Beauty Personal Care Depilatories

November 2011

LIST OF CONTENTS AND TABLES

DEPILATORIES IN THE UNITED ARAB EMIRATES - CATEGORY ANALYSIS

HEADLINES

- Current value sales of depilatories grow by 5% in 2010 to reach AED59 million
- The increase in beauty salons continues to limit the growth rate
- Current value growth of women's razors and blades is fastest in 2010 at 8%
- Unit prices remain stable in 2010 reflecting manufacturers' awareness of consumer price sensitivity
- Reckitt Benckiser Arabia extends its lead to a 29% value share, owing to Veet
- Depilatories is expected to register a constant value CAGR of 3% over the forecast period

TRENDS

- Although the growth of beauty salons negatively impacted the growth of depilatories over the review period, lower consumer spending in 2010 restored interest in depilatories. Historically, the trend of visiting beauty salons benefited from the availability and affordability of those salons, and more importantly due to the entrenched culture of hair removal at beauty salons across the Middle East, which is becoming more popular amongst expatriates. However, lower consumer confidence in 2010 spurred demand for depilatories as some middle-income consumers shifted to these products.
- Current value sales of depilatories grew by 5% in 2010 as sales reached AED59 million, a lower growth rate than the previous year's 7% on volume grounds. In spite of the large number of expatriates leaving the United Arab Emirates to return to their home countries, depilatories found refuge in a number of consumers – mostly middle-income consumers – who started trading down to depilatories rather than visiting beauty salons.
- On account of product novelty and innovation, women's razors and blades remains the fastest-growing area with current value growth of 8%. The large cosmopolitan community in the United Arab Emirates has spurred the exporting of some of its habits like using depilatories to other cultures, which traditionally rely on hair removers/bleaches. Women in the Middle East are used to hair removers/bleaches as the traditional depilatories product, as shown by the category accounting for 92% of total depilatories sales in 2009.
- Apart from the strong growth of stand-alone beauty salons, as well as those in shopping centres, there has also been an increase in surgeries offering laser hair removal and other methods of permanent hair removal, which will further prevent the growth of depilatories. Hair removal is a common process amongst Middle Eastern women, which is usually conducted on a monthly basis. Most beauty salons in the United Arab Emirates use waxing, while other formats l ke sugaring and threading are also available as they mainly cater for older Arab women. Towards the end of the review period, Western expatriates had started following suit, given the convenience of hair removal in beauty salons, yet their main format remained women's razors and blades.

COMPETITIVE LANDSCAPE

- Reckitt Benckiser Arabia extended its lead in depilatories with its retail value share reaching 29%, as Veet drew away from competitors Fem and Jolen, which held value shares of 11% and 10%, respectively in 2010. In addition to the Veet Hair Removal Cream, Veet continued reaping dividends with the Wax Strips range. On account of the entrenched demand in the Middle East for waxing, Veet's Wax Strips cater to a large segment of the United Arab Emirates' population with its offerings for normal, dry and sensitive skins. Similar to regular waxing at beauty salons, the results of Veet's Wax Strips could last for up to a month.

PROSPECTS

- During the forecast period, depilatories will continue growing; however, the popularity of beauty salons will limit growth in the market.

refuge in such a market and across the Middle East in general. They may also offer more home waxing and sugaring kits that will retail at cheaper prices than similar salon treatments.

CATEGORY DATA

Table 1 Sales of Depilatories by Category: Value 2005-2010

AED million

	2005	2006	2007	2008	2009	2010
Hair Removers/Bleaches						
Women's Pre-Shave						
Women's Razors and Blades						
Depilatories						

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 2 Sales of Depilatories by Category: % Value Growth 2005-2010

% current value growth

	2009/10	2005-10 CAGR	2005/10 Total
Hair Removers/Bleaches			
Women's Pre-Shave			
Women's Razors and Blades			
Depilatories			

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 3 Depilatories Company Shares 2006-2010

% retail value rsp

Company	2006	2007	2008	2009	2010
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 4 Depilatories Brand Shares by GBN 2007-2010

% retail value rsp

Brand	Company	2007	2008	2009	2010

Total	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 5 Forecast Sales of Depilatories by Category: Value 2010-2015

AED million

	2010	2011	2012	2013	2014	2015
Hair Removers/Bleaches						
Women's Pre-Shave						
Women's Razors and Blades						
Depilatories						

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 6 Forecast Sales of Depilatories by Category: % Value Growth 2010-2015

