COSMETICA ITALIA
associazione nazionale imprese cosmetiche

MARKET ANALYSIS: THE CANADIAN COSMETICS INDUSTRY

Prepared by the Italian Chamber of Commerce in Canada
June 2020

Italian Chamber of Commerce
In Canada

Executive Summary

This report is a comprehensive market analysis of the Canadian cosmetics industry detailing important insights and opportunities for potential market entry strategies of Italian cosmetics brands.

Firstly, part one begins by outlining overall trends in the cosmetic industry in Canada, provides a statistical overview of Canada's economic performance and explores the various factors that are currently contributing to the industry's growth. It goes in depth to explore how local manufacturing companies are currently performing in the industry and provides a detailed list of Canada's largest players in the market as well as a products and services segmentation. The industry focuses on the following main categories: skin care products, cosmetics, hair care products, perfumes and other niche product areas. We then provide a detailed explanation of the following categories, including examples of specific products and how they influence the industry with regards to market value, total revenue and what percentage of the industry they make up. To conclude, we have outlined general demographic and consumer trends in Canada as well as particular areas for potential market growth so that Italian companies can effectively promote and design their products for the Canadian consumer and experience success in the industry.

Part two paints a picture of the competitive landscape of the cosmetics industry and provides a detailed list of the major players, both local and international and which of those players would be in direct competition with Italy. There are several major companies that dominate the market share concentration which is primarily due to their wide range of products and deep brand portfolios and we provide a breakdown of each individual product category with their most popular brands and main competitors. We also include a section dedicated to all local Canadian companies, both major players but also companies that are growing and expanding the market for local, niche products. What follows is a list of key factors to demonstrate success in the industry, potential barriers or challenges for foreign companies to enter the Canadian market and a basic formula for calculating the final consumer price of your cosmetics product.

Part three explores all the different distribution channels for cosmetic and personal care products in Canada as well as the most successful retailers and companies in Canada for product distribution and selling. We explore how each distribution network is uniquely suited towards a specific consumer demographic that considers aspects such as price point, ingredients used and the intended benefits of the products. While beauty and personal care products are primarily purchased through supermarkets, specialist beauty retailers and pharmacies, the industry in Canada is seeing an increase in the use of e-commerce channels and we provide an analysis of how this is affecting traditional distribution channels currently used.

Part four provides techniques and insights for Italian companies to properly identify their target market and define their unique selling proposition for their products in Canada. This section highlights 5 essential aspects of a successful promotion and marketing communications strategy in the Canadian cosmetic industry and ways to properly utilize their resources. There are several comprehensive lists of Canada's most popular social media platforms, magazine brands, television broadcasters, websites and trade shows, among many more, that Italian companies can use to attract consumers country-wide and also by specific region or demographic.

Part five deals with the important regulatory framework and legislation regarding the cosmetic industry in Canada and outlines specific requirements for Italian manufacturers. We have included detailed requirements for the manufacturing, distribution, and sale of cosmetic products, including rules and regulations for labelling, storage and requirements for certain ingredients. There is a detailed description of the three Acts and their associated Regulations which govern cosmetics in Canada, the Cosmetic Ingredient Hotlist which classifies cosmetic ingredients and the Cosmetic Notification Form which is used to provide specific product information to Health Canada. Finally, this chapter covers the acceptable practices for advertising products in Canada as per the Ad Standards and includes the Guidelines for the Non-prescription and Cosmetic Industry Regarding Non-therapeutic Advertising and Labelling Claims which help marketers differentiate non-therapeutic/cosmetic claims from therapeutic/health claims that require authorization from Health Canada.

Finally, part six analyzes the success that Made in Italy products are currently experiencing in Canada and how they are portrayed by Canadian consumers on a country-wide and regional basis. We have included the specific product categories and the particular niche and professional markets that Italian products have managed to penetrate and maintain a strong position in. Included in this chapter is a SWOT analysis that highlights Italy's strong reputation for producing high-end and luxury products and their extensive research and innovation but also provides major opportunities and key success factors for Made in Italy products. Finally, we have examined how Canada is responding to the current COVID-19 pandemic and how it is posing challenges to the cosmetic industry in Canada.

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1 CANADIAN COSMETIC INDUSTRY OUTLOOK, PRODUCT SEGMENTATION AND CONSUMER TRENDS

Summary and Main Findings:

Up until early 2020, Canada had a very strong economic environment supported by years of increases in GDP and employment as well as high rates of consumer confidence and consumer spending. Canada's beauty and personal care industry is growing at an average rate of 2% per year and is expected to be worth of $12.3 billion dollars by 2022. The growth in the industry is driven primarily by the cosmetics and skincare segment, which are benefitting from increased popularity and availability thanks to social media and e-commerce channels.

Within Canada's beauty and personal care industry there are some key important emerging trends to consider which include:

- Products made using natural and organic ingredients and cur
- Products tailored to the needs of a specific demographics based on
    - Age (Products for Gen Z vs. Products designed for Baby Boomers)
    - Gender (Growing trend of cosmetic designed for men, unisex cosmetics brands)
    - Ethnicity (Personal care brands targeting a specific ethnicity in Canada's diverse population)
- Brand transparency regarding the ingredients and processed used to make the products
- Leverage technology to increase consumer personalization (based on purchase history)

The size of the millennial cohort at 10.2 million people, accounts for the largest share of Canada's population (27%) and this generational shift of younger consumers entering the market is the main reason why the beauty and personal care market is thriving and is considered one of the fastest growing consumer markets.

A lot can be inferred about the beauty and personal care market in Canada by taking a look at the general demographic trends. The largest concentration of cosmetics consumers is among the 25-64 year old age group, those individuals concentrated in Canada's largest metropolitan cities such as Toronto, Montreal and Vancouver and is focused on those individuals with increasing disposable income (which is expected to grow by 2.3% over the next 5 years).

There are two important and growing factors to consider about the Canadian consumer population:

While women are the largest market for the Canadian cosmetic industry, a big potential market focus for manufacturers is the male consumer which has seen a large increase in the last 5 years due to growing interest in traditionally female-centered products.

Another growing market potential in Canada has to do with its bilingual nature and particularly its large French-speaking base in the province of Quebec. Manufacturers should ensure that their products and marketing strategies are aimed towards French-Canadians which consists of including French product labeling and highlighting the unique and high-quality aspects of their products.

1.1 Key Statistics on the Canadian Cosmetics Industry

Canada's strong, stable, and dynamic economy coupled with high household spending are key reasons why many Italian companies look to sell their products on the Canadian market.

Canada is the 10th largest economy of the world with a rich consumer market where the median annual family total income of 97400 $ CAD in 2018.[1]

Table 1.1: Canada - General Statistical Overview

Population:	37.89 mln (2020)[2]
Total GDP:	CAD$2.45 trillion (nominal, estimated 2020)[3], 10th
GDP/capita:	CAD $ 64,812 (nominal, estimated 2020)[4], 17th
Real GDP change:	+2.0% (2018); 1.6% (2019); - 6.2% (estimated 2020), +4.2% (estimated 2021)[5]
Urban population:	81.4 % (2018)[6]
Italian Canadian population:	1,587,970 (2016)[7] 4.52 % of Canada's population

The size of the Millennial[8] cohort at 10.2 million accounts for the largest share of Canada's population (27%).[9]

As per Euromonitor, in 2018 the market size of Canadian beauty and personal care industry was about $10.55 billion CAD, and has been consistently growing since 2014 by 2% per year.[10] The value of this industry projected to reach around $12.3 billion CAD by 2022.[11]

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1 Statistics Canada. Market Income Canada. Last Modified: Feb 2020

2 Statistics Canada. Population estimates, quarterly. Last Modified: June 2020

3 IMF.org. International Monetary Fund, World Economic Outlook Database, October 2019. Retrieved May 2020

4 IMF.org. International Monetary Fund, World Economic Outlook Database, October 2019. Retrieved May 2020

5 International Monetary Fund. Canada. Data mapper. April 2020

6 World Bank.Trading Economics. Canada – Urban population. Last updated: 2020

7 Statistics Canada. Immigration and Ethnocultural Diversity in Canada.

8 Born between 1981 and 2000

9 Statistics Canada. Economic well being Across Generations of Young Canadians: Are Millennials Better of Worse off? April 2019

10 Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

11 Business France 2019. Les Cosmétiques au Canada. Fiche marché 2019

This is a reliable market, full of opportunities for international cosmetic companies looking to sample the North American personal care and cosmetics market.

The beauty and personal care market is thriving and is one of the fastest growing consumer markets, driven in particular by the cosmetics and skin care segments. The main reason for this strong growth is the generational shift with **younger consumers** entering the market. At the same time, this change is reinforced by social media, globalization, and e-commerce, which have a lasting effect on buying behaviour when it comes to beauty products. Trends from all over the world are spreading and changing the daily beauty and care routine.[12]

The beauty and cosmetics industry in Canada is a **mature industry** that relies not only on consumer demand for various basic skincare products but also on make-up, perfumes and luxury products.

In 2017, 38 percent of Canadian consumers who are involved in household shopping spent between 20 and 49 Canadian dollars on personal care and beauty products monthly. Some 29 percent of shoppers spent under 20 dollars, whilst just one percent spent over 150 dollars. In total, an average household spent 1,300 Canadian dollars on personal care in 2017.[13]

Revenue growth of the industry is determined by demand from wholesalers and retailers, which is ultimately driven by consumer spending, tastes and preferences. In recent years, rising levels of disposable income have encouraged Canadian consumers to increasingly purchase the industry's **high-end luxury products**.

1.1.1 Local Manufacturing Industry performance

In 2019, the Cosmetics manufacturing industry flourished in Canada, driven by a favourable economic context and by the robust consumer confidence.

Table 1.2: Industry at a Glance: Canadian Cosmetic & Beauty Product Manufacturing Industry in 2019[14]

Industry Revenue:	$3.8bn
Annual Growth 2014–2019:	9.5%
Annual Growth 2019–2024:	1.5%
Profit:	$400.2m
Businesses:	258

[12] Business France 2019. Les Cosmétiques au Canada. Fiche marché 2019

[13] Statistics Canada. Household spending, Canada. Regions and Provinces. Last modified: 2017

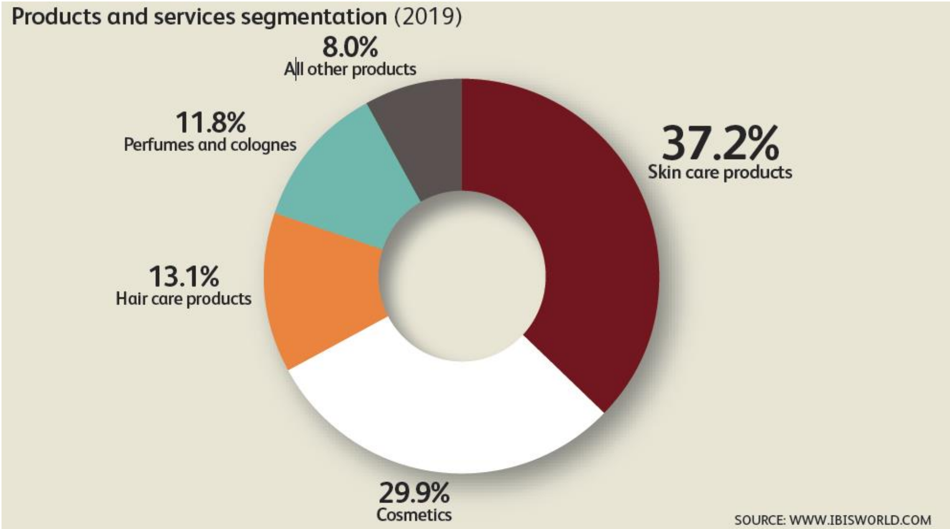
[14] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

This industry in Canada develops, designs, produces and markets both personal care goods for everyday use, such as deodorant, shaving cream and dental floss, and specialty cosmetic products such as tooth whitening strips, eyeliner and perfume. All the industry's products are manufactured along a **wide spectrum of price and quality options**. For example, the industry produces low-price, store-brand shampoos, as well as ultra-luxury hair care products intended for use in high-end spas and salons. Moreover, a significant portion of industry revenue comes from nondiscretionary products.

Per capita disposable income is projected to grow at an annualized rate of 2.3% over the next five years, likely encouraging consumers to purchase more **high-value personal care products**, and stimulating downstream demand from retailers and wholesalers. Moreover, the industry is expected to continue to develop and expand newly developed **high-end** product lines that generally command higher prices from consumers and carry higher profit margins.[15]

The industry revenue is estimated to increase at an annualized rate of 9.5% to $3.8 billion over the five years to 2019, including projected growth of 1.2% in 2019 alone. Industry revenue is expected to continue increasing over the five years to 2024, as rising levels of disposable income continue to fuel demand from domestic retailers and wholesalers. Overall, industry revenue is forecast to increase an annualized 1.5% to $4.1 billion over the five years to 2024.[16]

Chart 1.1: Products and Services Segmentation of the Canadian Beauty and Personal Care Industry[16]



Overall, **skin care** products account for 37.2% of total Canadian cosmetics manufacturing industry revenue in 2019. Included in the skin care category are facial creams, lotions, cleansers and functional products (i.e. those that serve a specific purpose, such as antiaging) for men, women and children. Over the past five years, the focus on antiaging and natural items has bolstered this segment's share of industry revenue. [17]

[15] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

[16] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

[17] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

The **cosmetics** segment generated an estimated 29.9% of industry revenue in 2019, and it is one of the fastest growing categories. The array of products in this segment is extensive and includes lipstick, eyeshadow, nail polish, mascara, blush, eyeliner and several other product types. Many makeup products, at both the low and high ends of the price spectrum, have multifunctional components.[18]

Hair care products segment has declined as a share of total industry operations over the past five years, accounting for an estimated 13.1% of the industry's total revenue in 2019. Perfumes and colognes represent an additional 11.8% of the total revenue in 2019. Overall, perfumes and colognes constitute one of the slowest growing segments within the industry, and this segment is expected to remain relatively stagnant as a share of total industry revenue over the next five years. [19]

All other industry products account for the remaining 8.0% of industry revenue. This segment includes deodorants and antiperspirants; oral hygiene products, such as floss and mouthwash; depilatories and other shaving products; sunscreen; non medicated feminine cleansing products; non medicated powders, including talcum, face and foot powders; and bath salts and bubble bath preparations.[20]

Ultimately, though mounting competition from low-cost imports has constrained industry operations in recent years, rising levels of disposable income and the declining value of the Canadian dollar have generated significant demand for industry products in both the domestic and international markets.

The growth of the Canadian Industry has been largely bolstered by the industry's development of l**uxury and prestige lines** designed to compete with the products manufactured by the industry's high-end European competitors.

These product lines include both **high-quality ingredient formulations**, such as those found in luxury skin and hair care products, and **value-added specialty offerings**, such as salon quality shampoos tailored for use with specific hair types. The development of these high-end product lines enables Canadian products to remain competitive both in developed and developing markets, as their specialty features cater to niche markets, while operators avoid price competition with low-cost industry products. Additionally, the weakening of the Canadian dollar has made industry exports increasingly affordable for consumers in foreign markets, which has caused the value of industry-relevant **exports** to increase at a robust annualized rate of 6.3% to $2.2 billion over the last five years to 2019.

The widespread acceptance of **male beauty products** will likely carve a new path for industry product development, causing slight growth in the number of industry operators.

By 2024, IBISWorld projects that the **number of enterprises** will increase at an annualized rate of 1.0%, totaling 271 companies. Similarly, the number of industry employees is forecast to increase at an annualized rate of 2.8% to 11,429 workers over the next five years. Many of these employees will likely

[18] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

[19] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

[20] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

work on the production of skincare face masks, eye treatments, facial cleansers, eyebrow makeup, bronzers, highlighters and contouring palettes, which are some of the industry's fastest growing product segments, according to the market research company, the NPD Group.[21]

However, the growth prospects for mass market products are relatively slim since there is no major innovation in the mass market category.

Heightened price-based competition has threatened industry operators during the period, and high levels of import penetration have siphoned demand from domestic producers as Canadian consumers continue to purchase high-end beauty products from European producers.

International trade accounts for a significant portion of manufacturing industry activity, with imported goods satisfying an estimated 71.8% of total domestic demand for industry products, while exports account for an estimated 58.1% of the industry's total revenue. The vast majority of this trade occurs with the United States, and this activity is facilitated by the largely unrestricted nature of the Canada-United States-Mexico Agreement (CUSMA) which enables industry operators to ship goods to and from the United States with minimal tariffs.

Foreign competition has continued to capture a significant share of manufacturing industry demand. These foreign-made goods pose a threat to both high-value and low-cost Canadian cosmetics. Most low-cost imports are sourced from China and directly compete with low-value industry goods, while European countries, including Italy and France, offer competitive high-end imports, typically touted for their perceived high quality and performance. Overall, the value of industry-relevant imports is estimated to increase at an annualized rate of 7.8% to $4.1 billion over the five years to 2019, placing significant pressure on industry operators to lower prices and improve product quality to remain competitive.

Canadian manufacturers operating in the Cosmetic and Beauty Product Manufacturing industry in Canada are largely concentrated in Ontario, Quebec and British Columbia. For instance, Ontario contains more industry establishments than any other province, accounting for an estimated 38.0% of total establishments in 2019. Quebec contains the second-largest concentration of industry establishments, accounting for 33.7% of all cosmetic and beauty product manufacturing facilities in Canada. British Columbia is estimated to account for 20.8% of all industry establishments in 2019. [22]

The major players are the **Estee Lauder Companies Inc. (Estee Lauder)** and **L'Oreal Canada Inc.** ('Oreal) generate 38.4% and 13.3% of total industry sales, respectively.[23] Though both of these companies are foreign owned, with Estee Lauder's headquarters in the United States and L'Oreal's in France, both companies have operating facilities in Canada that produce industry-relevant products. Most other industry operators have difficulty competing with these global juggernauts, which benefit from substantial economies of scale and lucrative supply and distribution contracts.

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[21] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

[22] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

[23] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

Another important player in the Canadian market is **Groupe Marcelle**, Groupe Marcelle is a manufacturer, distributor and retailer of skin care and makeup products. The company was established in 1949 and is currently based in Montreal. Groupe Marcelle operates under four brand names, which include Marcelle, Annabelle, CW Beggs and Sons and Lise Watier. The Marcelle brand targets a consumer typically aged 25 and older. IBISWorld estimates that the company's Canadian manufacturing operations will generate industry-relevant revenue of $129.4 million in 2019.[24]

Therefore, the average industry operator caters mostly to **niche or local markets**. Moreover, the market has become increasingly concentrated in recent years as the major corporations have acquired smaller competitors to expand into new geographic markets and further integrate various value-added services into their broader operations.

Smaller scale dynamic local cosmetic businesses are abundant on the Canadian market. Some Canadian cosmetic retailers are listed in Chapter 3 of the present report.

Several Canadian cosmetic manufacturing plants work in the private label and cosmetic contract manufacturing industry, like Cosmetica Laboratories, Crystal Claire and Hunter Amenities from Ontario, or Dermaflore, Dermolab Pharma and Europelab in Quebec.

The average Canadian cosmetics manufacturing industry establishment is a small business, and most of these companies do not generate enough annual revenue to support serious investment in major batch manufacturing technology. Instead, to stand out in this competitive industry, many small companies focus on more manual production techniques, including the creation of hand-blended and custom-blended cosmetics.[25]

In general, cosmetic and beauty product manufacturers mix and blend readily available ingredients, including emollients, surfactants, fats and oils, fragrances, cleansing agents and mineral oils and waxes. As the industry has grown more competitive, product innovation and reformulation have become more important to companies looking to expand their market share. As a result, research and development (R&D) is an increasingly important investment for operators. For example, there is ongoing research regarding the use of intelligent nanoparticles in antiaging cosmetics.[26]

In this way, the development of new cosmetic materials and bio-actives is an important part of Canadian Cosmetics manufacturing industry. Cosmetic Brands are always looking for new cosmetic ingredients to make their cosmetic products outshine the competitors. This is the very important development opportunity, as it can lead to new discoveries for crops and botanical plants.[27] There are plenty of specialty crops in Canada that can be used in cosmetic development. A good example of a Canadian company doing

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[24] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

[25] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

[26] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

[27] Cosmetic Cluster Canada. Canadian cosmetic Products and Cosmetic raw materials. 2019

cosmetic innovation is Phycus Biotechnologies,[28] a Toronto-based biotech startup making green ingredients for cosmetics, producing glycolic acid, a very popular AHA ingredient used across cosmetics. Phycus Biotechnologies is a member of **Canadian Cosmetic Cluster** based in Toronto (Ontario).[29]

The province of Quebec is the leader in the health industries manufacturing and outsourcing network. In fact, the province of Quebec developed particular know-how in Biotech and Pharma Industries. Montreal ranks as a leading Canadian biotech cluster, and the city of Montreal is home to nearly 70% of Quebec's biotechnology companies. [30]

Pharmed Canada[31] is a Canadian cluster of manufacturing and outsourcing pharmaceutical and health products. The Pharmed Canada network's mission is to foster business development and the growth of manufacturers and subcontractors that formed the value chain of the health industries in Canada. This network of companies including manufacturers of pharmaceutical and custom products, analysis laboratories, clinical research companies, dermo-cosmetic companies, specialized service companies, medical equipment suppliers and distributors of personal health and care products.

Quebec companies have developed skills in the innovative Personal Care product segment, and more specifically in the worldwide fast-growing category of Cosmeceuticals, and also Nutricosmetics.

Quebec's cosmetics and personal care industry is made up of a high concentration of dynamic SMEs that have expertise in research and development. They develop many active and natural ingredients specific to Quebec from extracts of the boreal forest, its marine products, derivatives of berries and milk.

As for the R&D component, Quebec's research centers work in the development of natural extracts and ingredients; their mandates from the cosmetics industry vary according to the specializations and are aimed at different fields of application (ex. CRBM Research Center for Marine Biotechnology or LASEVE Analytical Laboratory for the Separation and Analysis of Herbal Essences).

The Cosmetics Alliance Canada[32], consisting of 143 members, serves as the voice for Canadian cosmetics manufacturers, distributors and retailers. The members of the Association are Canadian and international Manufacturers and Distributors of Branded Personal Care Products (including Italian manufacturer Framesi spa), Custom Manufacturers (companies that provide finished personal care products to brand owners), Retail members - Companies that directly own and operate general retail stores, outlets or channels that are engaged in the sale of personal care products to consumers, and suppliers of media, goods and services

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[28] https://www.phycusbio.com/

[29] https://www.canadiancosmeticcluster.com/

[30] Investissement Quebec. Life Sciences.

[31] https://www.linkedin.com/organization-guest/company/pharmedcanada?challengeId=AQFlXl6Vsh_SGgAAAXKP5zo5m6gwxHhC47-VxT_0PFddGeBQi4iec4y89c7NacNGydkt3y7FeUsJfx53-U-1bOuLh8lu6pQl7w&submissionId=2d2f22f9-4954-1616-9ffa-b91e78f8d21a

[32] https://www.cosmeticsalliance.ca

related to the production and sale of personal care products.

