Bath and Shower

November 2011

LIST OF CONTENTS AND TABLES

BATH AND SHOWER IN THE UNITED ARAB EMIRATES - CATEGORY ANALYSIS

HEADLINES

- Bath and shower products register current value growth of 8% in 2010 to reach AED421 million
- Body wash/shower gel and liquid soap grow strongly although bar soap remains the dominant category, generating AED250 million in sales
- Value sales of liquid soap, body wash/shower gel and bar soap all increase by between 7% and 8%
- Unit prices remain stable for all categories except intimate wipes
- Unilever Gulf dominates bath and shower with a retail value share of 45%
- Bath and shower is expected to post a constant value CAGR of 5% during the forecast period

TRENDS

- Despite new product developments bar soap remained the mainstay category within bath and shower in 2010 with 59% of bath and shower retail value sales. The current economic slowdown dampened an earlier shifting and premiumisation to bath foam/gel and liquid soap. With the Asian low- and middle-income expatriates accounting for at least 30% of the United Arab Emirates' population, bar soap remains the typical bath and shower product as other bath and shower products remain out of their price range. At least 50% of this consumer group – which, mathematically, is 15% of the United Arab Emirates' population – comprises labourers hailing from the Indian Subcontinent and East Asia, who work through the heat of the day. The dominance of bar soap was pronounced in 2010 as the current recession dampened trial purchases and upgrading to other bath and shower products.
- Bath and shower products registered current value growth of 8% in 2010 with sales of AED421 million. The growth registered was lower than the review period CAGR of 12% in light of the slower volume growth during the year, stemming from the current economic slowdown and the slower population growth. The lower current value growth rate was impacted by slower growth in other bath and shower products as middle-income earners reinstated their interest in bar soap as the typical bath and shower product.
- Whilst the liquid soap markets continue to grow healthily, although at a slower pace, antibacterial products are growing strongly as brands like Dettol and Palmolive push advertising campaigns in light of health scares such as the H1N1 pandemic. Dettol has led its campaign with the line, "the best protection from germs".
- Unit prices remained relatively stable in 2010 as material costs remained low and the government continued monitoring to control prices of basic goods, fearing accelerated inflation.
- Promotions and multipacks continue driving bar soap sales, where the 6-pack is becoming the most popular as it is usually priced at the price of five individual units. In addition to price,

demand for this multipack is also influenced by the changing consumer lifestyles towards purchasing the weekly grocery shopping from supermarkets/hypermarkets. The latter was reflected in supermarkets/hypermarkets increasing their distribution share of bath and shower products to 86% in 2010.

- Local nationals, Middle Eastern and Asian expatriates are mostly loyal to well-established brands of bar soap, which include Lux, Palmolive and, to a lesser extent, Camay and Dove. Demand for brands like Lux and Palmolive became entrenched amongst these consumer groups initially in their home countries.
- Products with added benefits are constantly rolled out in the United Arab Emirates, and many have proved successful, such as PZ Cussons Imperial Leather Foam Burst, which was an instant hit without any real marketing. Colgate-Palmolive's Palmolive Aroma Therapy range and Henkel's Fa Shower Cream Yoghurt continue to sell well. The majority of products with added benefits include those with extra moisturising or natural ingredients.
- Bath and shower products remain predominantly mass brands, with such brands accounting for 77% of total sales in 2010. Up to very recently, there was a slow but sure premiumisation trend, as the share of premium brands rose from 22% in 2004 to 25% in 2008 out of total sales of bath and shower products. However, this trend has been reversed in the past two years on the back of poor economic conditions, whereby premium brands lost a percentage point to stand at 24% in 2009 and lost another half a percentage point in 2010.
- Bath and shower products continue to see the opening of a number of boutique shops, but this will significantly impact the category overall. Products from these outlets are usually only bought occasionally as gifts or indulgences instead of for regular consumption.

COMPETITIVE LANDSCAPE

- Unilever Gulf continued to lead in bath and shower with a retail value share of 45% in 2010; its closest rivals are Reckitt Benckiser Arabia and Colgate-Palmolive, which held shares of 9% and 8%, respectively.

PROSPECTS

- In spite of product innovation and the novelty of gels, foams and washes, bar soap will remain the most valuable category within bath and shower. The share of bar soap out of total retail value sales will remain constant at a forecast 59% in 2015. Bar soap will remain the typical bath and shower product for low- and middle-income earners. In addition, greater demand for brands efficient in killing germs and viruses like Dettol for example are expected.

CATEGORY DATA

Table 1 Sales of Bath and Shower by Category: Value 2005-2010

AED '000

	2005	2006	2007	2008	2009	2010
Bar Soap						
Bath Additives						
- Bath Foam/Gel						
- Bath Oil/Pearls						
- Bath Salts/Powder						
- Other Bath Additives						
Body Wash/Shower Gel						
Intimate Hygiene						
- Intimate Washes						
- Intimate Wipes						
Liquid Soap						
Talcum Powder						
Bath and Shower						

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

Table 2 Sales of Bath and Shower by Category: % Value Growth 2005-2010

% current value growth

	2009/10	2005-10 CAGR	2005/10 Total
Bar Soap			
Bath Additives			
- Bath Foam/Gel			
- Bath Oil/Pearls			
- Bath Salts/Powder			
- Other Bath Additives			
Body Wash/Shower Gel			
Intimate Hygiene			
- Intimate Washes			
- Intimate Wipes			
Liquid Soap			
Talcum Powder			
Bath and Shower			

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

Table 3 Bath and Shower Premium Vs Mass % Analysis 2005-2010

% retail value rsp

	2005	2006	2007	2008	2009	2010
Premium						
Mass						
Total						

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

Table 4 Bath and Shower 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 5 Bath and Shower 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 6 Bath and Shower Premium 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 7 Forecast Sales of Bath and Shower by Category: Value 2010-2015

AED '000

	2010	2011	2012	2013	2014	2015
Bar Soap						
Bath Additives						
- Bath Foam/Gel						
- Bath Oil/Pearls						
- Bath Salts/Powder						
- Other Bath Additives						
Body Wash/Shower Gel						
Intimate Hygiene						
- Intimate Washes						
- Intimate Wipes						
Liquid Soap						
Talcum Powder						
Bath and Shower						

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

Table 8 Forecast Sales of Bath and Shower by Category: % Value Growth 2010-2015

% constant value growth

	2010-15 CAGR	2010/15 TOTAL
Bar Soap		
Bath Additives		
- Bath Foam/Gel		
- Bath Oil/Pearls		
- Bath Salts/Powder		
- Other Bath Additives		
Body Wash/Shower Gel		
Intimate Hygiene		
- Intimate Washes		
- Intimate Wipes		
Liquid Soap		
Talcum Powder		
Bath and Shower		

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

Table 9 Forecast Bath and Shower Premium Vs Mass % Analysis 2010-2015

% retail value rsp

	2010	2011	2012	2013	2014	2015
Premium						
Mass						
Total						

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: 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 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: Euromonitor International from trade associations, trade press, company research, 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.

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

www.bizreport.ir