% constant value growth

	2010-15 CAGR	2010/15 TOTAL
Hair Removers/Bleaches		
Women's Pre-Shave		
Women's Razors and Blades		
Depilatories		

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

BEAUTY AND PERSONAL CARE IN THE UNITED ARAB EMIRATES - INDUSTRY OVERVIEW

EXECUTIVE SUMMARY

Economy Slow To Recover From Crisis

The economic slowdown that hit the UAE in mid 2008 continues to dampen demand as population growth remains constrained and consumer spending is lower due to the uncertain climate. Nonetheless, all categories are forecasted to grow at higher rate than of the review period in constant terms, reflecting the expected recovery of the economy over the next five years.

New Products and Promotions Stimulate Demand

Manufacturers responded to lower consumer demand by stimulating the market with new products and promotional activities. New products were rife in skin care with anti-aging and antiwrinkle creams leading new launches. Promotions in oral care and in soap helped keep sales buoyant and were led by the major manufacturers keen to keep hold of market share.

Domestic Manufacturers Fall Further Behind International Brands

Domestic manufacturers continued to struggle in most areas of beauty and personal care, with little presence in baby care, bath and shower products, deodorants and oral care. Cosmetics and fragrances fared better, with stronger representation and competitive products from Kamal Osman Jamjoon (cosmetics), Ajmal International and Rasasi Perfumes (both fragrances).

Supermarkets/hypermarkets Remain in Control of Distribution

In addition to being positioned as the domain of weekly shopping, supermarkets/hypermarkets are reinforcing their lead in the distribution of beauty and personal care products. The low consumer confidence has clearly come to benefit these channels, particularly due to their regular promotions and growing interest in their private label beauty and personal care lines.

A Delayed Recovery

Although the global economy had showed signs of recovering by the second half of 2009, the United Arab Emirates has remained mired in recession. The Dubai debt crisis, which erupted in November 2009, has continued to slow economic recovery, and has accordingly fed through into the beauty and personal care industry. Nonetheless, this is expected to be reversed as forecast growth rates are higher than the review period reflecting the expected economic recovery.

MARKET DATA

Table 1 Sales of Beauty and Personal Care by Category: Value 2005-2010

AED million

	2005	2006	2007	2008	2009	2010
Baby Care						
Bath and Shower						
Colour Cosmetics						
Deodorants						
Depilatories						
Fragrances						
Hair Care						
Men's Grooming						
Oral Care						
Oral Care excl Power Toothbrushes						
Skin Care						
Sun Care						
Sets/Kits						
Premium Cosmetics						
Mass Cosmetics						
Beauty and Personal Care						

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Note 1: Premium cosmetic sales are additionally included within baby care, bath and shower, deodorants, colour cosmetics, hair care, fragrances, skin care, sun care and sets/kits.

Note 2: Sum of categories is greater than market size because the four men's toiletries categories are included in men's grooming as well as in bath and shower, deodorants, hair care and skin care.

Table 2 Sales of Beauty and Personal Care by Category: % Value Growth 2005-2010

% current value growth

	2009/10	2005-10 CAGR	2005/10 Total
Baby Care			
Bath and Shower			
Colour Cosmetics			
Deodorants			
Depilatories			
Fragrances			
Hair Care			
Men's Grooming			
Oral Care			
Oral Care excl Power Toothbrushes			
Skin Care			
Sun Care			
Sets/Kits			
Premium Cosmetics			
Mass Cosmetics			
Beauty and Personal Care			

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Note 1: Premium cosmetic sales are additionally included within baby care, bath and shower, deodorants, colour cosmetics, hair care, fragrances, skin care, sun care and sets/kits.

Note 2: Sum of categories is greater than market size because the four men's toiletries categories are included in men's grooming as well as in bath and shower, deodorants, hair care and skin care.

Table 3 Sales of Premium Cosmetics by Category: Value 2005-2010

AED million

	2005	2006	2007	2008	2009	2010
Premium Baby Care						
Premium Bath and Shower						
Premium Colour Cosmetics						
Premium Deodorants						
Premium Fragrances						
Premium Hair Care						
Premium Skin Care						
Premium Sun Care						
Premium Sets/Kits						
Premium Cosmetics						

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Note: Premium cosmetic sales are additionally included within baby care, bath and shower, deodorants, colour cosmetics, hair care, fragrances, skin care, sun care and sets/kits.