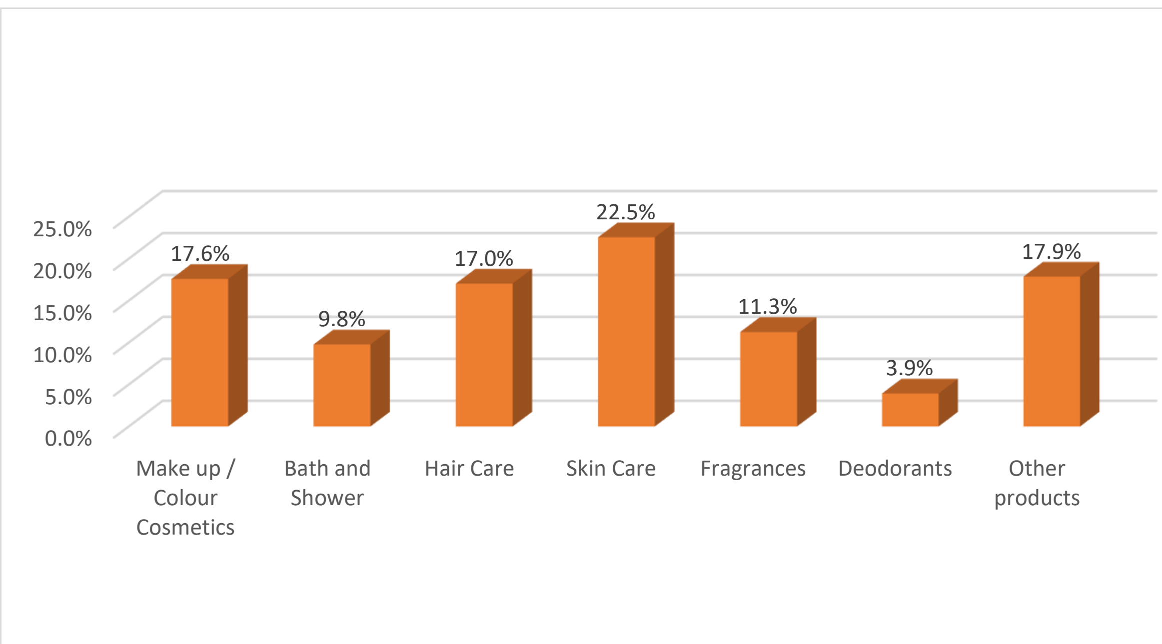
1.2 Product segmentation and Consumer trends

Beauty and personal care continued to post a positive performance in Canada in the last few years. **Skin care** saw the strongest growth, driven by consumers looking to maintain healthy skin, and an increasing willingness to spend on **high-quality, premium products**. Anti-agers and face masks proved popular, as younger consumers looked for preventative measures against the effects of sun exposure, pollution and other elements that prematurely age skin, whilst older consumers sought out products that maintained the health and appearance of ageing skin.

Colour/make-up cosmetics also saw strong value growth, mostly due to the social media that has become a key sales driver, playing a critical role in engaging consumers through trendy looks, and exposing make-up/colour cosmetics brands to potential consumers.[33]

All industry participants will likely continue to seek new growth opportunities.

Chart 1.2: Shares of Sales by Category Beauty and Personal Care Products (2018)[34]



[33] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

[34] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

Skin care products

In 2018, skin care increased by 3% in current value terms, to reach 2.3 bln $CAD, and accounts for 22.5% of category sales in 2019. Skin care is expected to see robust current value growth until 2023, with all categories expected to benefit. [35]
This category shows steady growth during last 5 years with an average annual growth rate of 3.5%.

Included in the skin care category are facial creams, lotions, cleansers and functional products (i.e. those that serve a specific purpose, such as antiaging) for men, women and children. In the last five years, skin care segment has increased its share of revenue. As this segment is considered less discretionary, the products perform well even during times of weakening consumer spending. **Men's skin care products, face masks, eye treatments, and facial cleansers** are the major growing items in this category. [36]

Over the past five years, the focus on antiaging and natural items has bolstered this segment's share of industry revenue. Product **innovations** have placed reformulated products back in the spotlight and on store shelves. Additionally, advancing technologies have permitted for more effective **antiaging products** and a wider range of **naturally derived skin care items**. Consumer concerns about appearance, coupled with advancing technology, have underpinned this segment's ascent.

In recent years, a strong emphasis on research and development at the manufacturing level has rapidly increased the number of new beauty products, such as **anti-aging skin-care products and cosmeceutical creams with pharmaceutical properties**. As more high-end, imported products have become available, profit margins have remained high.

Anti-agers delivered a strong current value performance in 2018, and is expected to perform until 2023, with sales driven chiefly by Canada's ageing population. Millennials are also incorporating anti-ageing products into their skin care routines as a preventative measure against elements such as excessive sun exposure. Affluent older consumers are placing emphasis on the efficacy of anti-agers and are willing to pay a premium to achieve good results. More consumers are expected to view anti-agers as a key component of skin care, incorporating multiple products such as **serums, facial oils and creams** into their skin care routine.

Men's skin care experienced strong current value growth in 2018, driven by rising interest in grooming and appearance. Product awareness has also grown due to promotional activity from brands and increased attention from retailers. Facial cleansers, moisturizers and anti-agers have all enjoyed healthy growth. Millennial consumers are looking for solutions to skin care problems such as dry skin and acne, and older men are interested in minimizing the signs of ageing. Mass men's skin care continues to account for the vast majority of value sales, as men are also price-conscious. However, the premiumization trend has contributed to growth in higher-priced products. Products such as Clinique For Men's Super Energizer skin care collection, launched in 2018, are finding a receptive market. Men's skin care is expected to increase

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[35] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

[36] IBISWorld Industry Report 44612CA, Beauty, Cosmetics & Fragrance Stores in Canada

in current value terms until 2023, supported by rising consumer demand and an expanded retail presence.[37]

Among other trends, younger consumers looking for preventative measures against the impact of pollution and frequent sun exposure; the expansion of premium sales channels; and the acceleration of product knowledge through social media.

Manufacturers are launching product innovations to address consumers' **specific needs**. For example, in 2018 Clinique launched the Clinique iD custom-blend hydration system. This enables consumers to have personalized solutions for their skin type and skin problem, allowing users to target specific concerns such as uneven skin tone and wrinkles. Mass brands such as Olay have also introduced innovations, such as Olay Luminous Whip Face Moisturizer SPF25, which changes from a cream to a liquid on contact for fast absorption. The website Vichy.ca features a virtual Skin Expert [38]to help customers develop a personalized skin care routine.

L'Oréal Canada remains the leading player in skin care in 2018, with an 18% value share.[39] L'Oréal's Luxe Division, with brands such as Lancôme, and the Active Cosmetics Division, with brands such as Vichy, delivered strong performances. In 2018, L'Oréal acquired Canadian beauty technology company ModiFace, which specializes in augmented reality and artificial intelligence applied to the beauty industry.

Cosmetics & Make-up Products

Cosmetic and make-up products account for 17.6% of industry sales in 2018. According to Euromonitor 2019 report, in 2018, make-up/colour cosmetics increased by 3% in current value terms, to reach 1.8 billion $CAD[40].

Make-up/Colour cosmetics are expected to increase in current value terms over the next few years, with all categories expected to see positive performances. The category will benefit from consumers' growing interest in make-up trends and techniques, which are now widely viewed and shared on social media platforms such as Instagram and YouTube. Millennials and generation Z[41] are avid users of social media and stay current with the latest make-up trends through beauty influencers, as well as sharing product tips with friends. Consumers are expected to adopt more sophisticated makeup regimes and use multiple colour cosmetics products and tools.

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[37] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

[38] https://www.vichy.ca/en/expert-skin-care-routine-recommendation

[39] Passport. Beauty & Personal care in Canada. Euromonitor International. June 2019

[40] Passport. Beauty & Personal care in Canada. Euromonitor International. June 2019

[41] Researchers and popular media use the term Generation Z for the late 1990s as starting birth years and the early 2010s as ending birth years

The **premiumization** trend drives an increase in the average unit price in current terms, despite ongoing promotions.

Colour cosmetics sets/kits continue to attract attention from both consumers and manufacturers as they provide value for money to consumers. Retailers across all channels, including supercenter chain Walmart, offer various **gift sets**, with lipstick sets and make-up palettes resonating with consumers. Set/kits have proven to be an effective strategy for attracting consumers, especially during the holiday season.

Since consumers have varying preferences for looks and have different skin types, demand for make-up cosmetics products continues to grow. Additionally, the added functionality of new products adds value for the buyer (e.g. anti-aging, illuminating and hydrating features). The array of products in this segment is extensive and includes lipstick, eyeshadow, nail polish, mascara, blush, eyeliner and several other product types.

Products in this category are considered discretionary; therefore, as per capita disposable income has increased over the past five years, consumers have splurged on high-value goods that carry a high price tag, increasing this segment's share of revenue. **Eyebrow makeup, lip colours, bronzers, highlighters and contouring palettes** have been significant drivers of demand for cosmetics over the past five years. [42]

Many makeup products, at both the low and high ends of the price spectrum, are fortified with **multifunctional components**; foundations and powders are often infused with antiaging, illuminating and hydrating features capabilities, and lip and face products sometimes contain a sun protection factor.
A prime example is BB/CC creams. Products such as Clarins BB Skin Detox Fluid SPF25, and Yves Saint Laurent Top Secret All-In-One BB Cream, provide benefits such as hydration and sun protection. These types of combination products are expected to perform well thanks to the convenience they offer. Further new product developments are expected as brands create single products offering multiple benefits and easy application. For example, in 2018, Lancôme introduced the Prep & Hydrate Primer with 24-hour hydration, and the Blur & Go Mattifying Stick, which minimizes the appearance of pores.[43]

Further new product developments are expected as brands create single products offering **multiple benefits and easy application**.

L'Oréal Canada remains the clear leader in make-up/colour cosmetics in 2018, with a 34% value share.[44]

Hair care products

Items in the hair care products segment include shampoo, conditioner, hair styling products, permanent curling and straightening serums and hair dye. This segment sales are estimated at 17.0%, in 2018.

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[42] IBISWorld Industry Report 44612CA, Beauty, Cosmetics & Fragrance Stores in Canada

[43] Colour Cosmetics in Canada – Analysis. Country Report, 2020

[44] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

In 2018, hair care increased by 2% in current value terms, to reach 1.7 bln $CAD.[45]

Hair care is a **mature segment** of the industry, as it includes necessary products such as shampoo, and is saturated with product varieties targeted at niche markets. Moreover, similar to all industry segments, the hair care segment includes products designed for both professional and everyday consumer use. Despite its maturity and stronghold in the industry, hair care has lost some ground to the industry's skin care and cosmetics segments over the past five years. Since penetration rates are high, little product innovation has taken place in recent years.

However, several **new hair-care products** have emerged on the market in recent years, many of which target **a particular type or texture of hair**. Furthermore, many of the new hair-care products retailed by industry establishments are endorsed by celebrities, which typically raises the price of the product due to the perceived quality.

However, hair care is projected to experience solid but slow growth in current value terms until 2023, reflecting the category's high level of maturity. Potential growth will also be limited by the category's reliance on promotions, as mass players compete for brand share by using discounts to appeal to value-conscious consumers. Canadian consumers proved to be resistant to price increases in hair care in 2018, as these products are viewed as everyday staples.

During the last few years, some hair care categories recorded strong value gains, driven by consumer fashion trends in the case of **colourants and styling agents**, and by ongoing demand for convenience for **2-in-1 products** which performed well in 2018. **Temporary colours** trended strongly, with products such as L'Oréal's Colorista line, launched in 2017, providing women with the opportunity to express their personality and experiment with different looks without committing to a particular hair colour for a lengthy period. Time-pressed consumers gravitated to 2-in-1 products, such as Procter & Gamble's Pantene Pro-V Smooth & Sleek 2-in-1 Shampoo & Conditioner. Colorants and 2-in-1 products are expected to deliver the strongest gains in hair care until 2023.

L'Oréal Canada maintains its lead in hair care in 2018, with a 29% value share.

Fragrances: Perfumes and Colognes

Fragrances (perfumes and colognes) are estimated to represent an additional 11.3% of the total revenue in 2018. In 2018, fragrances record current value growth of 2%, to reach 1.1 bln $CAD.[46]

Fragrance-related revenue is relatively low, as the shelf life for perfume is longer than many other cosmetic products and many consumers will use only one fragrance for a long period of time.
The most performing was **premium** fragrances, whilst mass fragrances delivers a flat performance.

The popularity of **celebrity-endorsed fragrances** has also worked to stimulate segment sales over the past

[45] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

[46] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

five years.

Premium fragrances are projected to remain dominant until 2023, accounting for a much higher share of value sales than mass fragrances. Growth will be supported by the increasing number of affluent immigrants, expansion of luxury sales channels and the premiumization trend, chiefly driven by millennials. Despite popular lighter-scented, more affordable body mists, premium fragrances are a desirable means of self-expression, as well as a relatively affordable luxury, as designer fragrances are priced lower than most other luxury products. Premium brands employed successful strategies through social media to attract younger consumers, suggesting that premium fragrances will continue to evolve to meet changing consumer preferences.

The demand for **unisex** fragrances is growing, and both the premium and mass segments are expected to deliver strong gains until 2023.[47] Growth will primarily be driven by gender-fluid millennials and generation Z. The unisex concept resonates strongly with younger generations, because it supports self-expression which is free of gender roles or rules (ex. Eau De Soleil Blanc from Tom Ford Beauty).

Leading fragrances also emphasize personalization and layering; although the layering phenomenon (ex. Jo Malone fragrances) has not yet achieved mainstream status in Canada.

Overall, perfumes and colognes constitute one of the slowest growing segments within the industry, and this segment is expected to remain relatively stagnant as a share of total industry revenue over the next five years.

In 2018, Coty (Canada) maintains its lead in fragrances, with a value share of 29%.

Other products

Some additional product categories on the market are deodorants and antiperspirants; oral hygiene products, such as floss and mouthwash; depilatories and other shaving products; sunscreen; nonmedicated feminine cleansing products; nonmedicated powders, including talcum, face and foot powders; and bath salts and bubble bath preparations.

In regards to **bath and shower** products, in 2018 the value growth was of 1%, to reach 992 mln $CAD. Body wash/shower gel continues to account for the highest share of sales. Unilever Canada remains the leading player in bath and shower in 2018, with a 14% value share.[48]

As for the **deodorants** category, in 2018 deodorants records value growth of 1%, to reach 399 mln $ CAD.[49] Deodorants experienced solid demand growth as **natural products** gain traction. Volume sales increased, as the average unit price increased only slightly in 2018.

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[47] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

[48] Passport. Beauty and Personal Care in Canada. Euromonitor International. June 2019

[49] Passport. Beauty and Personal Care in Canada. Euromonitor International. June 2019

Consumers continued to show a preference for **deodorant sticks**, despite the recent growth of request for deodorant sprays. Although still a niche segment, natural deodorants continued to find shelf space in mass-market retailers such as Walmart. Also, deodorant pumps recorded the strongest growth in deodorants in 2018, driven by the increased consumer interest in lighter scented sprays. Commonly referred to as body sprays or body mists, deodorant pumps have found strong appeal amongst younger consumers due to lighter scents and lower price points.
Unilever Canada leads the concentrated deodorants category with a 27% value share in 2018.

In 2018, **men's grooming** increased by 1% in current value terms, to reach 1.0 bln $CAD.[50]

Both younger and older men are showing greater interest in personal grooming and are more willing to purchase skin care products and other toiletries. However, value growth will be hampered by the strong consumer preference for budget-friendly mass brands.

Men's shaving is expected to deliver only marginal growth in current value terms until 2023[51], due to a decrease in shaving and the growing competition due to internet retailing. The beard trend is entrenched in Canadian culture, as younger men in particular have turned to facial hair to express their individuality. The casualization of dress codes has also made facial hair more acceptable in the workplace. As a result, men are shaving less. Men's post-shave, however, is projected to see more robust growth, as products for grooming and treating facial hair, such as beard creams and oils, are seeing see increasing sales. More players are expected to launch products for facial hair.

Volume sales continue to increase slightly in a challenging market despite average unit price increases in current terms in 2018.
Procter & Gamble remains the leading player in men's grooming in 2018, with a 30% value share.

As for the **sun care** market, in 2018 this segment increased by 1% in value terms, to reach 202 mln $ CAD. Mass brands continue to dominate sun care, limiting price increases in current terms in 2018.

Consumers' interest in self-tanning products continues to increase[52] .

Sun care items have experienced particularly strong growth as research surrounding the link between sun exposure and skin cancer has increased downstream demand for sun protection, pushing up this category's share of revenue. In 2018, this category accounts for 201.8 million $CAD.

Sun care is expected to see a current value increase until 2023. **Sun protection** is the dominant category, with sales driven by consumers' active summer lifestyles. Many Canadians enjoy being outdoors in the summer months, and nationwide campaigns have raised awareness of the risks of excessive sun exposure. Statistics Canada reports that 30% to 40% of adults use sunscreen or seek shade to reduce sun exposure. Differences in sun protection practices exist between age groups. Sun protection is more commonly used

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[50] Passport. Beauty and Personal Care in Canada. Euromonitor International. June 2019

[51] Passport. Beauty and Personal Care in Canada. Euromonitor International. June 2019

[52] Passport. Beauty and Personal Care in Canada. Euromonitor International. June 2019

by younger adults, whilst seeking shade and wearing protective clothing are more common at older ages. Women are more likely than men to seek shade rather than using sunscreen on their face (63%) or body (51%). In addition to population growth, value growth will be spurred by budget-friendly sunscreen prices, and by convincing older Canadians to use sunscreen.

A contributory factor was the introduction of skin care products and colour cosmetics with sun protection properties.

In an effort to reduce sun exposure, yet achieve a healthy-looking tanned complexion, consumers are turning to **self-tanning products**. As a result, self-tanning is expected to record the strongest value growth until 2023. Premium self-tanning products are expected to benefit the most, because they deliver higher quality and efficacy compared with mass self-tanning products.

L'Oréal Canada and Schering-Plough Healthcare Products Canada (Bayer) share the lead in sun care in 2018, with each holding a 22% value share in a concentrated category.[53]

Canada has another growing market for in the industry which is the baby personal care product category and pet care products category (shampoos, sprays, etc).

Global Industry Trend: Natural, Organic & Green products

The recent push for organic and environmentally friendly cosmetics has shed new light on a previously stagnant product line. Canadian consumers are turning to ethical and organic skin care products for their higher quality natural ingredients as part of larger lifestyle movement. Only in the skin care segment, this search for ingredients has led ethical and organic products to represent about 40% of the Canadian market.[54]

Naturally made cosmetics have become increasingly popular with consumers, as research has emerged linking certain chemical ingredients used in many cosmetic products to severe health conditions. As a result, companies that have been able to alter their product mix and offer organically based items have fared better than those that have been slow to adapt.

The ongoing wellness and sustainability trends are driving surging consumer interest in natural beauty and personal care products. **Younger consumers** in particular are driving interest in sustainability and eco-friendliness, whilst consumers across demographics are concerned about potential health risks created by the use of chemicals in beauty and personal care products, as well as personal concerns such as skin sensitivity and irritation.

Concerns over aluminum in deodorants and parabens in skin care products have led many consumers to take the "*better safe than sorry*" approach. Consumers are also looking beyond ingredient lists to packaging, sourcing and the manufacturing process, as they seek out authentic products. The cruelty-free

[53] Passport. Beauty and Personal Care in Canada. Euromonitor International. June 2019

[54] Canadian Market Dynamics & Trends. Canadian Beauty Portal Portia Ella.

stance of many natural beauty brands is also a key selling point. Programs such as the Leaping Bunny program for cruelty-free certification for personal care and household products are becoming increasingly important to many consumers, especially younger consumers, in their purchasing decisions. Brands are innovating to meet the burgeoning consumer demand. For example, Unilever's first new brand launch in 20 years, the vegan-friendly Love Beauty and Planet, arrived on retailers' shelves in Canada in 2018, featuring ethically sourced ingredients and recyclable packaging.[55]

Ingredients have also become critical in advertising for premium products, as many brands use the potential benefits and authenticity of their ingredients to attract consumers. For example, Canadian brand Kaia Naturals[56] devotes a page of its website to listing the ingredients in its products and explaining their benefits for the skin. Another premium Canadian skin care brand, Refresh Botanicals[57], tells consumers the percentage of plant derived ingredients in each product.[58]

1.2.1. Consumers: Demographic Opportunities and Trends

As the cosmetics industry in Canada is at a mature stage and most of the products are in discretionary type, businesses must remain updated of recent consumer behavior and trends in the market.

General Demographic Trends

According to the federal agency, Canadian population in 2019 was 37.59 mln people, and estimated 37.89 mln for 2020.[59] Canada's population growth is the highest among G7 countries (+1.4% between 2018 and 2019), an increase largely attributable to immigration, as per Statistics Canada. It is more than twice that of the United States and the United Kingdom (+0.6% each) and exceeds the growth in Germany (+0.3%) and in France (+0.2%).[60]

Canada is divided into ten provinces and three territories. The majority of Canada's population is concentrated in the areas close to the Canada–US border.

On the ten provinces, Ontario is the largest, boasting a population of over 14 million people. The largest city in Ontario is Toronto, which is also the capital of the province. Toronto has a population closing in on 3 million as of 2019. Quebec is a province that also has a sizable population with over 8.4 million residents. Major cities found in Quebec include Montreal, which is the second largest city in the nation, and Quebec City, the capital of Quebec. British Columbia also has a large population, although it's almost half of the population of Quebec. The province of British Columbia has a population of over 4.8 million, with the most

55 IBISWorld Industry Report 44612CA, Beauty, Cosmetics & Fragrance Stores in Canada

56 https://kaianaturals.com/

57 https://www.refreshbotanicals.com/

58 Canadian Skin Care Bucks Trends and Drives Growth in Beauty and Personal Care. Euromonitor. Market Research blog

59 Statistics Canada. Population estimates, quarterly. Last Modified: June 2020

60 Statistics Canada. Canada's population estimates: Age & Sex. July 2019

populous cities including Vancouver and the capital city, Victoria.[61]

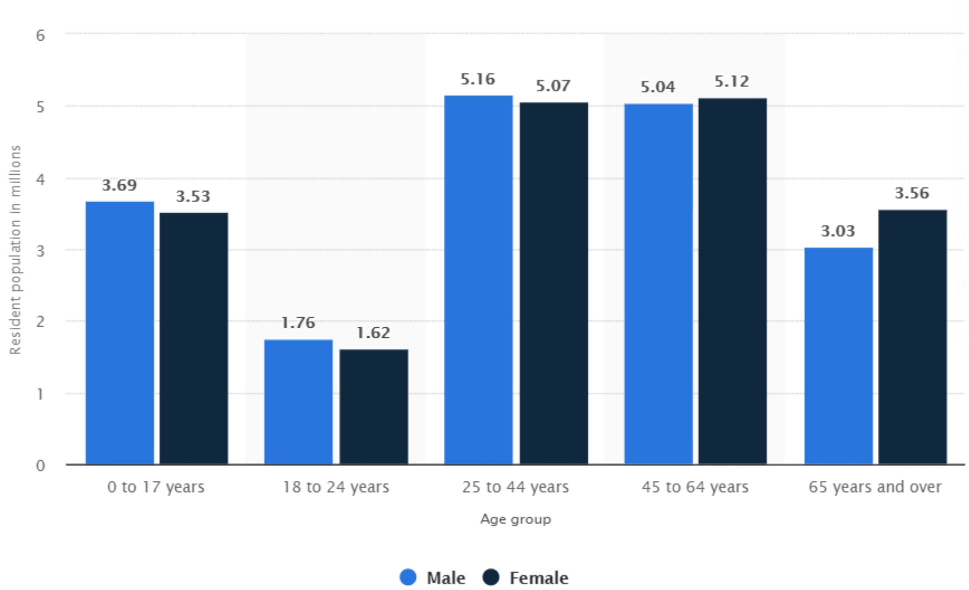
The majority of Canadians, both males and females, are single.

Canada is an immigrant nation, and many of its residents have immigrant backgrounds. Additionally, immigration to Canada has been steadily increasing since 2000, making the country a diverse melting pot for people of all backgrounds.

32.3% of Canadians considered their ethnic origin to be Canadian. Other major groups recorded were English (18.3%), Scottish (13.9%), French (13.6%), Irish (13.4%), German (9.6%), Chinese (5.1%) and Italian (4.6%).[62]

In 2016, 22.3% of the total population was people of colour; by 2036, people of colour are projected to be about a third (31% to 36%) of the population[63].

Chart 1.3: Population of Canada in 2019, by gender and age group (in millions)[64]



As we can observe, the most important two groups of population are aged from 25 to 44 years, and from 45 to 64 years.

