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**Remarks by Andrew Stanleick, President and CEO, BeautyHealth  
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Hello, everyone.

Thank you, Jenny, and WWD for inviting me today. It is great to be here in front of so many friends and familiar faces.

We are entering a new frontier in the beauty economy; dare I say a Kodak moment for our industry.

And I do not mean a picture-perfect photo opp. I mean a radical reshaping of the market.

Let me take you on a journey.

To start, I would like to show you something that isn't very beautiful at all. You will not find this in any makeup bag. And yet, in some ways, this is the future of our industry.

This is a Gunkie jar. This container holds all of the gunk that comes out of your face when you get a Hydrafacial.

For those of you who don't know, Hydrafacial is our category-creating hydradermabrasion treatment that cleanses, extracts and hydrates the skin, leaving you with the best skin of your life.

That is a claim we don't make lightly. We have 60 global patents and robust clinical studies behind us. And yet, perhaps the greatest proof is right here in the gunk.

At the end of every treatment, clients are shown their Gunkie jars—full of sebum, blackheads, and dirt.



And I am not the only one sharing pictures of them. All over social media, consumers and their estheticians are posting photos with the hashtag #gunkiejunkie. It's really quite a thing!

These photos are not just of their rejuvenated, glowing faces, but of the liquefied dead skin they have just had removed.

Why? Because this gunk is real. It is proof of something happening, something actually working. It is "no filter", taken to the extreme.

I have had the privilege to spend my entire career in the beauty industry. I have worked for both established brands and newcomers, in cosmetics and skincare, and in offices across the globe.

Yet when I reflect back, I believe I have seen more change in the last three years than in the previous twenty-seven.

And I have never seen a transformation like the one we are undergoing today.

It used to be that beauty was about projecting flawlessness, and a European ideal. It was supposed to look effortless, even when it required dozens of products and hours of effort.

Whether it was a "no-makeup makeup look" or something heavily contoured, you weren't supposed to admit that you had actually *tried* to look good. But that's changing.

Just the other day, over dinner here in New York, someone told me in great detail, in fact excruciating detail, about the Morpheus 8 cellulite removal procedure that they had just had on their butt.

It was like they were describing a new yoga class they had just gone to.

There was no embarrassment, no stigma, but nor should there have been. To me, it was proof that we are headed somewhere more transparent and more honest.



And this is reflected in consumer tastes, on social media and beyond. In place of airbrushed, highly curated fashion shots that everyone knows took 25 tries to capture, we are seeing unfiltered photos, unpolished “Get Ready With Me” videos, and of course *GUNK!*

In other words, beauty today is as much about the process as it is about the end result.

The brands that will win the day will not be the ones with the shiniest packaging, or the most famous spokespeople, but the ones that are transparent about the beauty journey, showing every step of how their products and experiences work to deliver results.

Gone are the days when consumers are willing to spend hundreds of dollars for that metaphoric “hope in a jar.”

They will be unconvinced by a snappy tagline alone. They will be convinced instead by a beauty process explained, and with immediate, visible results.

But, this is also a challenge of course, a signal of a new era for the beauty industry.

In the age of Instagram, I say to you that beauty is having a Kodak moment.

We are at a turning point for our industry as we emerge from the pandemic, where brands will either innovate or fail. Adapt, or die.

So today, I would like to speak about four big trends we see as defining the next era.

First. The medicalization of beauty, as consumers abandon “wellness” for clinical efficacy.

Second. The rise of a new beauty influencer, as consumers increasingly turn to professionals to help shape their beauty routines.

Third. Personalization, which will be powered, and transformed, by data.

And finally. The shift in beauty wallet share to the professional treatment room, where proven and immediate results are waiting.



I will start with the first trend, which has fueled BeautyHealth's growth as a category creator: the medicalization of beauty.

This is the hottest place in beauty. No, not Paris, or New York, or Seoul. Not a vanity table or a runway. It is a lab.

Consumers today want beauty procedures and ingredients backed by clinical studies.

They want efficacy. They want expertise. They want results. They think of treatments more like wellness-visits or dental check-ups, a core part of their health and personal care routine.

This is particularly true of skincare. In recent years, consumers have paid more attention to their skin than ever. They have spent hours on Zoom, looking at their own faces. They have started to treat their skin as a *canvas* for makeup, not just something to be covered up by it.

This is why the prestige skincare category grew by [14% last year in the US](#) and why clinical brands now represent [34% of the category](#).

It is why Hydrafacial accelerated 41% in 2022.

The medicalization of beauty is a movement, not a trend. It is a conscious awakening. Not to sound like Gwyneth, but it's true.

After all, at our most primal. Beauty signals health. Beauty propagates the species.

Consumers no longer view beauty and healthcare as separate.

As aesthetic treatments become more mainstream, more accessibly priced, and more widely available, the traditional beauty industry has to compete with the immediate results of toxins, fillers, micro-needling, lasers, and even Ozempic.

And these treatments really do deliver immediate and transformative results in a way that a traditional lotions and potions never could.



Which brings me to my next point. In this age of medicalized beauty, the most effective influencers won't be actors and models. The new influencers will be doctors and estheticians.

These highly skilled professionals have a deep expertise and an intimate understanding of the patients and clients they serve.

They know how to diagnose conditions and how to personalize treatments. They know the products they recommend, inside and out.

