

COSMETICS AND PERSONAL CARE PRODUCTS INDUSTRY

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Parallel with the increase in living standards, the wish to keep a youthful and attractive appearance, the increasing number of working women and the young population of the country led to the development in the cosmetics sector in Turkey. The Turkish cosmetic products industry has shown very good performance in terms of quality, production capacity and variety. The increase in both domestic and world demand is major driving force for the fast development of the sector. Today, Turkish cosmetics and personal care products companies offer high-quality and diversified products.

According to the Ministry of Health, the cosmetics and personal care products industry employs 4000 people and 1372 companies manufacturing various cosmetics and personal care products are operating in the sector. The majority of producers is located in Istanbul, which is the largest production and trade center in Turkey.

In conjunction with recent economical growth in Turkey, the consumption and production of cosmetics and personal care products are growing rapidly. The number of cosmetics and personal care products is increasing every year. The production value of Turkish cosmetics and personal care products industry has reached about 1.4 billion Euro in 2005. Hair care has the largest share of the cosmetics and personal care products market in Turkey. Shampoos represented around 59 % of hair care products. Men's grooming products, depilatories, bath and shower products especially bar soaps, lip and eye make-up, personal deodorants and antiperspirants, perfumes, cologne and other toilet waters, baby care products and dentifrices are the main products.

The Turkish cosmetics market has recently witnessed new and more competitive products such as soaps, natural soaps, natural shampoos and other natural products. Since Turkey has a large variety of herbs and natural products, natural soap production is also widespread and done by small size local companies throughout Turkey. World famous "laurel soaps" and "olive oil soaps" are produced in large quantities in Turkey. The soap sector of Turkey is now an export-oriented sector. Turkish soap producers have created their own brands, which lead to tight consumer dependence in the domestic market and directed their attention to foreign markets.

Most of the major multinational cosmetics and personal care products companies has their manufacturing and marketing facilities in Turkey. Most of the foreign investors in the cosmetics and personal care products sector is manufacturing through joint ventures and licensing agreements. Some of them are Procter & Gamble, Henkel, Colgate Palmolive, Unilever. Additionally, there are many strong domestic manufacturers which have large production capacity. Some of them are Evyap, Eczacıbaşı, Canan Kozmetik, Kopaş Kozmetik, Kurtsan İlaçları, Hunca Kozmetik, Aromel Kozmetik, Hobi Kozmetik and Koşan Kozmetik.

The Turkish cosmetics and personal care products industry has also reached world standards in terms of quality. Most of the companies have ISO 9000 Quality System Certificates and ISO 14001 Certificates. In addition, Turkish cosmetics and personal care products manufacturers closely follow recent international and national developments in environmental issues and comply with environmental legislation and regulations. The cosmetic and personal care products regulations adjusted to EU Cosmetics Directive (76/768/EEC) has been in force in Turkish Market since 2005.

Exports

Exports of the Turkish cosmetics and personal care products industry have an increasing trend. While it was US \$ 61 million in 2000, the value of cosmetics and personal care products exports reached US \$ 326 million in 2007. If soaps export was included in this figure, the total export value of the sector would rise to US \$ 592 million in 2007. This remarkable high increase in export value has undoubtedly been achieved due to the recent modernisation and technological improvements realized in the sector.

Exports of the cosmetics and personal care products sector in Turkey is composed of five major subsectors:

Bath and shower products (preshave lotions, aftershave lotions, shaving cream, shaving soap and other shaving preparations products, bath soaps, deodorants, antiperspirants, bath salt, bath oils and other bath preparations, shower preparations, depilatories, room deodorizers, diapers, sanitary napkins and other toilet and cosmetic preparations products); this subsector comprises 40 % of the cosmetic exports.

Beauty or make-up and skin care products (skin care creams, moisturising, skin care powders, skin cleansing, body lotions, eye make-up, lip make-up, manicure and pedicure preparations, sun protection, sun tan products and other skin care preparations); this subsector comprises 22 % of the cosmetic exports.

Hair products (shampoos, hair conditioners, hair rinses, hair straighteners, permanent waves, hair sprays, hair lotions, hair dyes, hair bleaches and other hair preparations); this subsector comprises 21 % of the cosmetic exports.

Oral and dental hygiene (dentifrices: aerosol, liquid, pastes and powders, mouthwashes and breath fresheners, dental floss and other oral hygiene products); this subsector comprises 9 % of the cosmetic exports.