In fact, Canadians are an aging population. The average age of the Canadian resident population was about 40.8 years in 2019. Seniors in Canada are a rapidly growing segment of the population and are living longer and healthier lives than previous generations. In 2019, over 6,59 million Canadians were aged 65 or older,

[61] Statistics Canada. Population estimates, quarterly. Last Modified: June 2020

[62] Statistics Canada. Ethnic and cultural origins of Canadians: Portrait of a rich heritage. October 2017

[63] Statistics Canada. "Diversity of the Black Population in Canada: An Overview". Ethnicity, Language, and Immigration Thematic Series, February 2019

64 Statista. Canada – resident population, by gender and age group 2019. January 2020

representing 17.5 percent of Canada's population.[65]

Over the next 20 years, Canada’s senior’s population — those age 65 and older — is expected to grow by 68%.[66]

The very interesting segment – ‘’baby boomers’’ (born between 1946 and 1965 according Statistics Canada) are healthy and active with money to spend. In fact, the average net worth by age for Canadians peaks at the earning years from 55 to 65, followed by the group of seniors: “65 Years and Older”.

Table 1.3: Canadians by Age Group, Median Net Worth and Average Net Worth[67]

Age Group	Median Net Worth	Average Net Worth
Under 35 Years	9,700	62,100
35 to 44 Years	76,000	214,000
45 to 54 Years	88,000	290,400
55 to 64 Years	227,800	505,500
65 Years and Older	277,000	493,400

Women are the largest market for Canadian cosmetics industry, with those between the ages of 35 and 54 constituting the most avid buyers. Generally, an expansion in the size and income of this group will boost industry revenue.[68]

However, the big potential market focus for manufacturers is the male consumer, a market that has grown during the current five-year period.[69] While men already purchase necessities, they are increasingly using traditionally female-centered products such as face creams and antiaging serums. In fact, major beauty retailer Sephora has a section in its stores and on its website specifically dedicated to the male consumer.[70] Moreover Canada-based industry operator Groupe Marcelle launched CW Beggs and Sons[71], a men’s skin care line, in 2015.

General Consumer Trends

As incomes grow and consumer spending increases, Canadians will be more likely to seek out high-quality,

65 Statistics Canada. Senior and Aging Statistics. Last modified 2018

66 Statistics Canada. Senior and Aging Statistics. Last modified 2018

67 Statistics Canada, Survey of Financial Security, assets & debts held by economic family type, age group, Canada 2016, mod.2020

68 IBISWorld Industry Report 44612CA, Beauty, Cosmetics & Fragrance Stores in Canada

69 IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

70 https://www.sephora.com/ca/en/shop/men

71 https://www.cwbeggs.com/english/

functional beauty products instead of value-priced items.

Previously in this report, we analyzed main Canadian trends by specific product category.

Generally, the main trends in the Canadian cosmetics market are as follows:

- ***Preference for Natural ingredients products:*** Consumers are now very concerned with the effects of synthetic and chemical additives on their body. Consumers interest is growing on research-based naturally derived, environmentally friendly and cruelty-free products. Eco-friendly packaging is also given a lot of importance these days.

- ***Products appropriate to age, gender & ethnicity:*** In the beauty industry, consumers' needs, and desires are strongly influenced by their age, gender and cultural background.
  The diverse population of Canada demands products catering to age, body sizes, facial features, ethnicity, gender and skin colour. The "*one size fits all*" approach does not seem to work these days. Also, cosmetic products targeting specific age groups, especially baby boomers and Generation Z (very young people born after 1997) are gaining popularity.

  For example, Canadian **older customers** and **baby boomers** appreciate cosmetics with proven effects and fast benefits. Older demographics are increasingly interested in "ageing well" and incorporating new cosmetics into their regimes. The key words are "anti-aging", ''easy-to-use'', ''high performance'', ''hydration'', ''medical effect'' (retinol, vitamin C, peptides, feelers…), ''luxury brands'', ''niche products''. According to our industry experts, baby boomers and older Canadian are very brand loyal towards their preferred cosmetics brands.

  Another important segment for beauty industry – ''**millennials**'' like trying new products, want to make a difference to the world through their choices and actions, and like to be distinct from other. For young customers, the key words are ''wow effect'', ''green'', '' non-animal testing''. However, the younger clientele is mostly using the basic products such as mass-market make-up or hair products.

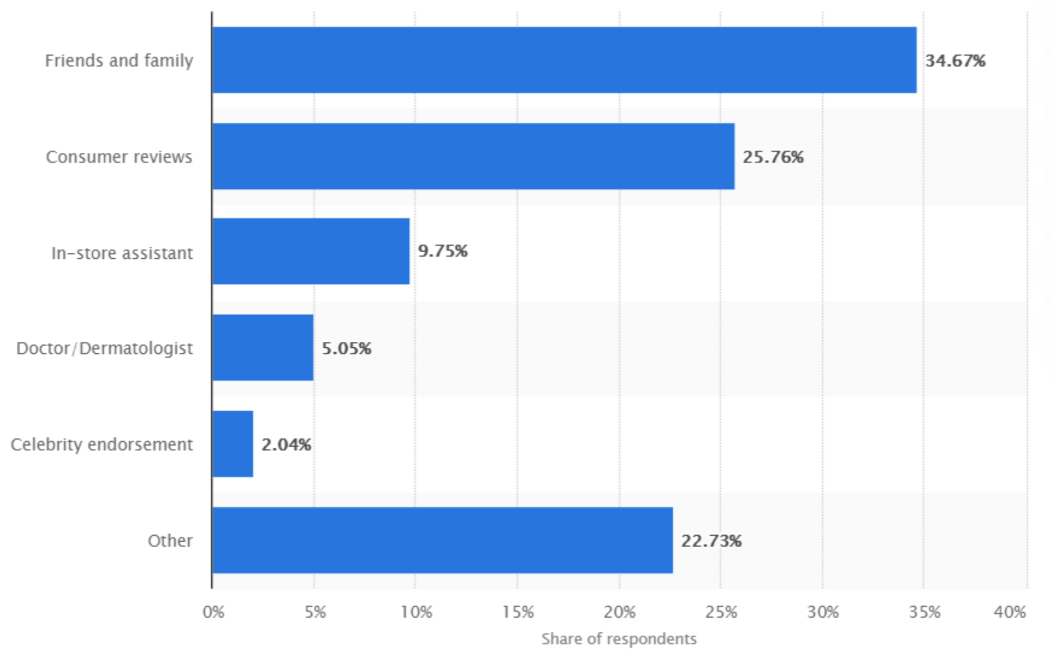
  Ethnical factor is also playing a part in the growing trend toward premium products and multi-step skin care in Canada. For example, since the early 2000s, immigrants to Canada have come mainly from Southeast Asia. Asian-Canadians now account for roughly 15% of the population and in some cities, such as Vancouver, they represent a greater percentage. The Asian-Canadian population also features many individuals of high net worth as government statistics confirm that between 2005 and 2012 around 37,000 Chinese millionaires were allowed to become permanent residents as part of a now dismantled government program. For many Asian-Canadians, facial skin care is a high priority and they look to purchase a number of premium skin care products designed to maintain a clear, bright facial complexion. This has driven sales of premium products, such as facial masks and anti-agers. In addition, this has helped to boost the popularity of Asian brands or Asian-inspired products that launched in the Canadian market, which often featured innovative formats and ingredients. South Korean brand Amore Pacific has responded to this demand by opening locations of its Aritaum store[72] in Vancouver and Toronto.[73]

- ***Transparency:*** Consumers are interested in understanding how the products are made and what ingredients go into the product. Canadian shoppers are technologically savvy making it easy for them to find information regarding the product whenever needed. Thus, it is very important to be transparent about ingredients in the product communication.

- ***Leveraging technology for increased personalization:*** Consumers are looking for personalized cosmetic products and reputed brands have started leveraging technology to achieve the same. It's not just limited to standalone apps and devices — brands are building connected personalized beauty solutions by gathering consumers' data on personalize physical appearance, their shopping behavior and synchronizing this data with brands' loyalty programs.

As per Canadian Consumer's decision in buying Cosmetics products, the following chart shows the leading sources of recommendation for cosmetic products in Canada.

Chart 1.4: Leading Sources of Recommendation for Cosmetic Products in Canada (October 2019) [74]



According to the survey carried out by ProdegeMR, some 34.67 percent of the respondents named their friends and family as the leading source of recommendation for cosmetic and beauty product purchases.

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72 https://www.aritaumaberdeencentre.com/

73 Canadian Skin Care Bucks Trends and Drives Growth in Beauty and Personal Care. Euromonitor. Market Research blog. 2020

74 Statista. Sources of recommendation for cosmetic products in Canada 2019

Purchasing behaviour differences: French Canadians vs. English Canadians

The important thing to know about Canadian consumer behaviour is that there is not only a linguistic difference between French and English Canadians (in Quebec, 79% of the population's first language being French), but the fact that consumers in Quebec and Ontario and the rest of Canada see things differently at many levels: political preferences, lifestyle, family dynamics, household expenditures… Knowing how customers differ between provinces is an essential starting point for expanding and succeeding in Canada.

Consumers in Quebec are often motivated by the gratification felt when shopping, which makes delivering a personalized customer experience even more important in that province. While Quebec consumers are generally driven more by emotion and the joy of consumption, the marketer need to be aware that there is diversity within the province which can lead to more meaningful and targeted insights.[75] The customer experience needs to reflect the demographics, values and buying power of each segment of the Quebec population (ex. young, price conscious segment vs. older segment willing to pay for quality and efficient products).

Quebecers seek authenticity, they value nature and are concerned about the environment. When it comes to consumption, they are not motivated by brand loyalty: an emotional experience is very important for them. Quebecers also like independent boutiques and prefer home-grown chains like Jean Coutu drug stores. They love of the outdoors and it is also reflected in their purchases. To sell in the Quebec market, it is important to create the feeling that she is purchasing something *unique*. In fact, consumers in Quebec shop less in mass merchandisers than the rest of the country. [76]

Also, retailers and manufacturers looking to make a splash in the Quebec market should consider regional French language campaigns that will resonate with French-speaking consumers. Quebec is the most ''European'' province of Canada, and they share some of the values coming from the Old continent, even being the North American nation. The key words for Quebec customers are brand apathy, joy of consumption, pursuit of intensity and ecological concern.

The English Canadian customer are more "North American" in their values and consumer behaviors.
They are generally more traditional customers with higher brand loyalty. The key word for them are "culture sampling", "multiculturalism", "North American dream", "Status via home".

The following table shows the main difference between "Quebec/French Canadian" and "English Canadian" customers approach to cosmetics products:

[75] Environics Analytics. Are consumers in Quebec really that different? 2018
76 Nielsen. Purchasing behavior characteristics across Canada. 2018

Table 1.4: Differences between "Quebec/French Canadian" and "English Canadian" customers approach to cosmetics products

Quebec/French Canadian consumers	**English Canadian consumers**
Generally, know well and are following the latest trends in the Cosmetic Industry; "connoisseurs"	Know much less about the latest trends
Curious, emotional, like to try new things	More conservatives in their cosmetics choices
Buying products based on the list of the ingredients, texture, exquisite scents, uniqueness	Buying products based on the ''marketing'' aspects. Looking for more "scientific products", fast effect, proven benefits (ex. promoted by celebrities or scientists)
Looking for both **''body'' and ''face''** skincare products	Looking more for **''face''** skincare products
Open to pay more for quality and uniqueness	Open to pay more for brands or ''proven effect'' products
In the last years developed tradition for ''Nordic'' spas, not only for massage and other services, but as social activity with family or friends; the spas are mature products in Quebec.	Smaller number of ''nordic'' spas, in the beginning of the trend
Example of a brand performing well in Quebec: Sothys (France)	*Example of brands performing well in 'English' Canada:* Dermalogica (US), Comfort Zone (Italy)

2. COMPETITIVE LANDSCAPE

Summary and Main Findings:

Globalization within the cosmetic and beauty product manufacturing industry in Canada is high, with many of the industry's major players being headquartered outside of Canada, particularly in France and the United States. The Canadian beauty industry is a highly fragmented market with a multitude of newNorth American, European and Asian players who have appeared on the market and have beensuccessfully operating during the last few years in the consumer or professional segments. The major competitors to the Italian cosmetics luxury, premium and quality products are othercompanies from Europe (mostly France and some brands from Germany), and some niche brands from the United States and Asian countries (South Korea and Japan), who are currently offering to Canadian customers a selection of quality products.

Large international brand owners continue to dominate the beauty and personal care industry in Canada due to their broad products and brand portfolios which allow them to compete across a wide spectrum of categories. There are a handful of major companies in Canada that dominate this market such as L'Oréal Canada for the categories of *Skin Care, Makeup and Colour Cosmetics, Sun Care Products* and *Hair Care Products,* Coty Canada) for the category of *Fragrances* and luxury brands like L'Occitane and Fresh (LVMH) for the categories of *Deodorants* and *Bath and Shower Products*.

The Canadian Cosmetics Manufacturing Industry is growing because of the development of new luxury, prestige and specialized lines designated to compete with the products of high-end European competitors.

The Canadian market now includes many high end and niche product brands as well as several options for natural, vegan and cruelty free products. While many Asian brands are beginning to penetrate the market through prominent retailers and social media channels, Italy's main competitors remain the innovative American and French brands, with some niche brands from Switzerland, Germany and other European countries. The two most dynamic niches in the Canadian cosmetics industry are: "natural/organic products," with proven and effective active ingredients (ex: essential oils) and ''innovative/medical research based'' products, with scientifically proven and effective results.

In order to successfully compete in the prestige and niche cosmetics market in Canada, the main Key Success Factors are:

- Niche positioning (ex. especial organic ingredients) is important for success in this industry.
- Having marketing experience
- Production of goods favoured by the market: importance to be aware of and adapt to trends to remain competitive
- Leveraging technology for increased personalization
- Growing importance of the e-commerce channels and social media

The most important key success factors for the professional cosmetics market specifically, is to stand out from the competition via proven efficacy and uniqueness of ingredients, including an educational component in marketing strategies and participating in special events or trade shows in Canada's largest cities.

Pricing is very important to consider when entering the Canadian market and can differ depending on the product category and segment of the industry (ex: retail vs. professional). As an example, for a retail pricing structure, 40% is the typical retailer's margin.As for the wholesale price in the retail segment, typically 45% is the distributor's margin, followed by 15% for advertising and promotion and 20% on freight and clearing. As for the professional pricing structure, the retailer margin is typically 50%, as for the professional segment wholesale price, the distributor margin is 50%, followed by 10% on advertising and promotion and 20% on freight and clearing.

Some of the largest barriers to market entry include competition with larger manufacturers already established in the industry, changes in consumer preferences, capital investments, cosmetics legislation and the euro vs. dollar exchange rate, among many others.

2.1. Introduction

Competition in the beauty and cosmetics industry in Canada is high and is increasing in each segment of the market. Globally, the market is dominated by Major players.

Local Canadian players are not the only brands active in market. Globalization within the cosmetic and beauty product manufacturing industry in Canada is high. Many of the industry's major players are headquartered outside of Canada. The Estee Lauder Companies Inc. and the Procter & Gamble Company are both based in the United States, while L'Oréal SA is headquartered in France. These larger companies have well-recognized brand names and widespread economies of scale and scope that help them gain a strong presence in the market. Moreover, international trade accounts for a big part of industry revenue and domestic demand. Over the five years to 2024, IBISWorld expects international trade activity to continue affecting industry operations, with imports' share of domestic demand projected to increase. [77]

However, the rest of the Canadian beauty industry is a highly fragmented, and there is a multitude of new North American, European and Asian players who have appeared on the market and have been successfully operating during the last few years in the consumer or professional segments.

The major competitors to the Italian cosmetics luxury, premium and quality products are other companies from Europe (mostly France and some brand from Germany), and some niche brands from United States and Asian countries (South Korea and Japan), who are currently offering to Canadian customers a selection of quality products. Nowadays, local Canadian manufacturers have become serious competition due to the various offers of high end and niche products, among them a multitude brands who are specialized in the natural, vegan and cruelty-free cosmetic segment.

2.2. Market Share Concentration. Major Companies

In 2018, large international brand owners continued to dominate the beauty and personal care industry in Canada. L'Oréal ranked first, followed by Procter & Gamble, with Coty holding third position. The remainder of the top 10 positions were also filled by well-known global companies, including Unilever, Estée Lauder and Johnson & Johnson.

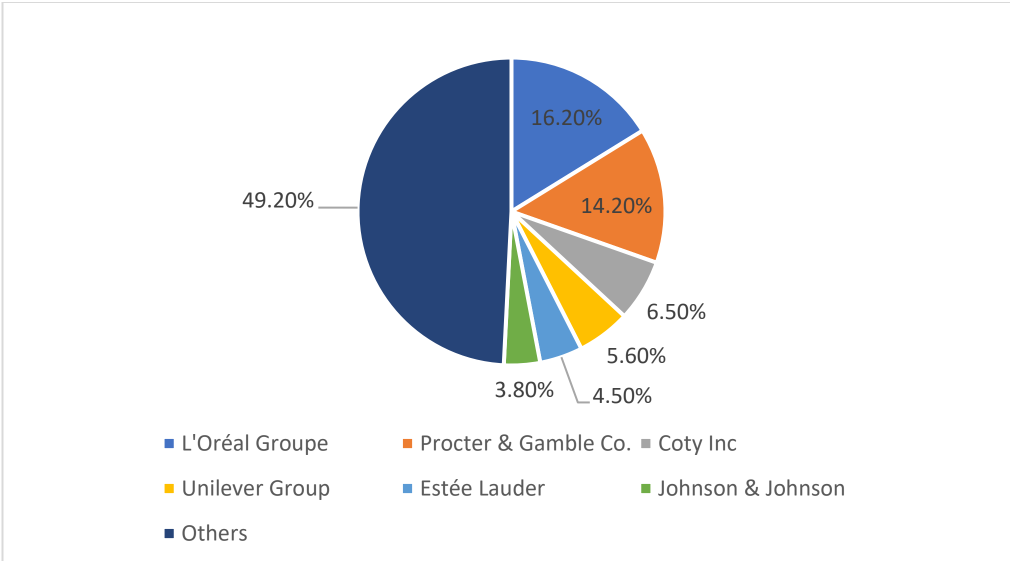
The dominance of these companies is due primarily to their broad and deep products and brand portfolios, which allow the brand owners to compete across a wide spectrum of beauty and personal care categories. In 2018, L'Oréal continued to lead and saw a rising value share, supported by its strong presence in the premium segment, with brands such as Vichy, Kiehl's and Lancôme performing very well.

Procter & Gamble and Coty, on the other hand, saw slight declines in their value shares in 2018, as a result of slow growth in the mass categories in which these players are predominantly present. Coty had a challenging year, as most categories in mass fragrances struggled to maintain growth, whilst Procter & Gamble faced challenges in the dynamic men's grooming and slow growing oral care categories. [78]

[77] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

[78] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

Chart 2.1 Company Market Share in the Canadian Beauty and Personal Care Market[79]



Other major players on the Canadian market are the following companies[80]: American multinational consumer products company Colgate-Palmolive Co (3.3% market share in 2018), British pharmaceutical company GlaxoSmithKline Plc (1.6%), American fashion retailer L Brands (1.5%), American-based multinational cosmetics Revlon Inc (1.3%), Brazilian global personal care cosmestics group Natura&Co (1.2%), French luxury skin care, cosmetics and perfume company Clarins Group (1.2%), multinational Edgewell Personal Care brands (1.2%), German multinational company that manufactures personal-care products and pressure-sensitive adhesives Beiersdorf AG (1.2%), largest cosmetic manufacturer in Canada Groupe Marcelle (1.1%), French privately held company Chanel SA (1.0%), the Japanese multinational personal care company Shiseido Co Ltd (0.8%), the Japanese chemical and cosmetics company Kao Corp (0.8%), American manufacturer and multi-level marketing company specializing in skincare products Rodan & Fields LLC (0.7%), the French multinational corporation and conglomerate specializing in luxury goods, LVMH Moët Hennessy Louis Vuitton SA (0.7%), the American manufacturer of household products Church & Dwight Co Inc (0.7%), the cosmetics retailer headquartered in United Kingdom Lush Retail Ltd (0.7%), the leading social selling beauty company New Avon LLC (0.6%), the Spanish company operating in the fashion and fragrance sectors Puig SL (0.6%), the worldwide cosmetics and beauty brand headquartered Yves Rocher SA (0.5%), the American multinational personal care corporation that produces mostly paper-based consumer products Kimberly-Clark Corp (0.5%), the American manufacturer of hair care products and styling tools John Paul Mitchell Systems Inc (0.5%), a Hong Kong-based supply chain manager Li & Fung Ltd (0.4%) and many other smaller players.[81]

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[79] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

[80] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

[81] Passport. Beauty&Personal care in Canada. Euromonitor International. June 2019

The sales in the private labels segment of Beauty and Personal Care brands in 2018 represented 2% of the total sales records.

Here we will present the major competitors in the Canadian market in the premium brands segment by product category:

Skin care[82]: L'Oréal Canada is a leader in this category in value terms in 2018, thanks to its extensive brand portfolio. L'Oréal is a key influencer in beauty and personal care and has been successful in responding to changing consumer needs. Skin care is considered to be the company's flagship category. L'Oréal's Luxe Division, with brands such as Lancôme, and the Active Cosmetics Division, with brands such as Vichy, delivered strong performances. Vichy brands performed well thanks to its focus on product innovation.

In the category '' Premium Skin Care'', here is a list of major bestselling brands in Canada in 2018:

- Clinique (market share of 11.0 %)
- Lancôme (10.4 %)
- Vichy (7.7 %)
- Biotherm (7.3 %)
- Rodan + Fields (7.2 %)
- Clarins (6.3 %)
- La Roche-Posay (6.1 %)
- Estée Lauder (3.6 %)
- Neostrata (2.7 %)
- Fresh (1.7 %)
- Shiseido (1.6 %)
- Artistry Time Amway of Canada Ltd (1.5 %)
- Elizabeth Arden (1.2 %)
- L'Occitane (1.1 %)
- Elizabeth Arden (1.1 %)
- Nu Skin age LOC (0.9 %)
- Lise Watier (0.8 %)
- Dior (0.6 %)
- Carita (0.4 %)

Make up and Colour Cosmetics[83]: L'Oréal Canada was the leader in makeup and colour cosmetics in value terms in 2018, thanks to its strength in both the mass and premium segments. The company has a wide portfolio of brands, all of which are available through distribution channels including beauty specialist retailers, drugstores/pharmacies and department stores. Lancôme and IT Cosmetics are amongst L'Oréal's most successful premium brands in Canada.

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82 Passeport. Beauty&Personal care in Canada. Euromonitor International. June 2019

83 Passeport. Beauty&Personal care in Canada. Euromonitor International. June 2019

Brand leaders in the ''premium'' Make up and Colour cosmetics" segment on the Canadian market:

- Lancôme (22.6% of market share in 2018)
- Clinique (18.1%)
- Estée Lauder (12.0%)
- MAC (7.5%)
- Clarins (4.4%)
- Elizabeth Arden (3.4%)
- Lise Watier (3.3%)
- Dior (2.3%)
- Chanel (2.1%)
- Pupa (1.7%)
- Guerlain (0.6%)
- Yves Saint Laurent (0.4%)
- Artistry (0.3%)
- Rodan + Fields (0.1%)
- Amore Pacific (0.1%)
- Vichy (0.1%)

Rise of *Independent local brands* have emerged in Canada, with their influence felt primarily in colour cosmetics and skin care. These brands have leveraged innovative products and used social media platforms to grow their sales and presence, especially targeting millennials and generation Z, whilst communicating values aligning with consumers' individualism. Recently launched and leading ''indie'' brands in colour cosmetics include the rapidly growing NUDESTIX, launched in 2014, with a line of easy-to use, vegan-friendly make-up pencils. Stellar, launched in 2015, markets cosmetics, including foundation and eyeshadow, in an array of shades focused on women with medium to darker skin tones. Both NUDESTIX and Stellar are available in Sephora – a sign of how quickly consumers have embraced these products.

Hair care products[84]: L'Oréal Canada maintained its leading position in hair care in value terms in 2018. The company's lead can be attributed to its strong presence across categories such as standard shampoos, colourants, conditioners and treatments and salon professional hair care.

