

# Market analysis: fragrance

[Finance](#), [Market](#)



Changing lifestyle, increasing disposable income levels, and rising influence of media and western culture are the major factors contribution to the Indian Cosmetic Industry's unprecedented growth. The latest market research report " Indian Cosmetic Sector Analysis (2009-2012)" by RNCOS says that the fragrance (perfume and deodorant) market, which is anticipated to grow at a CAGR of around 20% during 2011-2014, will drive the Indian Cosmetic Industry in the coming years.

The market is dominated by both international and domestic players. According to the report, the fragrance market in India is presently witnessing double-digit growth due to supportive climatic conditions, increasing population of working men and women, and rising disposable income levels. The Indian Fragrance market is categorized into three segments: male fragrances, female fragrances and unisex fragrances. The female fragrances were found to be contributing majorly to the overall sales of the Indian fragrance market.

Hindustan Unilever's Axe, Henkel's Fa, and CavinKare's Spinz, Paras Pharmaceutical's Set Wet Zatak, Reebok, Adidas, and Nivea are some prominent names in India's deodorant market. The research not only incorporates an extensive study and rational analysis of the Indian cosmetics industry, but also provides its segment-level analysis along with the emerging trends. Information regarding consumer behavior, and competitive landscape, including profiles of key cosmetic players, their marketing strategies and SWOT analysis, are also part of the report.

The Indian cosmetics industry, which witnessed a strong growth in the recent years, has emerged as one of the markets holding immense growth

potential. With the rising beauty concerns among both men and women, the Indian cosmetics sector would continue to expand remarkably in near future. New product launches catering to consumers' growing requirements would fuel growth in the industry, for which the future outlook seems exceptionally bright. According to our new research report " Indian Cosmetic Sector Analysis (2009-2012)", the Indian cosmetics sector industry holds promising growth prospects for both existing and new players.

In 2010, the industry registered impressive sales worth INR 288. 7 Billion (US\$ 5. 8 Billion). Rising purchasing power and fashion consciousness have been driving the sector, wherein the players are investing heavily into promotional activities to increase consumer awareness. With these, the Indian cosmetic industry is estimated to grow at a CAGR of around 22% during 2011-2014.

Observing the key trends, our research found that companies have been offering specialized products to generate additional revenues, and opting for online retailing to attract new customers. Cosmeceuticals and Nutricosmetics are one of the few emerging trends in the Indian cosmetics market, which has also been expanding its footprints to smaller cities and rural areas. Our study not only incorporates a thorough research and coherent analysis of the industry, but also provides segment-level analysis and emerging trends, which would shape the bright future outlook of the industry.

The market has been growing with the betterment of economic conditions. An insight into the competitive landscape and analysis inform about leading players in the cosmetic market, their marketing strategies, and SWOT analysis. The information regarding consumer behavior, particularly trends

among men and rural population with respect to cosmetic products, has also been included in the report, which will help consultants, industry analysts, and vendors get in-depth knowledge about the industry and its performance.

Fragrances market research Euromonitor has the world's most comprehensive research on the fragrances category within the beauty and personal care industry. We monitor and analyse industry trends around the world, including in-depth data on market share and market size – from the “big picture” qualitative analysis; down to specific category data.

Euromonitor data and market analysis cultivates your organization's awareness of the Fragrances market and the greater competitive environment, ensuring accurate and focused strategies for your business. A resource for your entire organization, Euromonitor market research supports every level of business, assisting in strategic development, marketing, mergers and acquisitions, and brand management. Our fragrances market research answer questions such as:

- \* What is the market size of fragrances?
- \* What are the major brands in fragrances?
- \* What pricing movements are seen across premium and mass fragrances?
- \* What are the key product development trends?
- \* How are sales of unisex fragrances performing?

Without these, all the products that we use such as toffees, chips, toothpastes, soaps and shampoos, would be tasteless or odorless, boring, functional products. Globally, the flavors and fragrances industry is estimated to be a \$17.8 billion industry of which the top five players account for 40% of the market. The five largest companies in the industry are

Givaudan, International Flavors & Fragrances (IFF), Firmenich, Symrise and Quest International. Japanese firm, Takasago, the sixth largest player, has revenues close to that of Quest International.

The top five companies have a substantial presence in the Indian market, along with competition from Indian F&F houses such as SH Kelkar, Sachee Aromatics and Oriental Flavors & Fragrances. The Indian F&F market is estimated at around \$225 million with the top five international houses accounting for 75% of the market. Flavors comprise 45% of the market while fragrances total 55%. However fragrances are also used in the Agarbathis and Pan Masala/Zarda industries where figures are typically not disclosed.

In the Agarbathis industry, many companies prefer to directly buy aroma-chemicals and blend their own fragrances. ITC is the exception, as it purchases blended fragrances, rather than aroma chemicals for in-house blending. Hence the F&F industry sales may not completely reflect these figures and estimates range to 10% higher. The charts below give the competitive structure of the global and Indian flavors and fragrances for the global and Indian markets for the year 2004.