ingredients, to the manufacturer's information, or to regulatory requirements – this can now be managed in a controlled and robust way from a single, central vantage point.

Opportunities for accelerated & automated label construction

Enterprise labeling management isn't just about centralizing and organizing the construction and quality control of global labeling. It can also help transform the processes involved, for instance in discovering label inter-dependencies if requirements or other conditions change, as all global label activity is mapped and tracked.

The platform can also be used as a reliable look-up for latest country-specific requirements and sensitivities, and to calculate quickly the ramifications of a single change request. Sensitivity parameters and smart rules can be set to ensure that required logos and symbols are included, and that important information is displayed in legible fonts.
Invaluable tools and label compilation shortcuts, such as 'phrase managers' for different languages, can reduce the translation burden and risk, by eliminating repetition of routine tasks such as the construction of common directions for use for each target language/country. Similarly, a centralized labeling management capability can help prevent teams starting from scratch when one small aspect of a label has changed. The ability to treat each labeling item as a composite of pre-approved text or artwork components eliminates unnecessary process duplication, leaving skilled professionals free to focus more of their time on the elements that do need to change. This can help particularly where cosmetics products have multiple variants, but where only minor elements differ between them for labelling purposes such as the color or shade of an item.

Joining the dots: additional integration options

When exploring the options among enterprise labeling management platforms, it is also well worth considering whether the proposed solution can connect readily with other systems such as the product information management system that feeds web site content. Joining up these information feeds will help cosmetic ingredients details stay in sync, and reduce the need for and risk associated with re-inputting data manually between platforms.

Risks are reduced, trust is assured, resources are optimized

With coordinated control, and end-to-end visibility of all labeling activity globally, brand owners are better able to spot any labeling issues ahead of time - so that products do not go out to market with errors or omissions in their labeling. As well as substantially reducing the safety implications, cost and reputational damage associated with product recalls, trusted labeling will help to safeguard the brand and maintain public confidence in the quality and safety of its products.
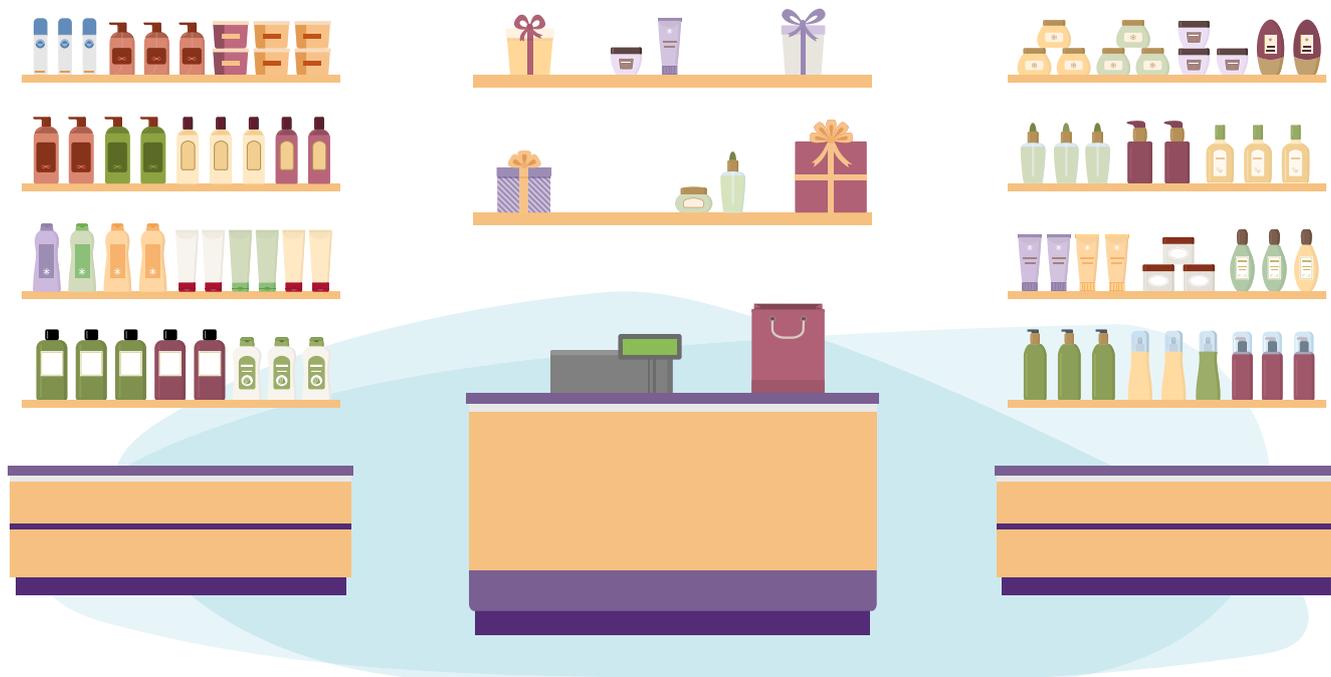
Meanwhile all of the intelligent controls around label construction can make light work of regulatory updates and resulting changes to labels, by focusing resources only where they are needed.

About Kallik

Kallik, the enterprise labeling company, provides regulated industries with a responsive, end-to-end label management platform they can trust.

Its cloud-based labeling platform, Veraciti™, delivers definitive compliance and supply chain efficiency for all the content assets that make up product packaging, labeling and customer information documents. From barcodes to safety symbols and text, Veraciti manages any format, in any territory, on any material and via any channel - with complete reliability and traceability

Medical device manufacturers, pharmaceutical firms, chemical and cosmetics companies use Kallik to deliver trust in their labeling, confidence in their brand and integrity in their process.

To find out how we can support label and artwork management transformation in your business, please get in touch by emailing us at info@kallik.com.