The company's Garnier Fructis brand is strong in standard shampoos, conditioners and treatments and 2-in-1 products, enjoying a strong shelf presence in distribution channels such as hypermarkets. L'Oréal has also maintained its lead by introducing hair care products in line with current trends. For example, the Pure Clean range of shampoos features a silicone-, paraben- and dye-free formulation, which is advertised as 97% biodegradable. Since the launch of Garnier Whole Blends, Garnier has built the brand's presence with new products. In 2018, the brand launched Oat Delicacy hair care products for delicate hair. The launch was supported by promotional pop-ups at Toronto shopping centres featuring brand information, an on-site hair expert and a designated space for natural wellbeing.

[84] Passeport. Beauty&Personal care in Canada. Euromonitor International. June 2019

In 2018 in the premium hair care products category the main competitors were:

- Matrix (19.7 %)
- Redken (9.0 %)
- Paul Mitchell (8.9 %)
- Clairol Coty Professional (6.0 %)
- L'Oréal Professionnel (4.7 %)
- Nexxus (4.2 %)
- Wella System Professional (4.1 %)
- KMS (3.1 %)
- Joico (0.9 %)
- Satinique (0.2 %)

As per Brand Shares of Salon Professional Hair Care, the following brands distributed by hair professionals registered the best results:

- Matrix (25.7% or market share)
- Redken (11.8 %)
- Paul Mitchell (11.6 %)
- Clairol (7.9 %)
- L'Oréal (6.1 %)
- Wella System (5.4 %)
- KMS (Kao Corp) (4.0 %)
- Joico (1.2 %)

Other popular brands in Canadian beauty salons are Clairol Professional, Wella System, Professional Procter & Gamble and Nexxus.

Fragrances[85]: Coty (Canada) was the leading player in fragrances in value terms in 2018, despite a challenging year which saw declines in several brands in the company's mass fragrances portfolio. The company's lead can be attributed to its extensive product portfolio, including premium brands such as Marc Jacobs and Gucci. Premium fragrances including Gucci Bloom, CK Obsession, Marc Jacobs and Chloé lifted the company's performance in 2018. The 2018 launches of Gucci Bloom variants Gucci Bloom Acqua di Fiori and Gucci Bloom Nettare di Fiori supported the Gucci Bloom brand and created positive momentum. Coty's lead in fragrances is supported by its strong presence in key distribution channels, including hypermarkets such as Walmart, and department stores such as Hudson's Bay.

In 2018 major brand in Premium Men's Fragrances were:

- Hugo Boss (9.9 % of market share)

[85] Passeport. Beauty&Personal care in Canada. Euromonitor International. June 2019

- Eternity for Men (8.2%)
- Ralph Lauren Polo Sport (7.8 %)
- Acqua di Giò pour Homme (6.8 %)
- Dolce & Gabbana pour Homme (5.8 %)
- Obsession for Men (5.2 %)
- Davidoff Cool Water for Men (5.0 %)
- Thierry Mugler (4.8 %)
- Paco Rabanne (4.5 %)
- Tommy (4.4 %)
- Drakkar Noir (3.7 %)
- Escape for Men (3.6 %)
- Giorgio Armani (2.2 %)
- Contradiction for Men (1.5 %)
- Azzaro pour Homme (1.1 %)
- Gucci Guilty (0.7 %)
- Blue de Chanel (0.7 %)
- And many other

As for brand shares of Premium Women's Fragrances, in 2018 popular brands in Canada were:

- Chanel N°5 (7.0 % of market share)
- Dolce & Gabbana Light Blue (6.8 %)
- Coco Mademoiselle (6.7 %)
- Oscar de la Renta (4.9 %)
- Euphoria (4.4 %)
- Eternity (4.0 %)
- Daisy Marc Jacobs (3.6 %)
- Neiges Lise Watier (3.1 %)
- Paco Rabanne (2.5 %)
- Pleasures (2.1 %)
- Hermès (1.9 %)
- J'adore (1.6 %)
- Tommy Hilfiger Tommy Girl (1.6 %)
- L'Air du Temps (1.5 %)
- Clinique Happy (1.3 %)
- Contradiction (1.2 %)
- And many other

Bath and Shower Products[86]: Luxury brands are extending their product ranges into bath and shower, offering consumers more indulgent and high-quality experiences. Luxury brands such as Tom Ford, Chanel

[86] Passeport. Beauty&Personal care in Canada. Euromonitor International. June 2019

and Burberry offer products in bath and shower, including body wash/shower gel and bar soap. Mid-priced premium brands, such as L'Occitane, Fresh and Kiehl's, also have grown due to their relative affordability through lower prices, as well as high-quality formulations and scents.
In 2018, the leaders in the premium segment include the following companies:

- L'Occitane (6.8% of market share)
- Fruits & Passion (5.3%)
- Fresh (1.6%)
- Aesop (1.5%)
- Hugo Boss Hugo (0.5%)
- Davidoff Cool Water (0.4%)
- Aramis Lab Series (0.1%)

Sun care products[87]: L'Oréal Canada's portfolio of sun care brands, including Ombrelle, Lancôme Sôleil, La Roche-Posay and Biotherm, combined to seize first place in value terms in 2018.
Schering-Plough Healthcare Products fell to second place in sun care in value terms in 2018, but maintained a high share thanks its leading Coppertone brand, which also offers a full range of sun protection products for both adults and children. Coppertone enjoys wide product distribution and is well-known amongst consumers.

In the premium Adult Sun Care segment, here are the bestselling brands of 2018:

- La Roche-Posay (17.5 % of market share)
- Fresh (10.7 %)
- Biotherm (9.9 %)
- Clarins (9.9 %)
- Clinique (9.5 %)
- Lancôme Sôleil (6.7 %)
- Shiseido (5.6 %)
- Rodan + Fields (2.2 %)
- Estée Lauder (1.0 %)

Deodorants[88]: In the premium market, in 2018 the main competitor were Fresh (LVMH) with 2.6% of market share, L'Occitane (2.6%), and many other brands.

As for smaller competitors, a multitude of local or imported brands operating in the luxury, premium and niche segments from different countries are competing on the Canadian market. In the chapter 3 – Distribution, we report on the web sites of major Canadian retailers and the brands they distribute in both the consumer and the professional segment.

[87] Passeport. Beauty&Personal care in Canada. Euromonitor International. June 2019

[88] Passeport. Beauty&Personal care in Canada. Euromonitor International. June 2019

2.2.1 Local competitors: Canadian Cosmetics Brands

As we reported in Chapter 1 of the report, the Canadian Cosmetics Manufacturing Industry is growing because of developing new **luxury, prestige, or specialized lines** destinated to compete with the products high-end European competitors, offering more and more quality niche products.

Here are some examples of Canadian beauty brands that are performing well in the industry:

Bite Beauty: BITE Beauty is a Canadian cosmetics company from Toronto specializing in clean beauty products. The brand was in founded in 2012 and acquired by Kendo in 2014. The brand is carried exclusively at Sephora. Handcrafting creamy matte lipsticks with both nourishing and restorative benefits, Bite uses all **natural and organic ingredients** in their products, including protective antioxidants like resveratol. The branding is also ''Canadian style'' (ex. Names of the lipsticks Braised Maple, Mulled Maple and Candied Maple).

Cake Beauty: Cosmetics made with natural quality ingredients that are cruelty-free.

Cargo Cosmetics: Founded in 1996 by Hana Zalzal in Toronto, Cargo Cosmetics became a hit in Hollywood after the release of their bluray line: high-def-friendly blushes, concealer and powders, which holds photochromatic pigments, making celebrities look camera ready.

Céla Skin care: Hammam Spa founder Celine Tadrissi launched this skin-care brand and her plant-based, clean, and cruelty-free products are already industry favourites. Many of the ingredients are sourced in Canada, including blueberry, elderberry, juniper berry, evening primrose, rosemary, and lavender. A popular product is the quick-to-absorb Crème de la Crème Light, which smells like chocolate orange and makes it the perfect hand lotion.

Cheekbone Beauty: Sustainability is the current focus of Cheekbone, based in the Niagara region. "That means less packaging on everything," according to founder Jenn Harper. "Some zero-waste options, and our latest formulation, which uses waste or by-products of other natural beauty ingredients.". Each shade is named after a different female Indigenous activist, and a portion of profits from all sales goes to First Nations Child & Family Caring Society of Canada.

Consonant Skincare: Born in Toronto, Consonant Skincare offers award-winning, clinically-proven natural skincare products.

Cover FX: Known exclusively for their expert foundations, Cover FX was launched in the year 2000 in Toronto. Their formulas are made with sensitive skin in mind and are free from parabens, fragrance, gluten, mineral oil and talc.

Deciem: The Toronto brand produces makeup, skin care, body care, hair care, and supplements and is much appreciated for its Ordinary line of affordable skin care products, which contain high concentrations of proven beauty ingredients. One new release is Pycnogenol 5%, a plant-derived antioxidant serum said to boost skin elasticity and hydration.

Druide Biolove: This company which is based in Quebec, offers natural and organic products certified organic by Ecocert®, 100% vegan, biodegradable, hypoallergenic, gluten free, GMO free, endocrine disruptors, sulfate free, silicone free, paraben free, PEG free, alcohol free, silicone free, coaltar free, no quaternium, no dyes and not tested on animals products.[89]

Evio Beauty: Originally launched in 2014 in Vancouver, Evio is a collection of natural and organic makeup. The latest launch of the company is a cannabis sativa skin-care range. The best seller is Revitalizing Serum, which is high in omega fatty acids, which keep the skin barrier strong. A dollar from every sale on eviobeauty.com goes to the Canadian Women's Foundation.

Ilia: the brand offers clean offers clean makeup and cosmetics with the particular focus on the products. The company has an ethical-sustainable approach. Hailing from Vancouver, products are filled with certified organic bio-active botanicals that nourish and rejuvenate the skin. From concealers to lip crayons, Ilia is offering a full line of the organic beauty products.

Lise Watier: is a Canadian prestige cosmetic company and brand, launched in 1972 by Madame Lise Watier, offering a large selection of the finest cosmetics & beauty products and distributed through department and select drugstores. The bestsellers Lise Watier products are cosmetics (such as Portfolio Professional Correctors) or fragrances (ex. Neiges). The company was acquired by Groupe Marcelle Inc. in 2016.

Marc Anthony: Launched by Toronto-born hairstyle Marc Anthony is a legend in the hair world. He first launched his hair-care range 20 years ago at Shoppers Drug Mart. Now, with his products being must-haves all over the world (Curl Envy Perfect Curl Cream has become a cult favourite), Marc Anthony includes everyone from Kate Bosworth to Justin Bieber as his celebrity clients.

Marcelle: Originally born and bred in Chicago in 1874, Marcelle became a Canadian company in 1973. Constantly innovative, Marcelle is credited as the first company to bring the Korean skin care trend into North America with their BB Cream Beauty Balm.

Nannette De Gaspé: Just three years after launching, this Montreal brand has already won multiple industry awards and had its high-tech-meets-natural products featured in Academy Awards swag bags. Famous for its dry sheet masks, Nannette De Gaspé has now branched out into luxury skin care with its Art of Noir collection.

Nudestix: The brand provides **cruelty-free, vegan makeup products** that enhance natural beauty for a fresh-faced, nude look. The company designed easy-to-use crayons and other trendy items for young consumers.

RMS Beauty: offers natural makeup & skincare made with organic, non-toxic ingredients, very appreciated

[89] You can find a good selection of Canadian natural brands on this platform https://portia-ella.ca/brands/

by celebrities.

Saje Natural Wellness: Saje Natural Wellness is a Canadian retailer of private-label essential oils and skin care products. The company was founded in 1992 in Vancouver, British Columbia, offering brand created aromatherapy-based skincare and remedies

SAPPHO New Paradigm is a woman-led luxury, vegan and organic Canadian colour cosmetic line, free of known carcinogens and endocrine disruptors. The products are also Cruelty Free certified by PETA.

Skinfix Inc: Launched in 2012, Skinfix was built on the back of a healing balm formulated in 1870 in Halifax. Skinfix is working with dermatologists to develop their products. All of their formulas contain vitamins, minerals, emollient oils and natural ingredients.

SST Cosmetics: Mineral based brand of cosmetics, paraben free, using minerals from around the world.

The 7 Virtues: "Make perfume, not war" is the motto of this Halifax-based company, which was founded by social entrepreneur Barb Stegemann in 2009. It sources essential oils from the developing world, especially conflict zones, and pays suppliers a fair price so they can help rebuild their countries. All its fragrances are phthalate- and paraben-free, vegan, and hypoallergenic.

Veriphy: is a natural and cruelty-free skincare line that contains a plant-derived glycogen—discovered at the University of Guelph—that's said to increase the skin's ability to produce collagen - PhytoSpherix® (Phytoglycogen). The best seller is a Power Trip Facial Serum, which along with glycogen contains exfoliating lactic acid and soothing arnica.

Vooqo is a Canadian cosmetics company from Ottawa, Ontario that formulates, manufactures, and sells organic beauty and personal care products for women, men, and babies. Today, Vooqo is a leading retailer of organic beauty products in Canada, and has a presence in several other countries as well.

Woodlot: Originally known for handmade candles and soaps, this young Vancouver brand branched out into skin care last year. It has six products—cleansing balm, mask, moisturizer, exfoliant, facial oil, and toner. All are made using natural ingredients.

2.2.2 Foreign competitors: niche and professional market

There is a large range of brands in direct competition with Italian brands on the Canadian market.

As previously mentioned, the niche consumer market in Canada is dominated by the United States and France, with lesser known products coming from Italy, Germany and some very niche products from South Korea and Japan.

Here are some examples of high end and niche product brands available on the Canadian market:

- Aesop (parent ocompany Natura & Co)
- Beautybio
- Bioeffect
- Bioderma
- Biodroga
- Caudalie
- Charlotte Tilbury
- Darphin (parent company Estee Lauder)
- Decleor (parent company L'Oréal)
- Dermarche Lab
- Dr. Hauschka
- Dyptique Paris
- Erno Laszlo
- Juvena
- La Maison Valmont
- La Mer
- Nuxe
- RéVive
- Verso Skincare
- Sisley Paris
- 111Skin
- *And many others*

The Canadian market also has options for natural, vegan and cruelty free products, such as:

- Axiology
- Aether beauty
- Boscia
- Dermalogica
- Chantecaille
- Susanne Kaufmann
- Tata Harper
- Ziip Beauty
- And many others

(While Korean and Japanese brands were historically less present in Canada (previously only popular in British Colombia due to its large Asian population segment) interest in these brands is growing and has become an emerging trend Canada-wide. These Asian brands are penetrating the market through retailers like Sephora, drugstores, supermarkets, independent boutiques and entrepreneurs (''home businesses'') marketing their products through social media channels. For example, C&C Korean Cosmetics in Montreal sells a multitude of Korean cosmetic brands such as La Neige, Ryo, Dr. Jart, Ature Republic, Innisfree among others. The luxury brand retailer Holt Renfrew is offering products of the high-end Korean brand

Sulwhasoo.

At the professional level in Canada, the *Made in Italy* brand is mostly competing with innovative American, French, and other niche brands from Switzerland, Germany and other European countries.

At the professional level, below are some examples of the popular brands offered at Canadian spas and Esthetic clinics:

- Cell Cosmet: Cellcosmet and Cellmen products are 100% swiss made; Cellap Laboratory applies the latest findings in cellular cosmetic science in their range of cosmetic face care and anti-aging products
- Charme d'Orient : spa and professinal brand from France
- Gehwol: German foot and skin care company
- G.M. Collin: innovative skin care products, founded in France in 1957
- Institut Esthéderm Paris: well established brand offering suncare, sun protection, face and body products
- Matis: face, body and men's products from France used in professional settings
- Payot Paris: historical brand offering innovative products for body and face, as wellas a range of men's care products
- Pevonia: American brand of natural skincare solutions for anti-aging, acne, rosacea, oily, sensitive, and combination skin.
- Physiodermie: innovative Swiss skin care products for professionals
- Phyto: botanical hair care from France
- Phytobiodermie: authentic and holistic Swiss-made, skincare since 1979. Phytobiodermie combines natural essential oils with plant extracts and other natural ingredients
- Phytomer : French line of beauty products with ingredients derived from the sea for face, body and sunscreen products.
- Sothys: skin care brand based in Paris offering high end products for beauty salons and spas
- Swiss Lines: Swiss luxury brand offereing anti-aging, age preventive, and restorative skincare products
- Yonkas Paris: french professional skin care brand
- And many others

The product line Nelly De Vuyst (premium skin care brand offereing anti-aging and corrective skin care lines) popluar in Canadian spa's was initially fabricated in Europe but is now manufactured in Canada.

Other popular professional brands can be found on websites of Canadian distributors like Beauty Sense: https://beautysense.ca/brands.html

2.3 Key Success Factors

The two most dynamic niches in the Canadian cosmetics industry are: "natural/organic products," with proven and effective active ingredients (ex: essential oils) and ''innovative/medical research based'' products, with scientifically proven and effective results.

As previously mentioned, the "natural/organic" segment is growing in Canada but is still considered to be niche. More so is the category of products classified as ''vegan;" which is a segment still not yet fully understood by the Canadian consumer.

The cosmetic brands that are most successful in the market are the ones able to demonstrate the efficiency of their ingredients – an aspect that the ''innovative/medical research based'' brands are doing well through the use of scientific arguments.

Therefore, in order to successfully compete in the prestige and niche cosmetics market in Canada the main Key Success Factors are:

- ***Access to niche markets:*** If not a major player, niche positioning is important for success in this industry. High value brands, especial organic ingredients driven products, specialized in a particular ingredient can give access to the niche market.

- ***Having marketing expertise:*** In this highly competitive industry, marketing and brand awareness are very important to gaining market share. Use of specialized packaging, celebrity endorsement, and a strong web and social media presence can increase the brand value and market share.

- ***Production of goods currently favoured by the market:*** Manufacturers must be aware of and be able to adapt to fashion trends to remain competitive; though some of the larger manufacturers may set trends rather than follow them.

- ***Leveraging technology for increased personalization:*** Canadian Consumers are looking for personalized cosmetic products and personalized communication regarding promotion of products. Use of technology, apps and social media will make the business able to offer personalized beauty solutions by gathering diverse consumer data.[90]

- ***Growing importance of the e-commerce channels and social media***: Social media has become a key sales driver, playing a critical role in engaging consumers through trendy looks and exposing cosmetics brands to potential consumers. As more people use social media to learn about the latest make-up trends and products, and share product knowledge and techniques, it is imperative for brands to invest in digital marketing strategies. Digital is especially important in targeting younger consumers, who are heavy users of social media, and also high spenders especially on make up.

[90] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard

For the **professional cosmetics market** specifically**,** the most important key success factor is to stand out from the competition via proven efficacity, uniqueness of ingredients, or special textures of the products. The ''wow factor" is also important in this segment.

An ''educational'' component is also important to approach this market segment as comprehensive information about the product is key towards convincing professionals about the effectiveness of your brand combined with continuous follow up with those customers. "Sampling'' is nowdays less effective if not done without this educational component.

The best way to reach these professional customers is to participate to special events or trade shows, such as the Esthetic Spa International shows in Montreal, Toronto and Vancouver.[91]

2.4. Selling price

To identify the final consumer price of your cosmetics product in the Canadian market, you can use the following formulas for the retail market and the professional market (salon, esthetic clinics &spa) segment.

In this estimation, we use the average margins and coefficients used in the Canadian cosmetics market. The basic formula for retail market could be estimated as:

Table 2.1: Price Structure Retail in Canada

PRICE STRUCTURE

Canada – RETAIL

n.	Category		%	Value in CAD of %	Price in CAD
A	Retail price				100.00
B	VAT (on C)		0.00%	0.00	
C	Net Retail				100.00
D	Retailer margin (on C)		40.00%	40.00	
E	Wholesale price				60.00
F	Discounts (on E)		0.00%	0.00	
G	Net wholesale				60.00
H	Distributor margin (on G)		45.00%	27.00	

91 https://www.spa-show.com/

I	A&P budget (on G)		15.00%	9.00	
J	Landed cost				24.00
K	Freight + clearing (on L)		20.00%	4.00	
L	Exwork price (1,55 CDA)				**20.00**

	Coef Retail / Exwork	**5.00**
	Coef wholesale/Exwork	**3.00**

The basic formula for the professional market could be estimated as:

Table 2.2: Price Structure Professional Market

PRICE STRUCTURE

Canada - ESTHÉTIQUE & SPA

n.	Category		%	Value in CAD of %	Price in CAD
A	Retail price				100.00
B	VAT (on C)		0.00%	0.00	
C	Net Retail				100.00
D	Retailer margin (on C)		50.00%	50.00	
E	Wholesale price				50.00
F	Discounts (on E)		0.00%	0.00	
G	Net wholesale				50.00
H	distributor margin (on G)		50.00%	25.00	
I	A&P budget (on G)		10.00%	5.00	
J	Landed cost				20.00
K	Freight + clearing (on L)		20.00%	3.33	
L	Exwork price (1,55 CDA)				**16.67**

	Coef Retail / Exwork	**6.00**

Coef wholesale/Exwork	**3.00**

In this example the Exwork price was different for the professional and retail market (this may differ from 10% or 12%), given that the margins are also different between the retail and professional segment. For the professional segment an average margin on the Canadian market is about 50%, and on the retail market is generally from 35% to 40%.

So, to calculate the final retail price, generally, the coefficient to be used for retail network is 6 (plus taxes), and for professional market is 5 (plus taxes).

Now we will give two examples of prices with Canadian taxes.

Canadian taxation can differ from one province to another. For example, we calculated the basic price for two important provinces: Quebec and Ontario.

Tax rate in Quebec and Ontario:

Table 2.3: Quebec and Ontario Tax Rate

	HST[92]	TPS/GST[93]	TVQ[94]	TOTAL
Taxes Québec		5%	9.975%	14.975%
Taxes Ontario	13%			13.000%

Here are examples of pricing for Quebec's market

Table 2.4: Price Structure Quebec Retail

PRICE STRUCTURE

QUÉBEC Canada - RETAIL

			%		CAD
A	Retail price				114.98
B	VAT (on C)		14.975%	14.98	
C	Net Retail				100.00
D	Retailer margin (on C)		40.00%	40.00	
E	Wholesale price				60.00
F	Discounts (on E)		0.00%	0.00	
G	Net wholesale				60.00

92 The Harmonized Sales Tax (HST) is 13% in Ontario. HST replaced the 5% federal goods and services tax (GST) and the 8% retail sales tax (RST)

93 Goods and services tax (Taxe sur les produits et services) is a Value Added Federal Tax

94 Québec sales tax (QST) or in French: Taxe de vente du Québec (TVQ), which is calculated at a rate of 9.975% on the selling price excluding the GST

H	distributor margin (on G)		45.00%	27.00	
I	A&P budget (on G)		15.00%	9.00	
J	Landed cost				24.00
K	Freight + clearing (on L)		20.00%	4.00	
L	Exwork price (1,55 CDA)				**20.00**

Coef Retail / Exwork	**5.75**
Coef wholesale/Exwork	**3.00**

Table 2.5: Price Structure Quebec Professional Market

PRICE STRUCTURE

QUÉBEC Canada - ESTHÉTIQUE & SPA

			%		CAD
A	Retail price				114.98
B	VAT (on C)		14.975%	14.98	
C	Net Retail				100.00
D	Retailer margin (on C)		50.00%	50.00	
E	Wholesale price				50.00
F	Discounts (on E)		0.00%	0.00	
G	Net wholesale				50.00
H	distributor margin (on G)		50.00%	25.00	
I	A&P budget (on G)		10.00%	5.00	
J	Landed cost				20.00
K	Freight + clearing (on L)		20.00%	3.33	
L	Exwork price (1,55 CDA)				**16.67**

Coef Retail / Exwork	**6.90**
Coef wholesale/Exwork	**3.00**

Here are examples of pricing for Ontario's market:

Table 2.6: Price Structure Ontario Retail

PRICE STRUCTURE

ONTARIO Canada - RETAIL

			%		CAD
A	Retail price				113.00
B	VAT (on C)		13.00%	13.00	
C	Net Retail				100.00
D	Retailer margin (on C)		40.00%	40.00	
E	Wholesale price				60.00
F	Discounts (on E)		0.00%	0.00	
G	Net wholesale				60.00
H	distributor margin (on G)		45.00%	27.00	
I	A&P budget (on G)		15.00%	9.00	
J	Landed cost				24.00
K	Freight + clearing (on L)		20.00%	4.00	
L	Exwork price (1,55 CDA)				**20.00**

	Coef Retail / Exwork	**5.65**
	Coef wholesale/Exwork	**3.00**

Table 2.7: Price Structure Ontario Professional Market

PRICE STRUCTURE

ONTARIO Canada - ESTHÉTIQUE & SPA

			%		CAD
A	Retail price				113.00
B	VAT (on C)		13.00%	13.00	
C	Net Retail				100.00
D	Retailer margin (on C)		50.00%	50.00	
E	Wholesale price				50.00
F	Discounts (on E)		0.00%	0.00	
G	Net wholesale				50.00
H	distributor margin (on G)		50.00%	25.00	
I	A&P budget (on G)		10.00%	5.00	
J	Landed cost				20.00
K	Freight + clearing (on L)		20.00%	3.33	
L	Exwork price (1,55 CDA)				**16.67**

Coef Retail / Exwork	**6.78**
Coef wholesale/Exwork	**3.00**

Due to the Comprehensive Economic and Trade Agreement (CETA) between Canada and the European Union in force since 2017, the custom tariffs for cosmetics products arriving from European countries was abolished and are therefore not taken into consideration.