Table 4 Sales of Premium Cosmetics by Category: % Value Growth 2005-2010

% current value growth

	2009/10	2005-10 CAGR	2005/10 Total
Premium Baby Care			
Premium Bath and Shower			
Premium Colour Cosmetics			
Premium Deodorants			
Premium Fragrances			
Premium Hair Care			
Premium Skin Care			
Premium Sun Care			
Premium Sets/Kits			
Premium Cosmetics			

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Note: Premium cosmetic sales are additionally included within baby care, bath and shower, deodorants, colour cosmetics, hair care, fragrances, skin care, sun care and sets/kits.

Table 5 Beauty and Personal Care Company Shares by NBO 2006-2010

% retail value rsp

Company	2006	2007	2008	2009	2010

Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 6 Beauty and Personal Care Company Shares by GBO 2006-2010

% retail value rsp

Company	2006	2007	2008	2009	2010

Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 7 Beauty and Personal Care Brand Shares by GBN 2007-2010

% retail value rsp

Brand	Company	2007	2008	2009	2010

Total			100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 8 Sales of Beauty and Personal Care by Distr bution Format: % Analysis 2005-2010

% retail value rsp

	2005	2006	2007	2008	2009	2010
Store-Based Retailing						
- Grocery Retailers						
- - Discounters						
- - Small Grocery Retailers						
- - - Convenience Stores						
- - - Forecourt Retailers						
- - - Independent Small Grocers						
- - Supermarkets/ Hypermarkets						
- - Other Grocery Retailers						
- Non-Grocery Retailers						
- - Health and Beauty Retailers						
- - - Beauty Specialist Retailers						
- - - Chemists/Pharmacies						

- - - Parapharmacies/ Drugstores						
- - - Other Health and Beauty Retailers						
- - Mixed Retailers						
- - - Department Stores						
- - - Mass Merchandisers						
- - - Variety Stores						
- - - Warehouse Clubs						
- - Outdoor Markets						
- - Other Non-Grocery Retailers						
Non-Store Retailing						
- Direct Selling						
- Homeshopping						
- Internet Retailing						
- Vending						
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 9 Sales of Beauty and Personal Care by Category and by Distribution Format: % Analysis 2010

% retail value rsp

	BC	BS	CC	D	DP	F
Store-Based Retailing						
Grocery Retailers						
Discounters						
Small Grocery Retailers						
Convenience Stores						
Forecourt Retailers						
Independent Small Grocers						
Supermarkets/Hypermarkets						
Other Grocery Retailers						
Non-Grocery Retailers						
Health and Beauty Retailers						
Beauty Specialist Retailers						
Chemists/Pharmacies						
Parapharmacies/Drugstores						
Other Health and Beauty Retailers						
Mixed Retailers						
Department Stores						
Mass Merchandisers						
Variety Stores						
Warehouse Clubs						
Outdoor Markets						
Other Non-Grocery Retailers						
Non-Store Retailing						
Direct Selling						
Homeshopping						
Internet Retailing						
Vending						
Total	100.0	100.0	100.0	100.0	100.0	100.0

	HC	MG	OC	SC	SU	SK
Store-Based Retailing						
Grocery Retailers						
Discounters						
Small Grocery Retailers						
Convenience Stores						
Forecourt Retailers						
Independent Small Grocers						
Supermarkets/Hypermarkets						
Other Grocery Retailers						
Non-Grocery Retailers						
Health and Beauty Retailers						
Beauty Specialist Retailers						
Chemists/Pharmacies						
Parapharmacies/Drugstores						
Other Health and Beauty Retailers						
Mixed Retailers						
Department Stores						
Mass Merchandisers						
Variety Stores						
Warehouse Clubs						
Outdoor Markets						
Other Non-Grocery Retailers						
Non-Store Retailing						
Direct Selling						
Homeshopping						
Internet Retailing						
Vending						
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Key: BC = baby care; BS = bath and shower; CC = colour cosmetics; D = deodorants; DP = depilatories; F = fragrances; HC = hair care; MG = men's grooming; OC = oral care; SC = skin care; SU = sun care; SK = sets/kits

Table 10 Forecast Sales of Beauty and Personal Care by Category: Value 2010-2015

AED million

	2010	2011	2012	2013	2014	2015
Baby Care						
Bath and Shower						
Colour Cosmetics						
Deodorants						
Depilatories						
Fragrances						
Hair Care						
Men's Grooming						
Oral Care						
Oral Care excl Power Toothbrushes						
Skin Care						

Sun Care
Sets/Kits
Premium Cosmetics
Mass Cosmetics
Beauty and Personal Care

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Note 1: Premium cosmetic sales are additionally included within baby care, bath and shower, deodorants, colour cosmetics, hair care, fragrances, skin care, sun care and sets/kits.