Most importantly of all, consumers trust their doctors and estheticians. In fact, when people are trying to decide on a cosmetic procedure or even a skin care product, dermatologists are [the resource they trust the most.](#)

While estheticians are not celebrities, they are confidantes.

Their credibility does not come from their film credits or follower count. It comes from their hours of training, their knowledge of ingredients, their touch and care.

That is why a huge part of BeautyHealth's business focuses on training and educating estheticians, who in turn build authentic, intimate connections with their clients.

We are proud to be one of the world's top educators of estheticians because they have a bond with their clients that cannot be faked.

BeautyHealth has trained more than 40,000 estheticians around the world. They are cherished members of their communities, not to mention a coveted stamp of credibility for the other skincare brands we partner with.

From medical brands like Dr. Babor and Dr. Murad, to prestige skincare icons like Dior and Omorovicza, to celebrity beauty names like JLO Beauty – all of our partners recognize the true influence of estheticians in today's beauty landscape.

In this new, more medical era of beauty, experts are influencers, and treatments feel more like healthcare than self-care.



This future is only possible with the power of data and technology.

Which brings me to the third trend I want to talk about today. Personalized beauty will be data-driven.

When you think of data, you probably think of something technical – complicated – cold.

But data, really, is more like *this*.

Let me explain. This is someone getting a Hydrafacial, and that smart device you see there is Syndeo, the new delivery system we rolled out last year.

In addition to assisting the esthetician through a Hydrafacial treatment, Syndeo can access a consumer's history and preferences, to help estheticians give them a more customized treatment.

With Syndeo, our Gunkie Junkies can get a fully personalized Hydrafacial. One that takes into account their skin type, conditions, and history. And they can get it from different providers, anywhere in the world.

Attending a wedding in another state? On holiday overseas? Any Hydrafacial esthetician can pick up exactly where another one left off. It is a seamless experience.

Over time, data from Syndeo will allow us to identify trends, tendencies based on seasons or regions, and emerging ingredient preferences.

We aim to be the biggest source of skin and scalp data on the planet.

We see data as the future of beauty and true personalization, and the ability to use it will be a differentiator, determining which brands keep up, which brands stay connected, and which brands are left behind.

Meanwhile, even though consumers want tailored treatments, they do not want to add complexity to their lives.



They want to receive hair, skin, and body treatments in the same place, if not at the same time.

We believe in the power of a seamless platform and beauty experience, which is why we are always adding new tools and brands to our BeautyHealth ecosystem.

Keravive for scalp care, our recent acquisition of SkinStylus for microneedling, and more.

Our goal is to help consumers access the right treatments, from the right providers, at the right time, in the right place.

Which brings me to my final point and perhaps the most important for all of us in the room today.

Beauty consumers will not be confined to traditional retail or ecommerce. The treatment room will capture more of their beauty wallet share.

Gone are the days when consumers go to brick-and-mortar locations for products alone. Now, people are going shopping for *care* and *experiences*.

We want to meet consumers where they live, work-out, shop, and play.

In the U.S., Hydrafacial treatments are available in every Sephora, as well as in Ulta, Nordstrom, and Saks stores.

They are available in John Lewis, the UK's #1 department store retailer; and Galeries Lafayette's iconic Paris flagship which is home to the largest wellness retail space in Europe.

Consumers can get a Hydrafacial in hotels and gyms, and we are always looking to expand and make our treatments more accessible.

At the same time as retail spaces are becoming more medicalized, traditional medical spaces, like medspas and dermatologists' offices, are turning more towards retail, selling take-home beauty products, alongside their procedures and treatments.



The blurring line between retail and treatment spaces is the new frontier of the beauty economy.

Today, consumers can get professional beauty treatments in a space that is more clinical than a makeup aisle, and more inviting than a doctor's office.

Nowhere do we see this more than in the booming medspa channel.

Medspas create a sticky one-stop-shop, where consumers can get a facial, a waxing, injectables, lasers, scalp treatments, and medical-grade skincare. All in one place, every month with a convenient subscription.

Medspas like Ever/Body, Restore, Ideal Image, and LaserAway are on the rise. They are on every street corner in every major city. New York, London and Shanghai.

The U.S. medspa market is projected to grow by [14% over the next five years](#). And they are all competing for a share of the traditional beauty wallet.

Who would have thought even five years ago that the #1 competition for high street beauty retail would be a dermatologist or an esthetician?

We have all seen the memes on TikTok poking fun at the idea of getting skincare products from the mall. "Why would you do that?" they say, when derms and medspas exist?

This is where the industry is heading: towards professional beauty that finds consumers where they are, and uses precise, personalized technology to help them achieve what they want.

Earlier, I said that our industry is having a Kodak moment.

If you take away one thing from my talk today, it is this.

Aesthetics is beauty's biggest competitor, and the turf war has moved into the treatment room.



Consumers are demanding science-backed, efficacious, and personalized beauty experiences. And they are already taking their dollars to brands that align with their rapidly shifting values, habits and goals.

They are challenging us, the leaders of this industry, to get real with them.

To join them on their journey. And that is liberating for all of us.

When you get a Hydrafacial, go in for a Morpheus treatment, or apply fake lashes, you do not have to pretend that you are picture-perfect or all-natural.

You can simply say, I am doing this because it looks good. It feels good. And there is no shame in that.

There is joy and excitement. And maybe even a little gunk.

Thank you very much. And now, I am happy to take any questions.

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