This price is only an estimate, and other aspects could be considered. For example, in this formula we allocated 20% for freight and clearing as an average estimated cost – but these costs can vary based on economies of scale; as low as 8%.

Price must be part of a global expansion strategy on to the Canadian market and is dependent on the price range of direct competitors, the brand's relationship with their Canadian partner, the volume of the order, the targeted niche market, and other factors.

2.5. Barriers to Entry

Barriers to entry in the cosmetic and beauty product manufacturing industry in Canada are moderate but increasing.

The industry's moderate barriers to entry have historically encouraged strong competition within the industry. In recent years, mounting market pressure from both high-end and low-price imported beauty products has only served to exacerbate this competition. As low trade barriers have virtually flooded the domestic low-end market with imported goods, domestic producers have largely embraced the production of high-quality and niche products.

a. Competitive and Industry Barriers:

Large manufacturers, which benefit from economies of scale and scope, can pose a barrier for potential entrants. Large operators have cost-minimizing measures, promotional resources and recognizable brand names in place. These factors ensure an advantage in competing for the shelf space necessary to market products in the downstream market. These large companies can also more easily afford the sort of product development necessary for survival in this increasingly complex industry. Major companies, such as the Estee Lauder Companies Inc., can leverage income from other business segments to invest money into industry marketing and product development, cushioning them from drops in discretionary income.

Smaller companies looking to enter the industry will need to find **niche markets** wherein they will not have to compete with major products and can avoid significant investments in marketing and product development.

The **mature and saturated nature of some product segments** such as hair care tends to act as a further barrier, limiting the scope for new entrants with new products. However, niche and developing markets, such as **organics**, can offer an opportunity for aspiring Cosmetics manufacturers.

Capital investments can also act as a barrier for new entrants. Competing for talent to develop new products can also pose a hurdle for new entrants, as high-skilled researchers and scientists are required for success in this industry.[95]

Competition among players is high and increasing due to the rise of e-commerce channels, posing a competitive operating environment, especially for new retailers. By other hand, e. Commerce represent an opportunity for a new player on the Canadian market, giving more access to the final customer.

Conversely, changes in consumer preferences have lowered the barriers in recent years. With new markets on the rise, such as **cruelty-free and natural skin products**, potential entrants have the opportunity to enter the industry by catering to growing markets.

b. Cosmetics Legislation[96]*:*

The level of Regulation in Canada is Medium.

All cosmetics sold in Canada must meet the requirements of the Food and Drugs Act and the Cosmetic Regulations (see Chapter 4 of the present report). Under the Food and Drugs Act, a cosmetic includes "*any substance or mixture of substances, manufactured, sold or represented for use in cleansing, improving or altering the complexion, skin, hair or teeth and includes deodorants and perfumes*." This includes cosmetics used by professional esthetic services, bulk institutional products (such as hand soap in school rest rooms), as well as "handmade" cosmetics sold at craft sales or home-based businesses.

The *Cosmetic Regulations* and the *Food and Drugs Act* require that cosmetics sold in Canada be manufactured, prepared, preserved, packed and stored under sanitary conditions. The manufacturer and importer must notify Health Canada that it is selling the product and provide a list of the product's ingredients.

Additionally, cosmetics are subject to the requirements of the *Consumer Packaging and Labelling Act* and *Regulations* and any chemicals found in cosmetics may be subject to the *Canadian Environmental Protection Act*.

Custom tariffs and regulatory procedures

As mentioned earlier, the custom tariffs for cosmetics products arriving from European countries has been abolished.

To benefit from preferential CEUT (Canada European Union (CETA) tariffs), the company should present to customs the certificate of origin or, if the Company is registered in the REX system, they can self-certify the origin on the commercial invoice by indicating that the products are covered by the agreement. Otherwise,

[95] IBISWorld Industry Report 32562CA. Cosmetic & Beauty Product Manufacturing in Canada, March 2019. Lucie Couillard
[96] Government of Canada

the Canadian Customs will apply 6.5% custom tariff.

Many regulatory procedures were simplified with CETA agreement, such as customs clearance processes for goods.

Euro vs. dollar Exchange rate

The relative value of the Canadian dollar vs. European Euro has declined considerably during the last five-year period, which has made European manufactured goods less affordable for domestic consumers.

3 DISTRIBUTION CHANNELS IN CANADA

Summary and Main Findings:

The cosmetics and personal care products industry has evolved substantially in recent years. There are now many well-established distribution networks within the industry which include:

- Department stores
- Pharmacies & Drug Stores
- Supermarkets
- Warehouse Clubs & Supercenters
- Specialized Beauty, Cosmetics & Fragrance Stores
- Beauty Salons
- Professional Stores
- Natural and Organic Stores
- Online Retailers
- Pop-up store

Each distribution network is better suited for a specific consumer demographic with different needs in their beauty products based on price point, ingredients used and intended benefits of the products.

As it stands, Canadian consumers purchase their beauty and personal care products primarily through supermarkets, specialist beauty retailers and pharmacies. However, trends indicate that increased competition from e-commerce and increased competition from beauty, cosmetics, and fragrance store which are growing their footprint in Canada might have an impact on the popularity of traditional distribution channels.

The Beauty, Cosmetics and Fragrance retail industry in Canada offers a wide range of personal-care products, anything from lipsticks, to face masks and deodorants. The industry has experienced strong growth in last five years thanks to an increase in consumer confidence and rising levels of disposable income. Departments and drug stores have historically dominated the personal-care market, but now specialty companies such as Sephora and Bath & Body Works LLC have aggressively expanded their stores, offer, superior customer service as well as a wide product selection with sample booth. Beauty retailers have been successful in siphoning customers from alternative retailers, boosting industry demand.

Many online retailers also offer products like those sold by specialty cosmetics retailers, but with lower prices, wider inventories and the ease of direct home shipping which has led to the growing sales through online retailers.

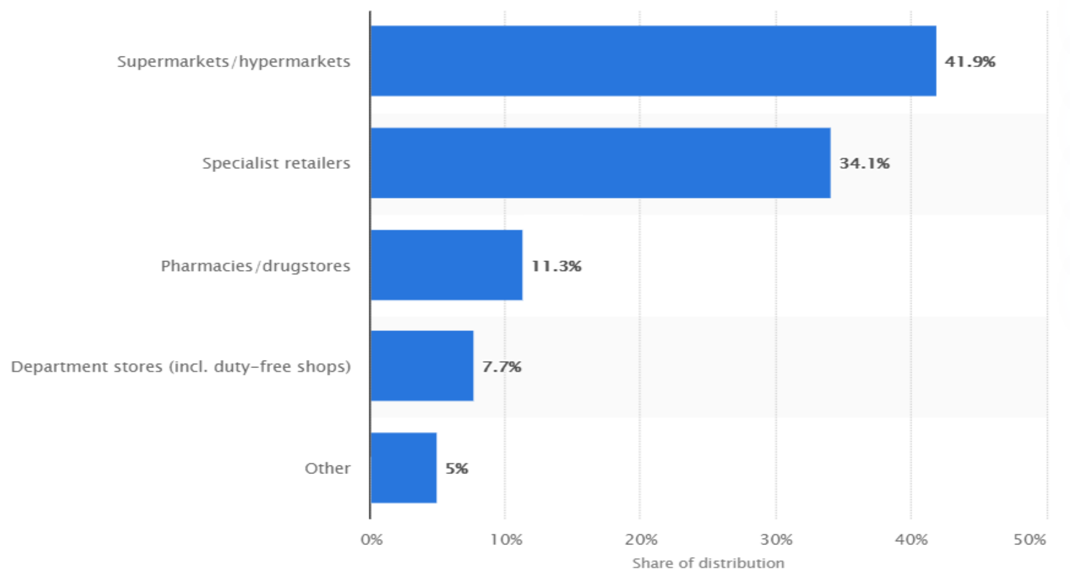
Here, we will briefly analyze the distribution channels for cosmetics products in Canada:

- Pharmacies & Drug Stores
- Supermarkets
- Warehouse Clubs & Supercentres
- Specialised Beauty, Cosmetics & Fragrance Stores
- Hair & Nail Salons & Spas. Esthetic & Beauty Clinics
- Professional stores/Distributors for the professionals of Beauty Industry

- Natural & Organic Stores
- Department Stores
- E-Commerce and direct selling
- Pop-up stores

Among these distribution channels, the most popular destination for purchasing personal care products is supermarkets and hypermarkets at 41.96%, followed by specialist retailers at 34.1%, followed by pharmacies (11.3%) and department stores (7.7%)[97]. Each distribution channel corresponds to a different type of consumer and market, which will be outlined in the coming section.

Chart 3.1: Distribution of Canada's Cosmetic Market, by Sales Channel



ProdegeMR[98] carried out an online survey in 2019 to discover the most popular stores consumers use regularly for personal care and beauty shopping in Canada as of October 2019. They found that Canadian consumers preferred to shop for personal care and beauty products from "Shoppers Drug Mart" followed by "Walmart". The primary reason for the choice of a retail store was the "availability of a loyalty program" followed by "proximity to the place of residence".

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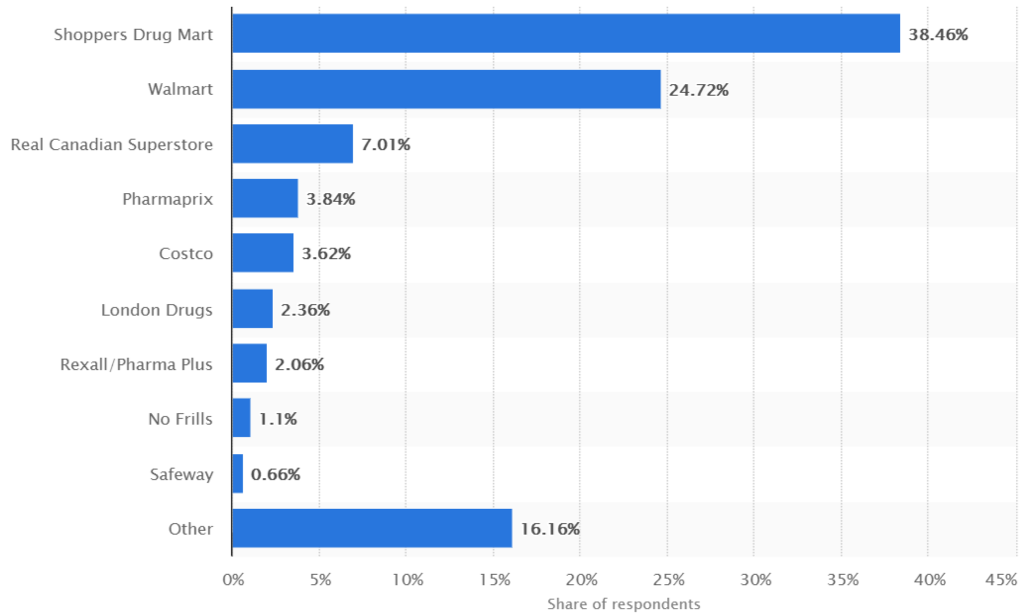
[97] Statista, Distribution of Cosmetic Market in Canada, by Sales Channel
[98] www.prodegemr.com

Chart 3.2: Canadian Consumers' Preferred Retailers for Personal Care and Beauty Products[99]



3.1 Pharmacies & drug stores

Pharmacies and drug stores in Canada have become an increasingly popular destination for **low, low-medium and medium range personal care products**. Throughout the country there are nearly 14.000 pharmacies and drug stores which retail a range of prescription and over-the-counter medications, health and beauty items, toiletries and consumable goods directly to consumers on a walk-in basis, some industry operators also provide basic health and photo-processing services.

Pharmacies have been growing at an annual rate of 4.4% over the last 5 years, and in 2019 reported total revenues of $44.6 billion CAD, with personal care and beauty products representing 27.6% of those total revenues[100]. Pharmacies and drug stores typically carry low, low-medium and medium range beauty products including cosmetics, skincare, haircare, nailcare, fragrances and bath and body products. Most Canadian pharmacies also employ makeup and skincare specific sales consultants who are trained on a wide range of products and offer personalized suggestions to in-store customers. Among product categories, the **personal care and beauty product category** has been one of the fastest growing segments over the last 5 years due to an increase in marketing, pricing and promotional activities.
Some of the largest players in the industry include:

i. **Shoppers Drug Mart Corporation** (29.4% market share)

Known as Shoppers Drug Mart throughout English Canada and Pharmaprix in Quebec, the Shoppers Drug Mart Corporation is the largest player in Canada's pharmacy and drug store market.

[99] Source: Statistica.com
[100] IBISWorld Industry Report 44611CA. Pharmacies & Drug Stores in Canada. August 2019. Eva Koronios

The company has 1300 stores throughout Canada, the majority of which being in Ontario (51.8%), British Columbia (13.9%) and Quebec (13.6%)[101]. The brand is well-known for its PC Optimum points loyalty program which has been very successful for the company who has seen their revenue increase at an annualized rate of 2.6% over the last 5 year to total $13.1 billion CAD[100].

Shoppers Drug Mart sells a variety of cosmetic and personal care brands. It has typically sold low-mid range brands (Covergirl, Maybelline, L'Oreal) however the company is starting to differentiate themselves from other pharmacies in Canada by offering higher-end brands through its "**beauty boutique**" initiative, some brands include[102]:

- Yves Saint Laurent
- Elizabeth Arden
- Dior
- Shiseido
- Clarins
- Vichy
- Guerlain
- Filorga
- Origins
- Korres
- Reversa
- And many other

Along with their popular customer loyalty program, Shoppers Drug Markets also holds in store events, product testers as well as extensive marketing throughout a variety of media including television, radio, flyers and digital marketing to push their beauty and personal care products which they sell both in store and online.

ii. **Metro Inc.: Jean Coutu, Brunet, Metro Pharmacy and Drug Basics** (7.7% market share)

Metro Inc. is a large Canadian retail group which owns several store chains throughout the country. Within there retail portfolio they have 650 pharmacy chain location such as Jean Coutu, Brunet, Metro Pharmacy and Drug Basics. Over the five years, Metro's revenue from its pharmacy brands increase at an annualized rate of 4.1% to reach $3.4 billion, most of those revenues came from the 2018 acquisition of the Jean Coutu group. Of all their pharmacy brands the largest is Jean Coutu with over 400 franchise pharmacies and drug stores located across Eastern Canada. These include locations in Quebec (90.1%), New Brunswick (7.9%) and Ontario (1.9%). Of Metro Inc's pharmacy brands, Jean Coutu is the only retailer who sells via their website.

[101] https://stores.shoppersdrugmart.ca/en/
[102] See more brands: https://beauty.shoppersdrugmart.ca/?nav=beauty/home

The pharmacy and drug store brands in Metro Inc's portfolio typically sell **low & mid level** cosmetic and personal care brands, they sell mostly North American and European brands. Some brands sold include:

- Revlon
- Olay
- Vichy
- Lise Watier
- Biotherm
- Clarins

See more brands: https://www.jeancoutu.com/en/beauty/ , https://www.brunet.ca/en/beauty/our-brands/,

iii. **Pharmasave** (5.1% market share)

Based in western Canada Pharmasave is a network of independent pharmacies which has grown to 680 locations throughout 9 provinces (all provinces except for Quebec). Pharmasave is one of the fastest growing pharmacies in Canada with industry-relevant revenue growing at an annualized 5.7% to reach $2.3 billion over the last 5 years. Pharmasave is unique from its competitors because it also sells its own line of generic products under its Pharmasave brand including over-the-counter medications, cosmetics, toiletries, and other consumer healthcare goods.

Pharmasave's private label personal care products are made by external cosmetic and personal care manufacturers, some of the products include skin care, hair care and nail care products among others.

Find Pharmasave product list here: https://pharmasave.com/our-brand/beauty/

3.2 Supermarkets; Warehouse Clubs & Supercentres

Supermarkets, Warehouse Clubs and Supercenters represent the largest segment of retailers in Canada, with a combined total revenue of $134.9 billion in 2019. Most Canadians will shop at one of these establishments at least 1.6 times per week[103]. This distribution category consists of three different groups of retailers, supermarkets, Warehouse Clubs and Supercenter this report will outline each retail category.

Supermarkets:

[103] IBISWorld Industry Report 44511CA. Supermarkets & Grocery Stores in Canada. August 2019. Carlos Mieles

Supermarkets in Canada primary sell food items. Industry revenue for supermarkets grew at a modest annualized rate of 0.6% to $87.8 billion over the five years to 2019 and is forecasted to increase at an annualized rate of 0.3% to $89.0 billion over the five years to 2024. Along with food items, they also sell nonfood items as well, including household cleaning products, pet food and hygiene and personal care products among others. Among the personal care items, supermarkets will typically carry **mass-market lower end brands**, including haircare, skincare, cosmetics and body and shower products. Collectively, these products are estimated to account for 11.1% of industry revenue in 2019. Over the past five years, this product segment has remained stable as a share of total industry revenue and supermarkets have been trying to push sales in this category by expanding their selection of goods and lowering prices [103].

The supermarkets which carry wider selections of personal care and hygiene products are typically larger national or multi-provincial chains, whereas smaller supermarkets will be less likely to sell a variety of products in this category. Supermarkets will promote their products through flyers, traditional media such as television and radio and digital media platform. Currently most supermarkets sell their products in-store only however there is a push to move their products online as more supermarkets are implementing an online ordering service. Supermarkets are most likely to compete on price so there will be a focus on lower priced products, additionally, there is an increase in popularity of private label products in the personal care category sold at supermarkets.

As an example of the major players, the largest supermarket chain in Canada is the Loblaw Corporation with 38.6% market share. Loblaw's operates 535 franchise supermarkets throughout the country and has an estimated annual revenue of $1.5 billion CAD[7]. Some of the mass market brands sold at Loblaws both in store and online include:

- Dove
- Ivory
- Covergirl
- Almay
- Milani
- ELF
- Sally Hansen
- Private label cosmetics: Joe Fresh Cosmetics
- Private label skincare: Life Brand

See more brands: https://www.loblaws.ca/Health-%26-Beauty/c/LSL035000000000000000000000

Aside from Loblaws, some other large players in the Canadian supermarket industry include:

- Sobeys Inc with 29.6% market share operating more than 1500 grocery stores across Canada under the banners of Sobeys, Safeway and IGA. Sobeys' revenue to increase at an annualized rate of 1.6% to $26.0 billion over the last five years to 2020[104]. Sobey's chains carry similar low-

[104] IBISWorld Industry Report 44511CA. Supermarkets & Grocery Stores in Canada. August 2019. Carlos Mieles

end mass market cosmetic brands, see a complete list here: https://www.iga.net/en/online_grocery/haba

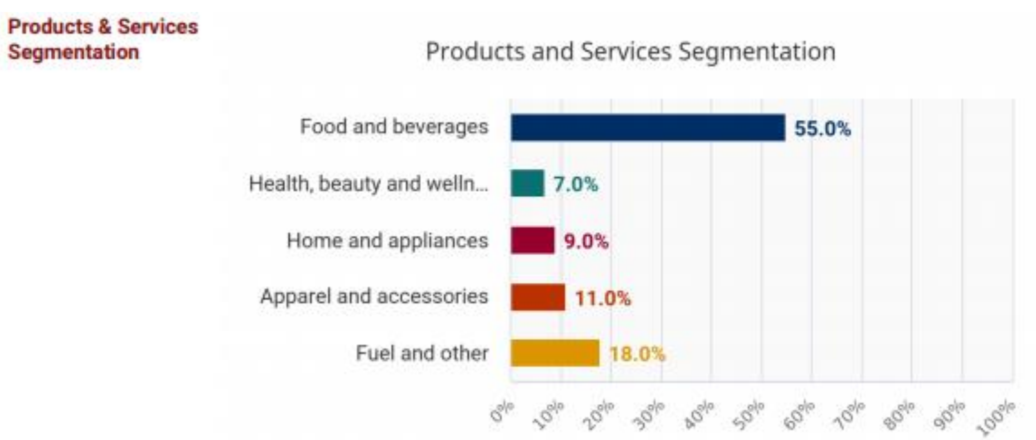
- Metro Inc operates 345 supermarkets throughout the provinces of Ontario and Quebec and has a market share of 11%. Metro's industry-specific revenue increased at an annualized rate of 4.0% to $9.7 billion over the last five years to 2019[8]. Metro supermarkets also sell a wide range of mass market personal care brands: https://www.metro.ca/en/online-grocery/aisles/health-beauty

Warehouse Clubs & Supercenters

Warehouse clubs in Canada offer customers a wide selection of merchandise, often in bulk, at discounted prices, in exchange for a membership fee that is paid annually by each customer. Whereas supercenters are large discount department stores that also sell perishable groceries, however, unlike warehouse clubs, supercenters do not have membership requirements for customers. Due to the low-cost, high-value products offered by warehouse clubs and supercenters, the industry typically performs well regardless of the macroeconomic climate. However, when businesses and consumers have deeper pockets, they are likely to spend more at warehouse clubs and supercenters. As a result of rising per capita disposable income in Canada, industry revenue has increased at an annualized rate of 3.6% to $47.1 billion over the last five years to 2019. Industry revenue rose 2.6% in 2019 alone. Overall, revenue is expected to increase at an annualized rate of 2.0% to $52.0 billion by 2024.[8]

Canadian consumers are lured by the industry's competitive prices and convenience of a one-stop shop. Warehouse clubs and supercenters sell a variety of products including food and beverages, apparel, homeware, and appliances as well as health, beauty and wellness products, which account for 7% of total revenue (see chart below).

Chart 3.3: Product and Services Segmentation of Warehouse Clubs/Supercenters, 2019[105]



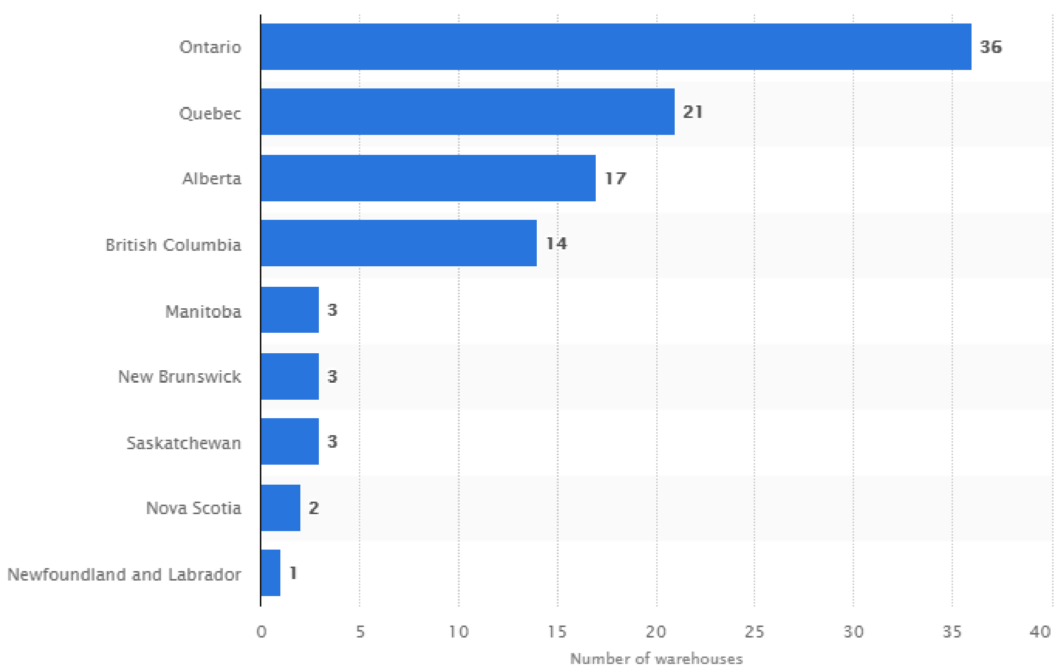
The **health, beauty and wellness segment** include cosmetic lines and sundries such as shampoos, conditioners

[105] IBISWorld Industry Report 45291CA. Warehouse Clubs & Supercenters in Canada. August 2019. Carlos Mieles

and lotions. This product segment has increased its share of revenue over the five years to 2019, as stores have increased their portfolios of name-brand products. In the past the industry only offered low-end mass-market products, however, there has recently been a shift to begin to carry higher end products. Larger players in the industry also offer their own private label brands of cosmetics, skincare and haircare.