Perfume and toilet waters (perfumes, colognes, toiletries and other products); this subsector comprises 7 % of the cosmetic exports.

Cosmetics and Personal Care Products Exports by Types, (Value: US \$ Million)

HS No.	Products	2005	2006	2007	Major export markets of 2007
3303	Perfume and toilet waters	20	21	23	Azerbaijan, Iraq, Romania, Bulgaria UAE
3304	Beauty or make-up and skin care products	40	50	73	Russian Federation, Iran, Iraq, Bulgaria, Ukraine
3305	Hair products	53	69	70	Iraq, Italy, TRNC, Azerbaijan, Libya
3306	Oral and dental hygiene	24	30	29	Russian Federation, Ukraine, Iraq, Israel, Poland
3307	Bath, shower products and men's grooming products	93	106	132	Russian Federation, Iraq, Ukraine, Iran, Libya
	Total	230	277	326	

Source: Undersecretariat of Foreign Trade

Major export product of the Turkish cosmetics and personal care products industry was shampoos with an export value of US \$ 44 million in 2007. The second major export products were personal deodorants and antiperspirants with an exports value of US \$ 38 million. Toothpastes and powders (US \$ 29 million), shaving preparations (US \$ 28 millions), cologne and other toilet waters (US \$ 28 millions), manicure or pedicure preparations (US \$ 22 million), hair paint and others preparations (US \$ 20 million), eye make-up preparations (US \$ 15 million) and lip make-up preparations (US \$ 15 million) were the other export items of the cosmetics and personal care products industry.

Turkish cosmetics and personal care products are exported to a wide range of countries and Turkey is now exporting cosmetics and personal care products to 140 countries throughout the world. Major destinations in 2007 are the Russian Federation, Iraq, Ukraine, Iran, Bulgaria, Romania, Azerbaijan, Libya, the Turkish Republic of North Cyprus, Algeria, the UAE, Germany, Poland, Israel and the USA. The Commonwealth of Independent States is the biggest market for Turkish cosmetics and personal care products. In 2007, the Russian Federation had an 17 % share in Turkey's cosmetics and personal care products exports and the Iraq had 15 %.

The products of the industry are exhibited in international and national fairs organized in Turkey. Major fairs in the Turkish cosmetics and personal care products industry in 2008 as follows:

- GESTEK 2008 - Beauty and Aesthetics Fair, in Ankara, February 22-26, 2008.
- BEAUTY and CARE 2008 - International Beauty and Care, Cosmetics Fair in Istanbul, March 13–16, 2008.
- WORLD of BEAUTY - Cosmetics, Aesthetics, Coiffeur and Beauty Equipments Fair in Izmir, April 20 - 22, 2008.
- KONYA BEAUTY 2008 in Konya, May 22-25, 2008.
- BEAUTY EURASIA - Beauty, Cosmetics, SPA, Coiffeur in Istanbul, June 12 - 15 2008.

*Cosmetics and Personal Care Products Industry Exports by Countries
(Value: 1000 US \$)*

Ülkeler	2005	2006	2007
Russian Federation	35.642	36.528	51.582
Iraq	39.412	47.295	47.347
Ukraine	19.914	23.608	22.576
Iran	8.399	9.978	15.609
Bulgaria	6.283	9.430	12.020
Romania	7.329	8.713	11.379
Azerbaijan	4.046	9.188	10.344
Libya	5.513	10.234	9.908
TRNC	7.724	8.746	9.906
Algeria	7.073	7.819	9.216
UAE	7.547	5.441	7.520
Germany	2.573	4.647	6.843
Polond	3.143	4.044	6.453
Israel	3.772	5.503	5.942
USA	5.315	5.983	5.675
Italy	991	4.803	5.455
Saudi Arabia	3.391	3.460	4.747
Kazakhstan	5.855	7.756	4.681
UK	2.489	2.062	3.850
Greece	696	2.873	3.514
Serbia	0	2.516	3.502
Syria	1.026	1.199	3.328
Uzbekistan	1.694	2.091	3.031
Turkmenistan	1.748	2.493	2.975
Georgia	892	2.774	2.613
Jordan	2.014	2.040	2.531
Tajikistan	1.503	2.251	2.481
Marocco	2.236	2.397	2.425
Netherlands	2.690	3.599	2.170
Other Countries	34.532	33.360	43.829
Total	230.815	277.879	325.930

Source: Undersecretariat of Foreign Trade