Note 2: Sum of categories is greater than market size because the four men's toiletries categories are included in men's grooming as well as in deodorants, skin care, bath and shower and hair care.

Table 11 Forecast Sales of Beauty and Personal Care by Category: % Value Growth 2010-2015

% constant value growth

	2010-15 CAGR	2010/15 TOTAL
Baby Care		
Bath and Shower		
Colour Cosmetics		
Deodorants		
Depilatories		
Fragrances		
Hair Care		
Men's Grooming		
Oral Care		
Oral Care excl Power Toothbrushe		
Skin Care		
Sun Care		
Sets/Kits		
Premium Cosmetics		
Mass Cosmetics		
Beauty and Personal Care		

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Note 1: Premium cosmetic sales are additionally included within baby care, bath and shower, deodorants, colour cosmetics, hair care, fragrances, skin care, sun care and sets/kits.

Note 2: Sum of categories is greater than market size because the four men's toiletries categories are included in men's grooming as well as in deodorants, skin care, bath and shower and hair care.

Table 12 Forecast Sales of Premium Cosmetics by Category: Value 2010-2015

AED million

	2010	2011	2012	2013	2014	2015
Premium Baby Care						
Premium Bath and Shower						
Premium Colour Cosmetics						
Premium Deodorants						
Premium Fragrances						
Premium Hair Care						
Premium Skin Care						
Premium Sun Care						
Premium Sets/Kits						
Premium Cosmetics						

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Note: Premiumcosmeticsales are additionallyincludedWithinbaby care. bath and shower. deodorants, colour cosmetics, hair care, fragrances, skin care, sun care and sets/kits.

Table 13 Forecast Sales of Premium Cosmetics by Category: % Value Growth 2010-2015

% constant value growth

Premium 8aby Care
Premium 8ath and Shower
Premium Colour Cosmetics
Premium Deodorants
Premium Fragrances
Premium Hair Care
Premium Skin Care
Premium Sun Care
Premium Sets/Kits
Premium Cosmetics

Source: EuromonitorInternationalfrom trade associations,trade press, companyresearch,trade interviews, trade sources
Note: Premiumcosmeticsales are additionallyincludedWithinbaby care. bath and shower, deodorants, colour cosmetics, hair care, fragrances, skin care, sun care and sets/kits.

DEFINITIONS

This report analyses the market for 8eauty and Personal Care in the United Arab Emirates. For the purposes of the study, the market has been defined as follows:

~ 8aby care
~ 8ath and shower
~ Colour cosmetics
~ Deodorants
~ Depilatories
~ Fragrances
~ Hair care
~ Men's grooming
~ Oral hygiene
~ Skin care
~ Sun care
~ Sets/kits

Sources

Sources used during research include the following:

Summary 1 Research Sources

Official Sources	Abu Dhabi Chamber of Commerce & Industry
	Ajman Chamber of Commerce & Industry
	Dubai Chamber of Commerce & Industry
	Dubai Statistics Center

	Fujairah Chamber of Commerce & Industry
	Shaqah Chamber of Commerce & Industry
	Umm Al Quwain Chamber of Commerce & Industry
Trade Associations	Al Khaimah Chamber of Commerce, Industry & Agriculture
Trade Press	Arabian Business
	Gulf News
	Khaleej Times
	Noozz
	Red Hot
Company Sources	Ajmal Perfume
	Al Shaya Group
	Alberto-Culver
	Alphamed Group
	Avon Al Hathboor
	Avon Products Inc
	Beiersdorf Middle East
	Colgate-Palmolive
	Coty
	CPO
	Himalaya Drug Co, The
	Johnson & Johnson Middle East FZE
	Jordan AS
	Kamal Osman Jamjoom Est
	L'Oreal Middle East
	MAF Carrefour Hyperrnarl<ets
	MH Alshaya Co
	PZCussons
	Rasasi Perfumes Industry LLC
	Sara Trident Emirates LLC
	The Himalaya Drug Co
	Unilever Arabia FZE
	Unilever Group
	Ameinfo.com