In terms of the key players in the industry, the largest warehouse club in Canada is **Costco Wholesale** Canada. Costco was the originator of the membership concept for wholesale club retailers. By providing low prices on consumables, such as fresh foods, health and beauty care items, high-quality apparel, electronics, hardware, jewelry and other general merchandise, the company pioneered the retail concept, which encourages members to visit regularly to achieve savings. Customers purchase memberships by paying an annual fee to shop at Costco stores. Costco member renewal rates currently stand at a strong 90.0% in Canada. This membership format is designed to promote customer loyalty and solidify a recurring revenue stream, which helps the company lower retail prices. Costco currently operates 100 stores throughout Canada, over the last five years, Costco revenue has increased by 8.3% to $27.7 billion and occupies 57.7% market share[106].

Chart 3.4: Costco Warehouse Club locations by Canadian province, 2019[107]



For Costco's health and beauty care products, it sells in a variety of categories including cosmetics, skincare, haircare among others. Costco carries **low to mid and even high-end brands** as well as its own private label, Kirkland Signature. Costco Canada currently sells both in store and via their website.

Some of the brands included among its products include:

[106] IBISWorld Industry Report 44511CA. Supermarkets & Grocery Stores in Canada. August 2019. Carlos Mieles
[107] Costco Canada Annual Report 2019

- Dove
- Caudalie
- Garnier
- L'Oreal
- Guerlain
- Estée Lauder
- Dior

See more brands: https://www.costco.ca/beauty

As for supercenters in Canada, **Walmart Canada** is the largest one with 18.9% market share. The company's business model is based on the leveraging of its immense size to exert high buying power over its suppliers to obtain significant cost savings, which are passed on to consumers in the form of low prices. Currently, Walmart operates over 350 supercenters in Canada, many of which also have a garden center, pharmacy, portrait studio, photo-processing lab, optical center, bank branch, cell phone store and even fast food chains. Walmart Canada Corp.'s revenue increased at an annualized rate of 3.2% to $8.9 billion over the last five years to 2019.

As for Walmart Canada's beauty and personal care products, in-store products tend to be lower end mass market products, as well as their own low-priced private label brand, Equate, which has products ranging from cosmetics, skincare, haircare and nailcare. Some other brands they carry include:

- Burt's bees
- Biore
- St. Ives
- Neutrogena
- Olay
- Nivea
- L'Oreal Paris

See more brands: https://www.walmart.ca/en/beauty/N-6718

It is important to note that Walmart.ca also acts as an online e-commerce platform for third-party sellers. Therefore, it is possible to purchase higher end cosmetics brands through Walmart's site, which are offered by other vendors, such as Morphe, Giorgio Armani or Kiko Make up - professional make-up and advanced treatments for skin care https://www.walmart.ca/fr/kiko/N-51077158

In these cases, however these products are being sold and shipped by a third-party seller who is only using Walmart as an online marketplace to sell products, similar to Amazon.

3.3 Beauty, Cosmetics & Fragrance Stores

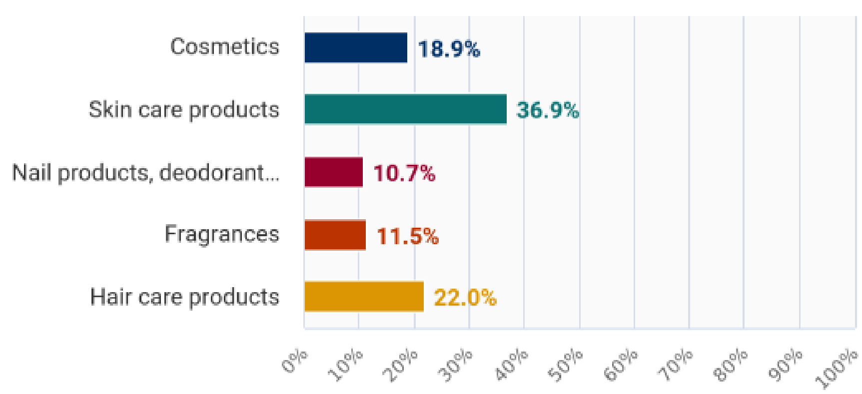
In Canada, the Beauty, Cosmetics & Fragrance stores are defined as selling personal-care products, including cosmetics, perfume, hair care, skin care and related items. In 2019 this retail segment generated revenues of 1.60$ billion[108].

Table 3.1: Key Statistics – Beauty, Cosmetics & Fragrance Stores[109]

Revenue	$1.6bn
Profit	$180.3m
Annual Growth in revenue 14–19	3.50%
Projected Annual Growth 19–24	1.60%

Beauty stores sell a wide array of products, from makeup to sun care, at a variety of price points. A single retailer can sell any combination of products, depending on its clientele and upstream supply contracts. The Beauty and Personal care market is primarily segmented into cosmetics, skin care, personal care, hair care, fragrances and other categories (which include nail polish, deodorant and sunscreen). The skin care items contributed a major share of revenue (36.9%), followed by hair care (22.0%), cosmetics (18.9%) and fragrances (10.7%) as depicted in the following graph. These market share figures are comparable to worldwide trends for cosmetics products.

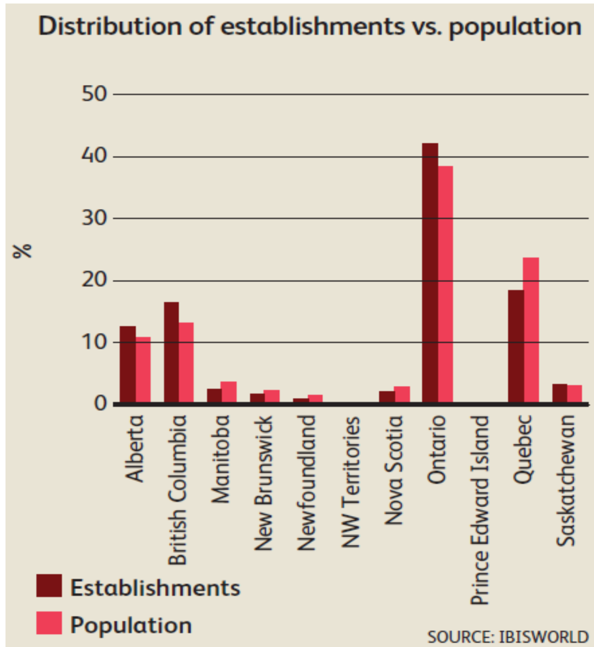
Chart 3.5: Product Segmentation for Beauty, Cosmetics and Fragrance Stores in Canada[110]



The Beauty, Cosmetics and Fragrance Stores industry in Canada is spread out according to population density because households are the primary end users of industry products and services. As the majority of the population lives in the southern part of the country, which is also home to 17 of Canada's largest cities, this area holds a significant share of the industry's activity. In particular, Ontario and Quebec, which are home to a combined 61.5% of the domestic population, account for the majority of industry establishments, with a combined 60.4% of the total, according to Statistics Canada.

[108] IBISWorld Industry Report 44612CA. Beauty, Cosmetics & Fragrance Stores in Canada. February 2019. Olivia Ross
[109] Innovation, Science and Economic Development Canada Report, Cosmetics, Beauty Supplies and Perfume Stores. March 2020
[110] IBISWorld Industry Report 44612CA. Beauty, Cosmetics & Fragrance Stores in Canada. February 2019. Olivia Ross

Chart 3.6: Distribution of Beauty, Cosmetics and Fragrance Stores vs. Population, by province[111]

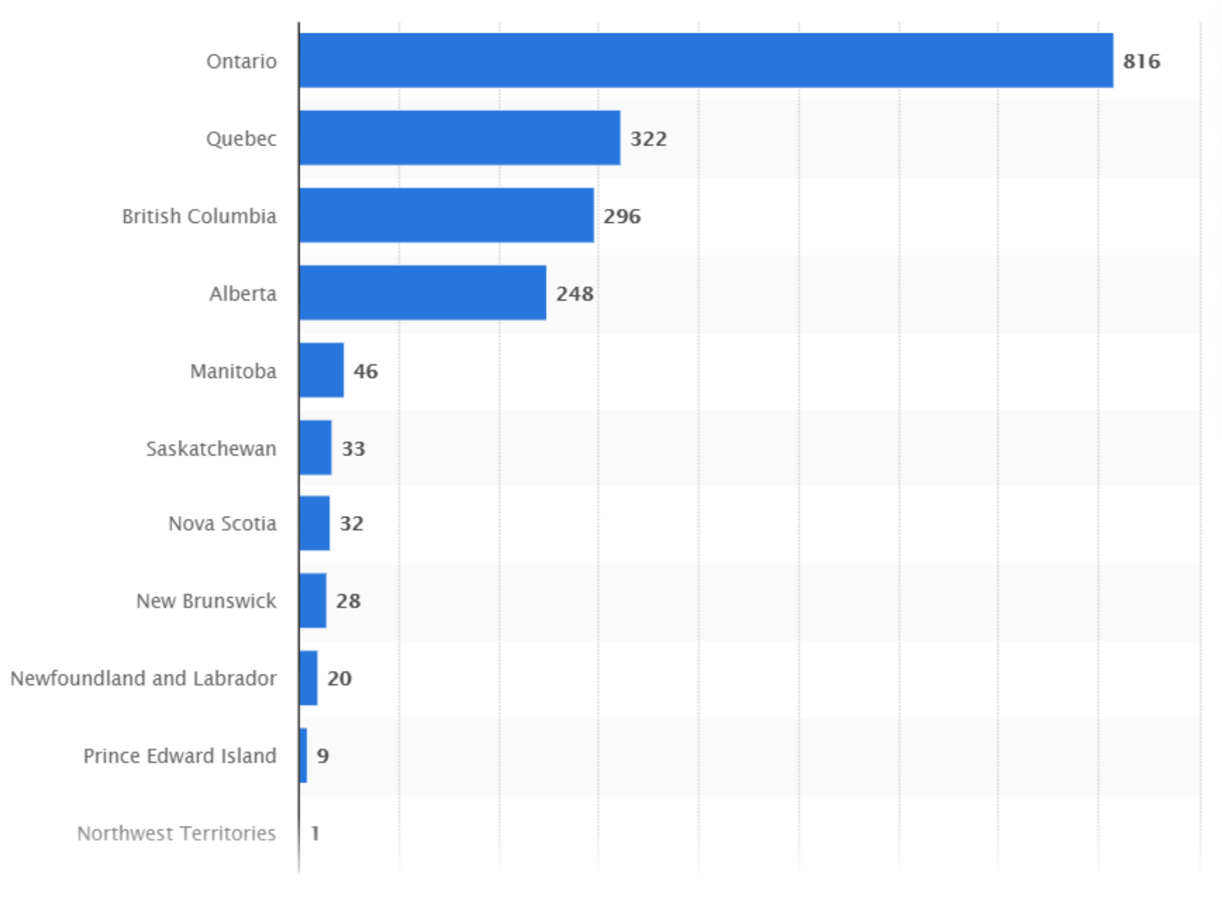


Additionally, many beauty and cosmetics stores choose prime locations in areas with high foot traffic, such as those near shopping centers and in metropolitan areas Apart from Quebec and Ontario, Alberta and British Columbia are home to the third- and fourth-largest shares of industry activity, containing 12.5% and 16.5% of industry establishments, respectively.

This statistic shows the number of cosmetics, beauty supplies and perfume stores in Canada in 2019, broken down by region. There were 816 cosmetics, beauty supplies and perfume stores in the province of Ontario in December 2019, followed by 322 in Quebec and 296 in British Columbia.

Chart 3.7: Number of Beauty, Cosmetics and Fragrance Stores per Province[112]

[111] IBISWorld Industry Report 44612CA. Beauty, Cosmetics & Fragrance Stores in Canada. February 2019. Olivia Ross
[112] Statista. Number of cosmetics, beauty supplies and perfume stores in Canada by region 2019., Mar 4, 2020



Number of cosmetics, beauty supplies and perfume stores in Canada as of December 2019, by region

Beauty, Cosmetics and Fragrance Stores in Canada were projected to make a combined revenue of $1.6 billion in 2020, the industry was growing at an annualized rate of 1.9% over the last 5 years thanks to increased consumer demand for high-end imported and specialty products which are typically sold at beauty and cosmetics stores. Currently in Canada there are 4240 beauty, cosmetics and fragrance stores operating in Canada.

Department and drug stores have historically dominated the personal care market in Canada, however in recent years specialty beauty retailers such as Sephora and Bath & Body Works have aggressively expanded into Canada by opening dozens of stores. These specialty beauty store offer superior customer service, a wider product selection and hire more specialized employees, thus increasing their share of the personal care market.

The largest demographic and most avid buyers for beauty and cosmetic stores' products is women aged 35 to 54, these women have a stronger disposable income to spend on higher end products, and are also increasingly concerned with the onset of aging and are willing and able to spend money on products that combat the appearance of aging.

Cosmeceuticals, or cosmetics that have pharmaceutical characteristics, such as collagen production stimulation, are becoming an increasingly popular product subsegment within the industry. As these items' effectiveness increases along with advancements in research and technology, their popularity will grow as well, boosting industry revenue in the process. Furthermore, Canadian consumers are becoming increasingly health-conscious consumers so naturally derived cosmetics which are free of chemical and preservatives have become a popular cosmetic category which beauty stores are able to capitalize on for continued revenue growth.

Some important key players in the industry include:

Sephora (32.7% market share)

Sephora is a beauty store which sells cosmetics, men's and women's fragrances and other beauty-related products in brick-and-mortar stores across over 30 countries and online. Sephora first opened in Canada in 2004 and has now grown to 78 stores throughout the country. The company has been expanding above industry standards at a rapid annual rate of 10.4% annually and has reached $524 million in revenue. The company has achieved this growth by offering a distinct in-store experience to its shoppers. At Sephora, customer service and conveying a consistent image are paramount. The company's employees are referred to as cast members and the sales floor is the stage, as workers are expected to provide an entertaining experience for customers. Sephora sells its own private label cosmetic and skincare products as well as **specialized, niche and high-end beauty brands** including:

- NARS
- Benefit
- Anastasia Beverly Hills
- Dior
- Fenty Beauty
- Dermalogica
- La Mer

See all brands: https://www.sephora.com/ca/en/brands-list

Bath & Body Works (24.7% market share)

Bath & Body Works offers a variety of personal care products, including body washes, lotions and fragrances, sold at branded Bath & Body Works stores. The first Canadian Bath & Body Works store was opened in Canada in 2008, with the Canadian store count having expanded to 102 locations since then. The brand offers high-quality products and emphasizes innovation as a part of its business strategy. Product development and a stimulating in-store experience, coupled with the knowledge of a well-trained management team, are central to Bath & Body Works' operations. Over the last five years Bath & Body Works revenue has increased at an annualized rate of 8.2% to $398.1 million. Bath & Body Works exclusively retails **its own brand-name products** some of which are produced under private label. Bath & Body Work’s product are considered lower range products and are priced similarly to drug store products.

Sally Beauty Holdings (7.4% market share)

Sally Beauty Supply sells a variety of products for **hair, nail and skin care to professional and retail customers**. Over the five years to 2020, Sally Beauty has opened 27 stores in Canada, operating 139 Canada-based stores as of 2019. Although the company has grown in recent years, it has done so at a slower rate compared with its larger competitors. Similar to other companies in the industry, in recent years, Sally Beauty has focused on bolstering its in-store customer service experience by making significant physical store improvements and hiring dedicated and knowledgeable staff. Over the last five years Sally Beauty's revenue has increased at an annualized rate of 6.0% to $123.2 million. Much of this revenue growth has been due to significant retail expansion in the country, with the number of Canadian stores expanding from 112 in 2015 to 139 in 2019.
Sally Beauty Supply sells a very wide range of products from low to mid-end brand name products as well as niche products designed for industry makeup, haircare, and spa service professionals. Some of the brands they sell include:

- Maybelline
- Ardell
- CHI
- Freeman
- L'Oreal

See more brands: https://www.sallybeauty.com/brands/

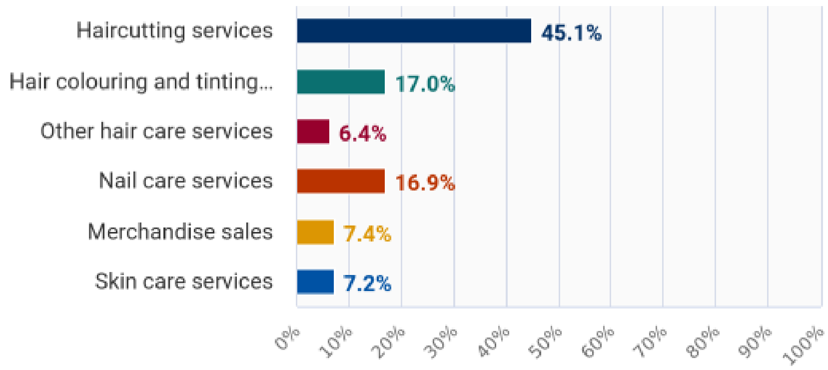
3.4 Hair & Nail Salons, Spas. Esthetic & Beauty Clinics

Hair, Nail Salons, Spas and Beauty clinics primarily offer services, such as haircuts, hair tinting, hairstyling, manicures, pedicures and spa services, these establishments will also sell niche and specialized personal care products to the clients coming in to receive these services. Industry revenue increased at an annualized rate of 2.6% to $4.5 billion over the last five years to 2019, with revenue increasing 1.5% in 2019 alone. Companies have continued to enter the industry, primarily attracted by rising profit and low barriers to entry. As a result, the number of industry enterprises increase at an annualized rate of 3.8% to 39,786 in 2019.

Of the revenue generated by the industry 7.4% is made up of merchandise sales which includes the sales of skincare, haircare, cosmetics and nail care products, services comprise the remaining revenue as show in the graph below

Chart 3.8: Product and Services Segmentation, Hair & Nail Salons, Spas, Beauty Clinics in Canada[113]

[113] IBISWorld report 81211CA. Hair & Nail Salons in Canada. Lucie Couillard. October 2019



Salons typically offer **hair and nail products** that are sold through distributors. These high-margin items include professional products that are not commonly offered in drugstores or other retail outlets. Some of the specialized products sold in salons include **environmentally sustainable products, natural products and hard to find imported brands**. Due to high competition in the sector, many salons will try to differentiate by offering higher-quality and wider ranges of products. Consumers for the products sold at salons typically have a high disposable income, are seeking niche and high-quality products or are other industry professionals who are self-employed and provide beauty services. Some of the brands sold by beauty salons and spas include:

- Kerastase Paris
- Oribe
- Luzern
- YonKa Paris
- Oligo Professionnel

Beauty companies generally investigate the possibilities of partnering with local spas or high-end salons in major in metropolitan cities such as Toronto, Montreal, Vancouver, Calgary, and Quebec City.

Here is a list of spas in the 3 largest metropolitan cities in Canada (Montreal, Toronto and Vancouver), which all sell specialty wellness and skincare products:

i. *Scandinave Spa*

Locations: 4 spas across Canada. Mont-Tremblant (Qc), Blue Mountain (On), Old Montreal (Qc), Whistler (Bc). Services offered include: thermal experience, massotherapy and sell a variety of wellness and skincare products.
https://www.scandinave.com

ii. *Balnea Spa*

Location: Bromont (Qc). Services offered include: thermal experience, massotherapy, facial treatments, body treatments, manicures and pedicures.
https://www.balnea.ca/en

iii. *Strøm spa nordique*

Locations: 4 locations across Quebec. Services offered include: thermal experience, massotherapy, facial treatments, body treatments, hand and foot treatment.
https://www.stromspa.com

iv. *Spa at Four Seasons Toronto*

Location: Downtown Toronto (On). Services offered include: massotherapy, facial Treatments, body treatments, nail treatment, hair and makeup.
https://www.fourseasons.com/toronto/spa

v. *Elmwood Spa*

Location: Toronto (On). Services offered include: massotherapy, facial Treatments, body treatments, nail treatment, hair and makeup.
https://www.elmwoodspa.com

vi. *Pure + Simple*

Locations: 8 locations across the Greater Toronto Area (On). Services offered include: facials, massotherapy, acupuncture, makeup, waxing.
https://pureandsimple.ca

vii. *Sabai Thai Spa*

Location: 5 locations across the Greater Vancouver Area (BC). Services offered include: massotherapy, facial treatments.
https://www.thaispa.ca

viii. *Spa Utopia*

Location: 3 locations across the Greater Vancouver Area (BC). Services offered include: massotherapy, facial treatments, hand and foot treatment, medi-spa treatment for face and body, body care, waxing, hair and makeup.
https://spautopia.ca

ix. *Willow Stream Spa*

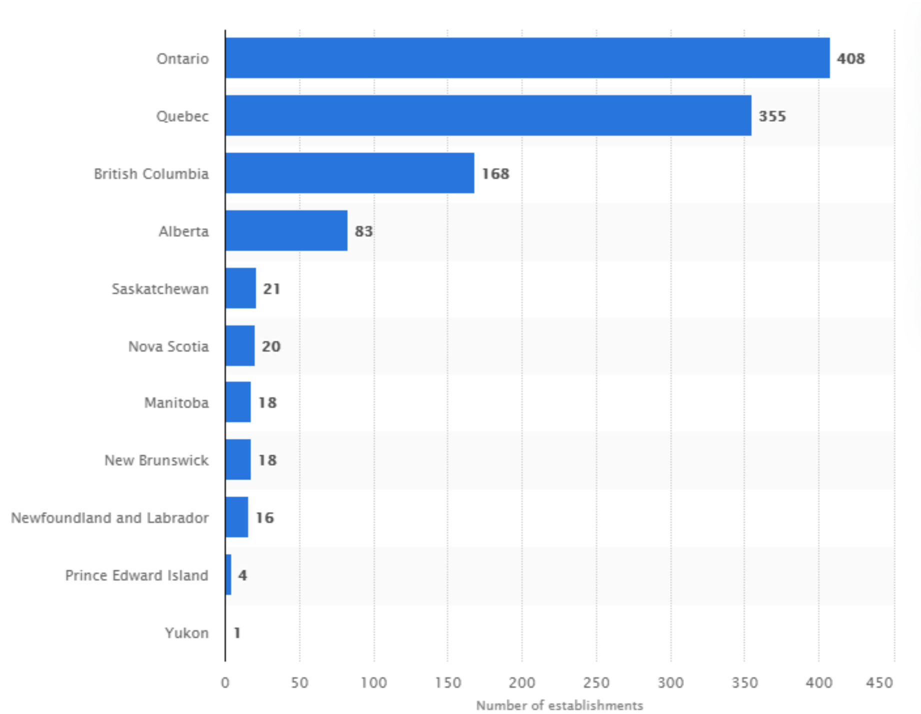
Location: 3 locations across the Greater Vancouver Area (BC). Services offered include: massotherapy, facial treatments, body treatment, nail and makeup services.
https://www.fairmont.com/pacific-rim-vancouver/spa/willow-stream-spa-fairmont-pacific-rim

3.5 Professional stores/Distributors for Beauty Industry Professionals

This segment of the distribution network is comprised of **specialized beauty and personal care** suppliers, wholesalers and distributors. The focus of this network of retailers is much more the B2B market as opposed to a B2C channel, however some retailers in this category do sell to the public as well. The professionals or businesses which purchase from this distribution category include hairdressers/salons, makeup artists/make up studios, spas, and nail salons among others.

