

# Cosmetic Ingredients Market Trends, Sustainable Innovation & Key Players Driving Future Growth | DataM Intelligence

*The Cosmetic Ingredients Market is set for strong growth through 2032, driven by clean-label trends, biotech innovation, and sustainable formulation strategies.*

NEW YORK, NY, UNITED STATES, July 23, 2025 /EINPresswire.com/ -- The

[Cosmetic Ingredients Market](#) is set to grow from US\$ 35.45 billion in 2024 to US\$ 55.95 billion by 2032 at a 5.87% CAGR.. The surge in demand for clean-label formulations, biotechnology-based activities, and sustainable alternatives is redefining ingredient innovation. As consumers shift toward

transparency, safety, and performance, cosmetic manufacturers are leveraging bioengineered peptides, upcycled actives, and plant-based emollients to meet evolving expectations. Regulatory agencies across the U.S., Europe, and Asia are also tightening standards, prompting major brands and suppliers to reformulate and rethink their raw material sourcing and product development strategies.

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Sustainability and science are now inseparable in cosmetics. From biotech peptides to upcycled activities, ingredients define tomorrow's clean, effective beauty”

*DataM Intelligence*



This dynamic market is not only shaped by the rise of functional cosmetics and wellness-linked beauty but also by innovations in formulation technologies such as encapsulation systems and waterless formats that ensure both efficacy and environmental compliance.

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Cosmetic ingredients Market Drivers are :

### Rising Demand for Clean-Label and Natural Products

Consumer preference for botanical, vegan, and allergen-free formulations is pushing formulators to explore bio-derived and fermentation-based ingredients.

### Growth in Anti-Aging and Functional Cosmetics

Increased consumer awareness around skincare longevity is fueling demand for peptides, ceramides, retinoids, and collagen-boosting actives.

### Biotechnology and Fermentation Innovation

The use of microbial fermentation and recombinant technology is enabling the production of highly effective and skin-compatible active ingredients.

### Focus on Sustainability and Circular Beauty

Pressure to reduce carbon footprints is leading to the adoption of biodegradable polymers, upcycled plant waste, and low-energy emulsifiers.

### Personalization and AI-Driven Formulations

The growth of AI platforms and diagnostic skin tools is enabling hyper-personalized skincare built on custom ingredient blends.

### Regulatory Shifts Driving Safer Formulations

Stricter regulations in markets like the U.S., Japan, and EU on allergens, preservatives, and microplastics are accelerating innovation in clean chemistry.

Cosmetic ingredients Key Players are :

BASF SE

Croda International Plc

Evonik Industries AG

Clariant AG

Dow Chemical Company

Symrise AG

Ashland Global Holdings Inc.

SEPPIC

Lubrizol Corporation

Brenntag

These companies are expanding R&D capabilities, pursuing acquisitions, and collaborating with biotech firms to remain at the forefront of ingredient innovation.

Cosmetic ingredients Market Segmentation :-

Cosmetic ingredients Segments :

By Ingredient Type:

Emollients, Surfactants, Active Ingredients, Preservatives, UV Filters, Colorants

By Application :

Skin Care, Hair Care, Color Cosmetics, Oral Care, Fragrances

By Form:

Liquid, Powder, Semi-Solid

By Distribution Channel:

Online Retail, Hypermarkets, Specialty Stores, Direct Sales

By Region :

North America, Europe, Asia-Pacific, Latin America, Middle East & Africa

Latest News - USA

April 2024 – FDA Draft Guidance on Fragrance Allergens

The U.S. FDA released draft guidance recommending that cosmetic manufacturers disclose common fragrance allergens such as limonene, citral, and linalool on product labels. This move aligns the U.S. more closely with EU transparency standards and could push formulators to develop hypoallergenic alternatives.

May 2024 - Ashland Launches NatraRenew

Ashland introduced its NatraRenew plant-based preservative system, offering broad-spectrum antimicrobial activity for clean-label beauty formulations. This innovation is being piloted across several mid-sized U.S. natural skincare brands.

#### June 2024 - Allergan Partners on Bio-Fermented Peptides

Allergan Aesthetics (AbbVie) entered a partnership with a Boston-based biotech firm to co-develop fermentation-derived peptides designed to stimulate collagen and improve skin elasticity.

#### March 2024 - Croda Develops Biodegradable Emulsifiers

Croda announced the development of biodegradable emulsifiers tailored for waterless and low-waste cosmetics, aligning with the growing trend of minimalism and solid formats in the U.S. market.

#### Latest News - Japan

##### June 2024 – “Wa-Beauty” Botanical Consortium Launch

A consortium of Japanese SMEs and labs was formalized to create standards for native botanical ingredients like green tea, camellia, yuzu, and fermented rice. This aims to strengthen Japan's export potential in “Wa-Beauty” categories targeting EU and North America.

##### May 2024 – Kao Introduces EcoCeram UV Filters

Kao Corporation launched EcoCeram, a new biodegradable and plant-derived UV filter system. Certified by EcoMark Japan, it is already being piloted by OEMs across Japan and South Korea for sustainable sunscreen formulations.

##### April 2024 – Japan MHLW Microplastic Guidelines

The Ministry of Health, Labour and Welfare updated its microplastic regulations, urging full elimination of microbeads in rinse-off cosmetics by the end of 2025. Brands are transitioning to biodegradable cellulose or silica-based exfoliants.

##### February 2024 – Shiseido Opens Fermentation R&D Lab

Shiseido's Future Lab in Osaka began research on koji-fermented skincare actives and probiotic formulations based on sake lees, with pilot launches scheduled for 2025.

#### Cosmetic ingredients Key Developments to Date :

BASF SE launched a sugarcane-derived squalane alternative in 2024, replacing shark-derived sources while improving moisturizing efficacy by 25%.

Croda International introduced NovaPep, a clinically-tested peptide complex that targets skin elasticity and wrinkle depth reduction.

Evonik Industries expanded its Shanghai Care Solutions center to develop marine-derived actives tailored to Asian skin types.

Clariant AG received COSMOS certification for its new range of sugar-based surfactants.

Symrise AG partnered with Lubrizol to develop biodegradable encapsulation systems for long-lasting fragrance delivery.

SEPPIC opened a green chemistry innovation hub in France, focused on enzymatic synthesis and circular ingredient sourcing.

Conclusion :-

The cosmetic ingredients market is undergoing a transformative phase as the industry shifts from traditional formulation strategies to next-generation clean, sustainable, and science-driven innovation. With heightened consumer demand for transparency, ethical sourcing, and efficacy, companies are compelled to reimagine how ingredients are developed, tested, and marketed. Biotechnology, upcycling, and AI-driven personalization are no longer future trends they are current differentiators.

As regulations tighten and consumers become more ingredient-conscious, market leaders must embrace R&D investment, forge strategic collaborations, and align with eco-label certifications to sustain growth. The years ahead will belong to those who can deliver safe, high-performing, and sustainable beauty solutions.

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