In Canada this section of the market comprises a total of 1112 establishments as of 2019 for a total revenue of $435 million dollars. The majority of these establishments are located in the provinces of Ontario (36.6%), Quebec (31.9%) and British Colombia (15.1%) as seen in the chart below

Chart 3.9: Number of Professional Beauty Stores and Distributors in Canada, by Province[114]



This segment grew at an annualized rate of 3.6% however its growth is projected to stagnate as increased competition of online retailers and beauty specialty stores have begun to cater to the professional market.

Retailers in this category can distinguish themselves by selling **exclusive and specialized products for professionals** not available through other channels such as colourings, beauty accessories/tools and specialized products for beauty services and treatments. Also, this category is unique as it offers wholesale prices as opposed to specialty beauty stores which will sell products at a premium. Additionally, beauty professional stores and distributors also differentiate themselves by providing in depth information and training on the use of the products[115]

Some examples of professional beauty stores and distributors in Canada include:

Maison Ami-Co Inc.

Maison Ami-Co Inc operates 10 boutiques throughout Quebec and is a distributor for high end haircare and beauty products. Some of the brands they distribute include:

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[114] StatCan - Toiletries, Cosmetics and Sundries Merchant Wholesalers 2020

[115] StatCan - Toiletries, Cosmetics and Sundries Merchant Wholesalers 2020

- Wella
- Nioxin
- KMS
- GA.MA Professional

See all brands: https://ami-co.ca/produits/par-marque/

Concept JP

Concept JP is a distributor of products for haircare, beauty and spa professionals with 9 stores located throughout Quebec. As a distributor however, Concept JP distributes to beauty and hair salons in Quebec, New Brunswick, Nova Scotia, Prince Edward Island and the northeast United States (New York, Vermont, and Maine).

Some brands distributed by Concept JP include:

- Redken
- Living Proof
- Mirabella
- Aria Beauty

See more brands: https://conceptjp.com/en/brands/

Beauty D Beauty Distribution

Beauty D is a beauty distributor of industry professionals and focuses on cosmetics, skincare, waking and haircare. They have one physical store presence located in Toronto, Ontario however they distribute more than 320 products to beauty salons and industry professionals throughout the country. Some brands they carry in their catalogue include:

- Innersense
- Hadaka
- Tournesol
- FaceEnvy

See more brands: https://online.flippingbook.com/view/282198/2-3/

3.6 Natural & Organic Stores

The natural and organic health store industry in Canada is comprised of retailers offering products designed to affect an individual's general health and for consumers looking to live a healthier lifestyle. These types of retailers include health food store, nutritional supplement stores, and general natural product retailers.

In Canada the natural and organic store market had a total revenue of $3.8 billion CAD and grew at an annualized rate of 4.4% over the last five years[116]. These stores primarily sell food and drink products as well as vitamin and mineral supplements, however 20.5% of what they sell includes a variety of consumer

[116] IBISWorld Industry Report 44619CA. "Health Stores in Canada". Lucie Couillard. May 2019

items including personal care items such as natural haircare, cosmetics, fragrances, essential oils, skincare as well as body and shower products. This segment accounts for a total of 5% of industry revenue in 2019. With the growing demand for naturally derived products which are environmentally friendly growing, this segment is expected to increase over the next 5 years. Given the specific nature of these products, these cosmetics and personal care products are typically priced higher than cosmetics found in pharmacies, supermarkets, warehouse clubs and supercenters.

The natural and organic store market is typically comprised of individuals aged 30 to 54 (43.9%), these individuals have a higher level of disposable income, and are also more aware of purchasing products that will be better for their own health as they age. In terms of locations, most organic and natural stores are found in Ontario (44.1%) due to the large population of the province, however, 20.7% of the industry is in British Columbia, as the population is typically more health and environmentally conscious than other provinces in the country[15].

Some of Canada's largest organic and natural stores include:

Naturiste

With 47 stores located throughout Quebec, Naturiste is one of the biggest natural and organic stores in the province. Among its products it primarily focuses on natural supplements, however it also sells personal care items such as skin care, hair care, and fragrances. The store sells both its private label brand "Naturiste" as well as other natural personal care products brands. Some of these brands include:

- Color & Soin
- Dalan
- Avalon Organics
- Botanical Therapeutic

See more brands: https://naturiste.ca/en/body-care.html

Rachelle Béry

Rachelle Béry is Quebec's largest natural and organic store, with 66 locations throughout the province. Rachelle Béry is primarily a specialized organic grocery store which also sells natural personal care products such as skincare, cosmetics, haircare as well as body and shower products both in store and on their website. Some of the brands they sell include:

- A. Vogel
- Botanica
- Dr. Hauschka
- Virage Santé

See more brands : https://boutique.rachellebery.ca/en/categories/health_and_beauty

Goodness Me!

With 10 locations throughout Ontario, GoodnessMe is a natural health food grocery store which also caries organic, chemical free and cruelty free personal care products.

Here is a complete list of brands: https://goodnessme.ca/collections/personal-care

Choices Markets

Operating 10 locations throughout the province of British Columbia, ChoicesMarket is an organic grocery store, with a wellness section dedicated to natural and organic vitamin supplements and personal care. Along with select brands, the store also sell its own private label, "Choice Own".
Find out more on their website: https://www.choicesmarkets.com/department/wellness/

Whole Food's Market

Whole Food's Market is an American organic and health food chain which also sells a variety of natural personal care products on its shelves. With 500 stores internationally, Whole Food's is the world's largest natural and organic food store. The company has 14 stores located within Canada, evenly split between the provinces of British Columbia and Ontario. Some of the personal care products the retailer sells include natural cosmetics, skincare, haircare and body care. Find out more on their website: https://products.wholefoodsmarket.com/search?sort=relevance&category=beauty

3.7 Department Stores

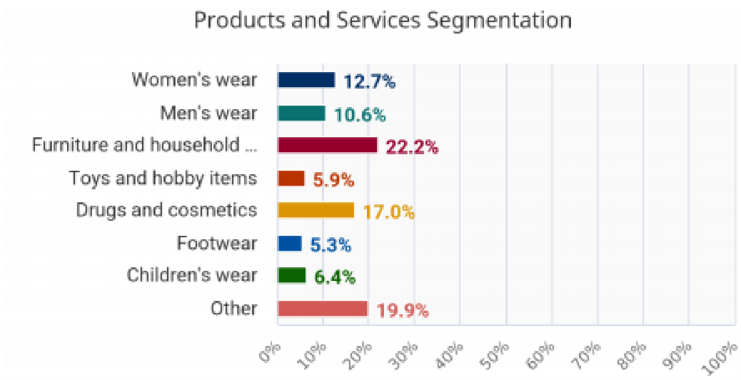
Department stores in Canada sell a wide range of general merchandise, including apparel, cosmetics, home furnishings, appliances and toys. The distribution category is typically separated between 2 distinct categories, one being "up-market" department stores, which will have more high-end and luxury items and "discounted" department store, which offer brand names at cheaper prices.

Department store's industry revenue decreased at an annual rate of 1.6% to $26.8 billion over the last five years to 2019, including a decline of 2.5% in 2019 alone. This is due to the brick-and-mortar stores incurring higher operational costs than online-based businesses because they pay for high-traffic retail space and require sales associates. To better compete, operators have lowered selling prices, offered increased promotional deals and strengthened their marketing campaigns. While these efforts have helped retain some customers, industry profit has remained pressured. Moreover, the Warehouse Clubs and Supercentres industry in Canada is also competing against department stores for consumer dollars. As a result, over the last five years to 2019, the number of establishments has decreased at an annualized rate of 7.9% to 482 locations throughout Canada[117].

According to the chart below, drugs and cosmetics make up the second largest individual product segments sold at department stores at 17% of all revenue generated, after furniture and household items at 22.2%

[117] IBISWorld Industry Report 45211CA. "Department Stores in Canada". Eva Koronios. December 2019

Chart 3.10: Product and Services Segmentation for Department Stores in Canada[118]



Products in this particular segment include nonprescription drugs; vitamins; cosmetics such as face cream, makeup, perfumes and cologne; soaps and detergent; and other hygiene items. Product demand for this segment is closely tied to population trends because many of these goods are considered necessities. Demand for this segment has increased in recent years despite rising competition from online retailers and expansion from specialized beauty product stores such as Sephora. For the cosmetic and fragrance products in "up-market" department stores, the "store within a store" strategy is used. This strategy assures that each brand has their own section of the store with distinct branding and staff trained on that one brand.
Some of the larger department store in Canada include:

Hudson's Bay Company & Saks Canada

Hudson's Bay Company (HBC) is a department store that sells apparel, accessories and home goods across Canada. HBC operates over 90 stores in Canada, specifically in Alberta, British Columbia, Manitoba, Nova Scotia, Ontario, Quebec and Saskatchewan. Over the last five years to fiscal 2019, HBC's industry-relevant revenue increased at an annualized 4.0% to $3.1 billion, with e-commerce sales becoming increasingly important year after year[119]. Shoppers of this department store are typically the average Canadian shopper from the middle class with some disposable income to spend, the department store is well known for discounting products during sales and offering cheaper gift sets. Hudson's Bay **sells mid-high and some high range range cosmetic, skin care and fragrance brands** as well as its own low range private label called "Les Essentiels".

Some of the brands sold at HBC include:

- Clinique
- Kiehl's
- Yves Saint Laurent

[118] IBISWorld Industry Report 45211CA. "Department Stores in Canada". Eva Koronios. December 2019
[119] IBISWorld Industry Report 45211CA. "Department Stores in Canada". Eva Koronios. December 2019

- Chanel
- MAC
- Estee Lauder

See more brands: https://www.thebay.com/beauty

In 2013, HBC acquired Saks Inc. (Saks), which gave HBC the opportunity to tap into the luxury Canadian market by opening Saks Fifth Avenue and Saks OFF 5th stores in Canada. As of 2019, the company has opened a total of three Saks Fifth Avenue stores (2 in Toronto and 1 in Calgary) and 16 Saks OFF 5th stores, and has further plans to reach a total of seven Saks Fifth Avenue stores and 25 Saks OFF 5th stores in the coming years. Saks OFF 5th is the discount version of Saks Fifth Avenue. As for Saks Fifth Avenue, the products they sell occupy exclusively in the luxury space, including brands like:

- La Mer
- Guerlain
- Gucci
- Givenchy

See more brands: https://www.saksfifthavenue.com/Beauty/View-All-Beauty/shop/_/N-52flrm/Ne-6lvnb5?FOLDER%3C%3Efolder_id=2534374306418162

In addition to the expansion of its retail presence with the Saks brand, HBC plans to grow its revenue by upgrading its merchandise planning technology and creating more engaging store experiences through pop-up shops, food areas and wellness activations.

Holt Renfrew

Holt Renfrew is a Canadian luxury department store currently operating in 8 locations throughout Ontario (4 locations), Quebec (2 locations), British Columbia (1 location) and Alberta (1 location). Holt Renfrew is comparable to Saks Fifth Avenue and Barney's New York, as they sell luxury only products. Consumers at Holt Renfrew are typically older and have a very strong disposable income. Some brands Holt Renfrew carries include:

- Tom Ford Cosmetics
- Hermes
- La Prairie
- Chanel

See more brands: https://www.holtrenfrew.com/en/Products/Beauty/c/Beauty?sort=date-desc&q=%3Arelevance

Holt Renfrew is distinct as it is the oldest and most well-known Canadian **luxury shopping** destination, and there is a level of prestige which comes from shopping at the department store.

Winners:

Winners is a chain of discounted Canadian department stores, it offers brand name clothing, footwear, bedding, furniture, fine jewelry, beauty products, and housewares. Products are typically sold at a 20-60% discount rate and the stores generally do not carry the same merchandise for an entire season. Winners is owned by the TJX group, which also operates Mashalls stores in Canada (similar products as Winners) and Homesense stores, a store dedicated to home furnishings. As of 2019 there are 279 and 97 Marshalls locations in Canada, the majority of which being in Ontario, Quebec and Alberta as seen in the table below.

Table 3.2: TJX Store Locations in Canada by Province[120]

Canada	Winners	HomeSense	Marshalls	Total
Alberta	36	20	16	72
British Columbia	38	21	7	66
Manitoba	9	4	4	17
New Brunswick	4	3	4	11
Newfoundland	3	2	2	7
Nova Scotia	11	3	2	16
Ontario	122	61	44	227
Prince Edward Island	1	1	—	2
Quebec	49	19	15	83
Saskatchewan	6	3	3	12
Total Stores	279	137	97	513

Of the beauty and personal care products sold at Winners and Marshalls, customers will typically find **low-mid level brands**, with the possibility of seeing occasional discounted high-end brands. Shoppers of Winners and Marshalls are typically price sensitive and are lower to middle class.

3.8 E-commerce and Direct Selling

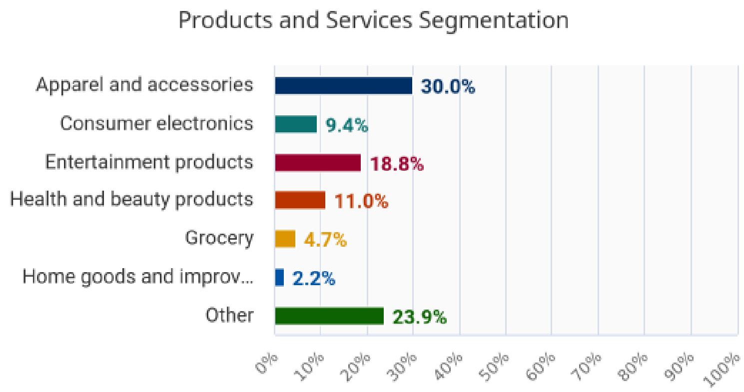
Accelerated by the rising number of internet connections, E-commerce industry revenue posted strong gains in Canada, increasing at an annualized rate of 12.8% to $10.2 billion over the last five years to 2019. Revenue is rose by 5.0% in 2019 alone as more Canadians, persuaded by increasingly easy-to-use and secure websites, shift their shopping online. The exceptional rate of growth in this industry is aided in part by the increasing internet traffic volume (e.g. number of fixed broadband and mobile connections), increased speed and convenience and average drop in shipping costs. Additionally, this industry is growing thanks to its low barrier to entry, companies are no longer limited geographically or by shelf space, and now for a relatively low cost, any company can sell across the world[121].

In terms of personal care product sales over E-commerce platforms, **health and beauty products** account for 11% of total purchases, as seen in the chart below, accounting for a total segment revenue of $1.12 billion CAD.

[120] TJX 2019 Annual Report

[121] IBISWorld Industry Report 45411ACA. E-Commerce & Online Auctions in Canada. Carols Mieles. August 2019

Chart 3.11: Products and Services Segmentation for E-Commerce in Canada[122]



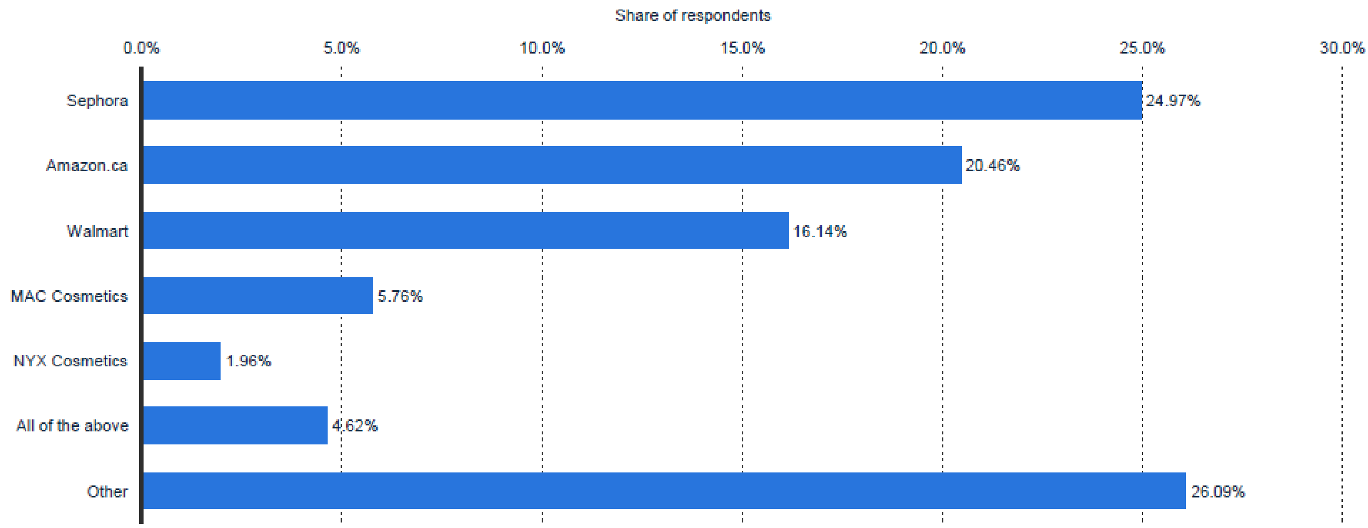
The constantly evolving world of beauty and personal care products consistently deliver a solid revenue stream for the industry. Furthermore, the growth of social media makeup influencers on Instagram and YouTube using affiliate marketing techniques (promoting the sales of products for a percentage of the revenue) has also pushed online sales in this category.

Additionally, much of the other distribution channels for the personal care industry have moved their products online such as department stores, specialty beauty stores, supercenters and wholesalers and professional stores as well. As well as distribution channels moving their products online, so are the brands themselves, many large brands are now by passing the retailers and selling directly to the consumers either through Amazon or their own websites, examples: https://www.elfcosmetics.com/, www.revlon.com, www.tomford.com/beauty.

The beauty industry has become more personal, with everyone carrying a mobile device, customers are able to access products at their fingertips. This allows for app users to browse different beauty products from the comfort of their home. According to ProdegeMR online survey in 2018, "Sephora" is the most preferred store for online purchase followed by "Amazon.ca". Other online platform consumers mostly used are as follows:

[122] IBISWorld Industry Report 45411ACA. E-Commerce & Online Auctions in Canada. Carols Mieles. August 2019

Chart 3.12: Preferred online destination for Cosmetics among Canadian Consumers[123]



Amazon.ca

Amazon's Canadian-specific revenue is rose at an annualized rate of 20.3% to $5.0 billion over the last five years to 2019. Amazon has undergone strong growth as Canadians increasingly go online to fulfil their shopping needs. Amazon's expansive product mix attracted buyers, while its fast shipping and free two-day shipping for Prime members increased convenience and provided the company with a large competitive advantage. Ultimately, Amazon is one of the fastest growing companies in the world, and this growth is indicative of the potential of the e-commerce industry as a whole.

In terms of beauty and personal care items, many international beauty brands are available on Amazon, however, there is still lacking the mid-to-high end brands which are typically sold by specialty stores or luxury department stores. Most brands sold on the site are niche smaller brands or mass market brands.
See more beauty and personal care brands here:

https://www.amazon.ca/Beauty/b?ie=UTF8&node=6205124011

Some top online Canadian beauty product websites include:

Well.ca
Canadian online player Well.ca offers a very wide mix of niche and selected mass cosmetic, skin care and hair care brands. The site is also focused on providing sustainable, organic and natural products. See some of the brands available on the site: https://well.ca/categories/beauty-skincare_66.html

Beautysense.ca

[123] www.prodegemr.com

Beautysense is an online provider of professional beauty & cosmetic products. They are 100% Canadian-owned and operated and are currently based out in Montreal, Quebec. First launched in 2013 with a vision of providing Canadians with a trusted and reliable source of beauty products. Beautysense.ca currently offers well over 4000 quality products from top Canadian and International brands and they continue to add new brands every month. See some of the brands available on their site: https://beautysense.ca/

3.9 Pop up Stores

A pop-up shop is a short-term, temporary retail space where brands, usually ones without a physical presence, can interact in person with current customers and communicate their message to potential new ones. A pop-up can look like a regular store, but brands use them to create a unique, engaging physical shopping experience. Online-only brands often use pop-ups to help them decide whether exploring the offline sales makes sense for their products, without having to make the financial commitment of a full-on permanent store front.

Pop-up retail in Canada is becoming more common than ever, with retailers and landlords coordinating temporary leases in a variety of interesting ways. Experts are now saying that pop-up retail has become mainstream for selling of fashion and lifestyle items. Pop-up retail is also a convenient solution to fill challenging real estate, or an otherwise seasonal extension for brands selling around Christmas and other holiday seasons. Pop-up shops are a great way to breathe new life into aging stock, especially seasonal merchandise with a short shelf life, by using fresh displays and enticing visual merchandising elements to attract new shoppers.

4 PROMOTION MIX AND MARKETING COMMUNICATIONS

Summary and Main Findings:

Italian companies must clearly identify their target market and define their unique selling proposition which will allow them to select the right promotional strategy which is key to being successful on the Canadian market.

There are 5 essential aspects of a successful promotion and marketing communications strategy in the Canadian cosmetic industry:

1. Traditional media

Traditional media is broadly defined as print media (magazines and newspapers), radio and television and according to a 2019 Canadian study, 69% of Canadians read the print version of a magazine, and 1 out of 2 read a digital magazine with 54% of those Canadians taking some form of action after seeing an ad in a magazine.

2. Digital marketing campaign, social media, influencers

In 2019, Canadians above the age of 18 are spending more time on digital media than on traditional media, suggesting that it is essential to invest in digital marketing solutions for website promotion and digital ads on Google, Facebook, Instagram, Twitter and Youtube.

3. Expo, trade and bridal showers

Canada's top beauty and cosmetic trade shows attract massive audiences, creating product exposure to a large number of potential leads. Trade shows are a cost-effective strategy for networking and advertising. Setting up a booth and promoting the products will draw traffic towards the brand, leading to increasing brand awareness among industry professionals.

4. Direct marketing

It is a worthwhile strategy for cosmetic companies to promote their products using a loyalty program so that businesses can be in close contact with their consumers and gain valuable insights. Some of the most effective ways of doing this in Canada are by obtaining customers email addresses, hiring brand ambassadors and exploring different business partnerships.

5. Promotional events and education

Special events in department stores and drugstores should be an important part of a company's implementation strategy as well as in-store sampling of products which is a great way to connect with influencers and their audiences. In 2018, experts found that attending, hosting and collaborating on events was the second most popular method of working with influencers, after product launches and found that sending out invitations is still a very effective marketing tactic.

4.1 Introduction

Prior to identifying the right promotional mix, Italian companies must clearly identify their target market and define their unique selling proposition. This will allow them to select the right promotional strategy which is key to being successful on the Canadian market.

Italian companies must consider that in Canada new products are frequent, and seasonal trends involve a wide variety of products and colours being introduced to the market.

In order to attract and retain consumers, it is also important to maintain a highly attractive brand image through different marketing instruments/promotion mix.

Five essential aspects of a successful promotion and marketing communications strategy in the Canadian cosmetic industry include:

1. Traditional media
2. Digital marketing campaign, social media, influencers.
3. Expo, trade and bridal shows
4. Direct Marketing
5. Promotional events and education

4.2 Traditional Media

Traditional media is broadly defined as print media (magazines and newspaper), radio and television. In the beauty industry, most of the advertisement dollars are spent on magazine and television ads[124]. According to a 2019 Canadian study[125], 69% of Canadians read the print version of a magazine, and 1 out of 2 read a digital magazine. It was also found that 54% of Canadians have taken some form of action after seeing an ad in a magazine. Magazines are read throughout different age groups, 65% of Generation Z, 57% of Millennials, 68% of Generation X responders have said that they read a magazine during the previous month. A total of 40.6 million magazines were sold in Canada in 2018. Therefore, promotion in magazines is still a good media strategy for reaching the potential consumers.

4.2.1 Magazines

The magazines outlined below were selected based on their lifestyle, beauty and fashion-oriented content as well as their audience within the Canadian market in terms of readership and their digital footprint, which cannot be ignored in this day and age.

Major magazines in both English and French were selected by keeping in mind their different readership base in regards to income level, age level as well as the interests and consumer behaviour of their audiences.

i. *Chatelaine*

124 www.marketingcharts.com/industries/cpg-and-fmcg-111101
125 Vividata Fall 2019, Total Canada, 14+ / AAM: jan-dec.2018.

Chatelaine is Canada's leading women's magazine brand. They cover a wide range of topics including fashion, beauty, health and wellness, and general lifestyle content. They also provide beauty tips and information on a variety of cosmetic products in the market.

Audience Insights:	**Social Media:**
3.54M Total Print & Digital Footprint readership	Facebook: 163K Followers
3.07M Total Print Readership	Instagram: 72.4K Followers
470K Digital footprint	YouTube: 130K Subscribers
257K copies in circulation per issue (6 issues per year)	Twitter: 66.4K Followers
Average household income of reader $85,669	Website: https://www.chatelaine.com/
83% female readers	

ii. *Châtelaine (French)*

Châtelaine is the French version of the leading Canadian women's magazine, this second version is developed for Canada's francophone female demographic (mainly in the provinces Quebec, Ontario and New Brunswick). In the same spirit as the English version, Châtelaine provides content about lifestyle, beauty, fashion and health and wellness.

Audience Insights:	**Social Media:**
909K Total Print and Digital Footprint readership	Facebook: 104K Followers
94K copies in circulation per issue (6 issues per year)	Instagram: 18.1K Followers
Average household income of reader $74,476	Twitter: 34.3 Followers
74% Female readers	Website: https://fr.chatelaine.com/
Average age of reader: 52 years old	

iii. *ELLE Canada*

ELLE is a worldwide leading fashion magazine brand. The Canadian version appeals to the interests and sensibilities of the Canadian audience with its unique and accessible approach to covering fashion, beauty, and pop culture. Given its international presence, ELLE has access to world-renowned designers, celebrities, models, photographers, writers, columnists, and stylists.

Audience Insights:	**Social Media**
1.7M Total Print and Digital Footprint readership	Facebook: 66.7K Followers
1.4M Print readership	Instagram: 111K Followers

100K copies in circulation per issue (11 issues per year)

284K Digital footprint

80% women, principal target Female 18-34

Average Household income $79,356

Provincial breakdown of readership: 41% Ontario, 23% Quebec, 17% British Colombia, 14% Prairies, 5% Atlantic provinces

Twitter: 84.4K Followers

Website: https://www.ellecanada.com/

iv. ELLE Quebec (French)

ELLE Quebec is the French version of ELLE Canada and is a reference for Quebec women on the topics of fashion, beauty, culture, and society. It offers content that provides inspiration, entertainment, and previews of the latest trends.

Audience Insights:

344K Print readership

57K copies in circulation per issue (11 issues per year)

147K Digital footprint

76% female audience

Largest demographic - Female ages 25-54

Average household income $69,135

98% Quebec audience

Social Media

Facebook: 42.1K Followers

Instagram: 46.7K Followers

YouTube: 665 Subscribers

Twitter: 36.4K Followers

Website: https://www.ellequebec.com/

v. FASHION Magazine

FASHION magazine is a leading Canadian beauty and fashion magazine. It offers beautifully curated content about style, beauty, culture, and wellness. The magazine has a similar aesthetic to Vogue magazine while being more accessible.

Audience Insights:

1.26M Total Print and digital footprint readership

795K Print readership

116K copies in circulation per issue (10 issues per year)

76% female audience

Social Media

Facebook: 1.45M Followers

Instagram: 117K Followers

YouTube: 3.7K Subscribers

Twitter: 684.4K Followers

Website: https://fashionmagazine.com

vi. *Clin d'oeil (French)*

Clin d'oeil is a leading fashion and beauty magazine in Quebec and has been present on the market for over 40 years. It provides lifestyle and beauty advice in a fun and engaging way.

Audience Insights	**Social Media**
626K Total Print and Digital Footprint readership	Facebook: 84K Followers
529K Print readership	Instagram: 23.4K Followers
37K copies in circulation per issue (10 issues per year)	YouTube: 176 Subscribers
200K Digital footprint	Twitter: 23.7K Followers
76% women, primary target Female 35+	Website: https://www.clindoeil.ca/
Average household income $69,774	
97% Quebec audience	

vii. *Globe Style Advisor*

Globe Style Advisor is a guide to inspired living, and it provides a sophisticated insight about new trends in fashion, beauty, design, tech, travel, food and drink. It is geared toward a more high-end audience. This publication is a spin-off of the Globe and Mail Newspaper.

Audience Insights	**Social Media**
820K Print readership	Instagram: 7.9K Followers
101K copies in circulation per issue (6 issues per year)	
70% women, primary target Female 35+	
Average household income $110,000	

viii. *Hello! Canada*

HELLO! Canada is one of Canadian's most popular magazines and is a leading entertainment brand. It is published on a weekly basis and engages the readers with photo-rich articles, videos and social posts. The magazine provides dedicated sections for shopping and beauty.

Audience Insights:	**Social Media**
1.15M Total Print and Digital Footprint readership	Facebook: 69K Followers
130K copies in circulation per issue (53 issues per year)	Instagram: 226K Followers
70% women, average age 50 years' old	Twitter: 59.9K Followers
Average household income $86,276	Website: https://ca.hellomagazine.com/

ix. *Canadian living*

Canadian Living is one Canada's favourite lifestyle magazine. It covers every aspect of the readers' life by providing accessible content about fashion, beauty, health, and home.

Audience Insights:	**Social Media**
4M Total Print and Digital Footprint readership	Facebook: 210.5K Followers
3.4MK Print readership	Instagram: 148K Followers
271K copies in circulation per issue (10 issues per year)	YouTube: 9.2K Subscribers
1M Digital footprint	Twitter: 64.6K Followers
72% women, principal target Female 35+	Website: https://www.canadianliving.com/
Average household income $85,976	
50% Ontario	

x. *VERO (French)*

Similar to Martha Stewart Living magazine, O, The Oprah Magazine, and Every Day with Rachael Ray magazine, VÉRO magazine is a lifestyle magazine endorsed by Véronique Cloutier, a beloved Québec media personality. It offers curated content about beauty, fashion trends and health and wellness for a well-rounded life. To be noted that Veronique Cloutier also has a large fan base on her personal page totaling 332K followers on Facebook and 290K on Instagram.

Audience Insights	**Social Media**
552K Total Print and Digital Footprint readership	Facebook: 66.3K Followers
65K copies in circulation per issue (5 issues per year)	Instagram: 67K Followers
300K Digital footprint	Twitter: 1.7K Followers
Average household income $73,678	Website: https://veroniquecloutier.com

xi. *S/ magazine*

S/ is a premium and luxury magazine that offers curated lifestyle content focused on fashion, beauty, arts, culture, dining, travel, décor and wellness. They target sophisticated Canadian woman and they collaborate with some of the most renowned luxury brands. Their major market focus is on Toronto, Vancouver and Montreal.

Audience Insights	**Social Media**
713K Total readership	Facebook: 2.6K Followers

90K copies in circulation per issue (4issues per year)

85% of readers are women

Average household income $216468

65% of audience is between the ages of 25-54

Instagram: 34.4K Followers

Twitter: 1.2K Followers

Website: http://smagazineofficial.com

xii. Sharp Magazine

Sharp is Canada's only national magazine for men. It is dedicated to men's lifestyle as targets premium and luxury consumers. The magazine's content includes fashion, travel, personal care, electronics, automobiles, food, alcohol, advice, and essays of international scope but from a Canadian perspective. The magazine is also distributed through Air Canada and Via Rial lounges, through subscriptions of local and international papers and at VIP events in order to reach high net worth and affluent males.

Audience Insights

840K total readership

128K circulation per issue (6 issues per year)

85% Male audience

87% University educated

Average household income: $211,500

Average age 41 years old

Readership by province: 61.6% Ontario, 19.5% BC, 7.9% Quebec, 7.3% Alberta, 2.5% Atlantic

Social Media

Facebook: 52K Followers

Instagram: 33.9K Followers

Twitter: 7.2K Followers

Website: https://sharpmagazine.com/

xiii. Preferred Magazine

Preferred Magazine is a Toronto-based men's luxury lifestyle publication with a global perspective and reach. Their editorials cover a range of topics spanning luxury travel, fashion & style, automotive, men's grooming, technology, wines, spirits, and cigars as well as other lifestyle products and services. Targeted to affluent businessmen living in the greater Toronto area.

Audience Insights

250K total readership

25K circulation per issue (6 issues per year)

72% Male audience

Average household income: $284,000

Average age 45 years old

Social Media

Facebook: 2.2K Followers

Instagram: 1.4K Followers

Twitter: 5K Followers

Website: https://preferredmagazine.ca/

xiv. Cosmetics/Cosmétiques Magazine

Cosmetics/Cosmétiques magazine is Canada's only trade beauty magazine for industry professionals. Cosmetics/Cosmétiques is the essential insider read for all professionals and decisionmakers working in the Canadian beauty industry, targeting an audience of executives, retailers, brand marketers and media, as well as beauty advisors at key department stores and drugstore locations throughout Canada. With four English-language issues and four French-language issues a year, an industry e-newsletter and an expanding website. Cosmetics/ Cosmétiques reports on the biggest product launches, key trends and business insights. It covers all areas of the fast-paced, global beauty world, including skincare, hair care, makeup, fragrance, nail care, men's grooming and beyond. It informs and inspires the experts who directly in uence the buying decisions of beauty consumers across the country

Audience Insights	**Social Media**
80K total readership	Facebook: 1.7K Followers
13K circulation per English issue (4 issues per year)	Instagram: 1.8K Followers
7K circulation per French issue (4 issues per year)	Twitter: 5K Followers
	Website: http://cosmeticsmag.com/

4.2.2 Television Broadcasting

Broadcasting companies are concentrated due to the nature of the market in Canada. The broadcasting companies mentioned below reach Canadians from coast to coast with the use of a wide network and variety of media. They all offer creative solutions for advertisement on their multiple channels and platforms.

i. *Bell Media*

Bell Media offers a variety of programs through its network of 34 television stations. Their top station is CTV, a popular Canadian station, and they also offer specialized stations such as E! and Canal Vie (French) which are both dedicated to entertainment and lifestyle television shows.
https://www.bellmedia.ca/sales/

ii. *Rogers Media*

Rogers Media is a top Canadian broadcaster and advertising company with 7 television stations. They are behind the lifestyle weekly television program called Cityline, Canada's longest running daytime show for women which targets women ages 25-54. Rogers Media also owns Chatelaine and Hello! magazines, two of Canada's top lifestyle magazines. https://www.rogerssportsandmedia.com/

iii. *CBC/Radio-Canada*

CBC is a Canadian federal Crown corporation that serves as the national public broadcaster for both radio and television. It owns 2 of Canada's main television channels: CBC and Radio-Canada (French). It offers a wide range of shows tailored to the local community. https://solutionsmedia.cbcrc.ca/en

iv. *Corus*

Corus Entertainment is a leader in Canadian broadcasting with 37 channels under its umbrella including the OWN channel (Oprah Winfrey Network (Canada)) and Lifetime, two lifestyle and entertainment focused channels. They also own the Global channel a widely watched Canadian television channel which has 13 local stations, broadcasting lifestyle magazine programs and entertainment programs such as the popular show Entertainment Tonight Canada. https://www.corusent.com/advertising/

v. *Quebecor Media*

Quebecor Media is a Quebec based broadcaster which owns 11 Channels, including TVA, one of Quebec most watched television channels. They also produce a lifestyle theme television program called "Bien". Quebecor Media owns 3 local newspapers (Journal de Montreal Journal de Quebec & 24 Heures) as well as the Canadian Living magazine, a top lifestyle publication for Canadian women. Other relevant mentions include the Clin d'oeil magazine, Salut Bonjour morning television program and La Semaine, a culture and entertainment magazine. https://quebecor.solutions/en

4.3 Digital Media

Since 2019, Canadians above 18 years of age are spending more time on digital media than on traditional media (Television, Newspapers, Magazines and Radio). Time spent on traditional media dropped by 2.5% in 2019, the eight consecutive year of declines.[126] Thus, it becomes essential to invest in digital marketing solutions such as Search Engine Optimization (SEO) for website promotion and digital ads on Google, Facebook, Instagram, Twitter and YouTube.

4.3.1 Social Media Platforms

Canada now has 25 million social media users and 35.32 million internet users - both up by 3.8% in usership since 2019. The most popular social media platforms in term of monthly usage in Canada are YouTube (85% of Canadian Internet users), followed by Facebook (79%), Instagram (53%), Twitter (40%) and Pinterest (35%). The largest demographic of users on social media in Canada are 25-34 year-olds[3]. Beauty and cosmetic brands can leverage their presence on social media to reach their existing and potential customers to promote their products as well as use it as a communication tool for promotions and product launches.

4.3.2 Websites

Cosmetic and beauty companies should have an exclusive website dedicated to the brand. This is a key to showcase products and to provide information about the ingredients. Recent trends indicate that consumers are very keen on knowing what goes into the products. The website should also provide links to social media channels. The website would benefit from adding additional information such as: point of sale, page to sign up for subscription service and option for customers to leave feedback about products.

4.3.3 Mobile Marketing

The beauty industry has become more personal, with everyone carrying a mobile device, customers are able to access products at their fingertips. This allows for app users to browse different beauty products from the comfort of their home. The mobile app also helps shoppers to replicate the experience of trying

[126]Digital 2020 Canada Report. Hootsuite. https://wearesocial.com/ca/2020/03/10/digital-2020-canada-what-you-need-to-know/

cosmetics products and create personalized makeup recommendations for customers. Specifically, millennials usually prefer the mobile app for shopping on the go. Beauty apps have an advantage of convenience and customization which is key in the cosmetic and beauty industry.

4.3.4 Digital Marketing and SEO

Digital marketing and SEO are important tools for the promotion of beauty and cosmetics companies on the Canadian market. In 2019, companies in Canada spent a total of CA$8.80 billion on digital ads, which equates to 53.5% of the total ad market. In Canada, digital marketing ad spend by companies is expecting to increase by 44% by 2023[127]. Using Google Ads can be an effective promotion strategy as the leads generated already have an interest in the product considering that ads populate based on words entered in the search engine. Also, Google Ads lets businesses pay based on results obtained such as the number of website clicks or the number of sales conversions received, unlike social media platforms such as Facebook or Instagram that primarily charge based on the number of impressions.

Search Engine Optimization (SEO) can also be an effective strategy for the promotion of a beauty or cosmetics brand especially if most sales derive from ecommerce. SEO refers to growing website traffic through increasing its ranking on search engines. This is done by creating engaging websites using keywords specific to the industry or product being promoted.

4.3.5 Online Magazines, Blogs, and Influencers

For reaching consumers online reputed online magazines, blogs and influencers play an important role. The blogs and online magazines outlined below were selected based on their lifestyle, fashion and beauty content, endorsement by local celebrities and fanbases across different social media platforms. As influencers tend to target very specific audiences, businesses must narrow down the best influencers to promote a specific product. The broader strategy could me aimed at creating privileged long-term relationships with influencers, to make them ambassadors.

Of course, for guaranteed success, you must know with which influencers to collaborate, and have the adequate tools to measure the impact of your marketing efforts.

To give some representative example of influencers, we identified a Canadian makeup focused influencers with a very wide fan base.

i. *Refinery29 Canada*

Refinery 29 is web-based magazine with specific country sites for Canada, France, Germany, United-Kingdom and United-States. They celebrate diversity to appeal to a broad audience of young women. Their site offers different sections to provide as a full lifestyle magazine including beauty, fashion, and health and wellness.

Facebook: 6.44 M (international page)
Instagram: 4.9K Followers (Refinery29 international page has 2.6M Followers)
YouTube: 2.62M Subscribers (international page only)
Twitter: 1.3M Followers (international page only)

[127] eMarketer. Canada Digital Ad Spending 2019. https://www.emarketer.com/content/canada-digital-ad-spending-2019

https://www.refinery29.com/en-ca

ii. *The Kit*

The Kit is a Canadian based online beauty and lifestyle magazine led by Editor in Chief Laura deCarufel (former Executive Editor at ELLE Canada). They offer articles under different broad topics such as shopping, beauty, style and life. They appeal to their readers by providing stories about style, beauty and celebrity life as well as discussing culture, feminism, and wellness. The Kit appears on a weekly basis in a selection of newspapers: Toronto Star, Ottawa Citizen, Montreal Gazette, Vancouver Province, Calgary Herald and Edmonton Journal. They also offer a monthly Chinese edition newspaper available in Toronto and Vancouver. The Kit has an in-house integrated marketing and sales agency called The Kit Collab dedicated to the creation of successful brand collaboration.

Facebook: 17K Followers
Instagram: 39.9K Followers
Twitter: 21.1K Followers
https://thekit.ca

iii. *Caroline Elie*

Caroline Elie is a popular personality in the Canadian lifestyle and fashion scene. As the former Digital Editor-in-chief for ELLE Quebec, she is behind 2 lifestyle, fashion and beauty related blogs. The first one is Divine.ca, a bilingual accessible and down to earth online lifestyle magazine for the Canadian women. The second one is The Everyday Luxury, a reputed online magazine for the Canadian women with a more high-end lifestyle with interest for the finer things in life.

<u>The Everyday Luxury</u>
Facebook: 1.9K Followers
Instagram: 15.1K Followers (Caroline Elie's personal Instagram)
Twitter: 1.7K Followers

<u>Divine.ca</u>
Facebook: 17.7K Followers
Instagram: 3.2K Followers
Twitter: 5K Followers
https://divine.ca/en

iv. *Mitsou magazine*

Mitsou magazine was created by Mitsou Gelinas, a well-known Quebec personality. Launched in 2018 as a spinoff of the blog she had been keeping for the previous 18 years, Mitsou Magazine is an online French magazine focused mainly on the Quebecoise women. It covers a wide range of topics including fashion, beauty, culture and wellness.

Facebook: 9.2K Followers

Instagram: 145K Followers
YouTube: 1.16K Subscribers
Twitter: 116.9K Followers
http://mitsoumagazine.com/

v. *Liv Judd*

Liv Judd is a Canadian personality who has been featured as a beauty and style expert. She has contributed to publications like Chatelaine, Canadian Living and Hello! Canada and she makes regular appearances on Canadian daytime talk shows and celebrity programs. Her blog provides content about beauty, fashion and lifestyle. She also provides a shopping section where she provides links to purchase her favourite beauty products.

Facebook: 517 Followers
Instagram: 20.2K Followers
Twitter: 5.3K Followers
https://livjudd.com

vi. *The August Diaries*

The August Diaries was started by Toronto based influencer Jill Lanksy. She uses her blog as a platform to share her life experiences, style inspiration, beauty tips and tutorials. She has made it to the Vanity Fair Best Dressed shortlist and has been featured in many magazines such as Refinery29 and InStyle and she also has collaborated with fashion brands like Aritzia.

Facebook: 15.6K Followers
Instagram: 119K Followers
YouTube: 47.8K Subscribers
Twitter: 4.7K Followers
http://www.theaugustdiaries.com

vii. *Sonjdra Deluxe*

Sonjdra Deluxe is a popular Canadian Youtuber and makeup artist. She earned fame for her makeup tutorials, tricks, beauty tips and product reviews. She posts video tutorials at least once a week and has done many makeup collaborations with well-known brands such as MAC Cosmetic and Pat McGrath.

Facebook: 37K Followers
Instagram: 1.1M Followers
YouTube: 860K Subscribers
Twitter: 14.6K Followers
https://www.youtube.com/user/sonjdradeluxe

viii. *The Pink Millennial*

The Pink Millennial is a fashion, beauty and lifestyle blog created by Amber Desilets. Since its launch in 2010, Amber has shared content focused on fashion, style, beauty trends and reviews, travel advice, events, drinks and food recipes, as well as home decor and general lifestyle. Amber Desilets has collaborated with large makeup and skincare brands such as Sephore, Garnier, and Juicy Couture Cosmetics.

Instagram: 69.3K
Twitter: 9.8K
Facebook: 3.8K
https://thepinkmillennial.ca/

ix. Sidewalk Hustle

Sidewalk Hustle is a daily blog focused on fashion, beauty, music and culture news which first launched in 2007. Sidewalk Hustle has been also been picked up in major publications such as Paper Magazine, Toronto Life, Flare Magazine, Marie Claire, Toronto Star, Fashion Magazine, The Globe & Mail, and more. Sidewalk Hustle has collaborated with brands such as Dermalogica, Aesop, and Paco Rabanne. The blog is targeted to both younger, urban men and women and has a strong “streetstyle” aesthetic
Instagram: 218K
Facebook: 19.6K
Twitter: 39.9K
Youtube: 9K
https://sidewalkhustle.com/

x. AmongMen
AmongMen.com is a Canadian lifestyle blog for men with content on fashion, fitness, men’s health and grooming, food trends and drink recipes, tech reviews, travel and much more.

Facebook: 3.8K
Twitter: 1.9K
https://www.amongmen.com/

xi. Itslikelymakeup

Itslikelymakeup is run by Jordi Dreher who is a beauty youtuber, blogger and influencer known for her creative makeup looks. Jordi prioritizes and supports vegan and cruelty-free makeup brands. She has collaborated with makeup brands such as Urban Decay cosmetics, Milk cosmetics, and NYX cosmetics.

Youtube: 728K
Instagram: 434K
Twitter: 11.4K
https://www.youtube.com/channel/UCecpiJDV3OtLpWuJPb2ovXQ

xii. Samantha Ravndahl

Samantha Ravndahl is a beauty blogger and Youtuber specialized in makeup. Samantha Ravndahl's page is must more targeted to makeup professionals as she provides honest tutorials and reviews on her page. She has worked with brands such as Tarte cosmetics, Bite beauty, Neutrogena.

Youtube: 983K
Instagram: 2.1 million
Twitter: 165.9K
https://www.instagram.com/ssssamanthaa/

4.4 Expo, Trade and Bridal Shows

Expos and trade shows are a good place to showcase beauty products and provide an opportunity to engage and interact with potential consumers. It also helps in promoting B2B relationships and identifying potential ways to distribute the products. Canada's top beauty and cosmetic trade shows attract massive audiences, creating product exposure to a large number of potential leads. Trade shows are a cost-effective strategy for networking and advertising. Setting up a booth and promoting the products will draw traffic towards the brand, leading to increasing brand awareness among industry professionals.

Here we list the most popular trade and expo shows in the five largest metropolitan areas in Canada, which are: Toronto, Montreal, Vancouver, Ottawa, and Calgary.

i. *National Women's Show*

The National Women's Show is Canada's biggest buyer occasion for beauty businesses and products designed for women. The show takes place in four locations within Canada – Toronto, Montreal, Ottawa, and Quebec City. The show features many products ranging from fashion, health, wellness and beauty. Each show has a potential of 25,000 participants and up to 300 exhibitors. The show is spread over two days and has an entry fee for the participants. The costs for the exhibit booth are available on their website. Further information is available at: http://www.nationalwomenshow.com

ii. *Cosmoprof North America*

The Cosmoprof North America (CPNA), is the leading B2B trade show in the Americas. The show is a three-day event and encompasses all sectors of the beauty industry and is a powerful platform with the presence of leading beauty associations and key industry players. In 2019, the show hosted 40,000 attendees, 1,435 exhibitors from 43 countries. The show provides an opportunity to discover unique brands, product innovations, new channels of distribution, packaging, and manufacturing as well as the opportunity to form key relationships with top industry professionals and retailers. The exhibitor costs are available at: https://cosmoprofnorthamerica.com/about-cosmoprof-na.

iii. *Let's Get Married Grand Salon Marions-Nous*

The Let's Get Married Grand Salon Marions-Nous is Quebec's largest bridal show. It features hundreds of wedding specialists showcasing products and services for the soon-to-be brides and grooms. It has an estimated 20,000 – 50,000 visitors and 500 exhibitors. Additional information is available at: https://letsgetmarried.com/index.php/montreal-wedding

iv. *Revel in Beauty*

Revel in Beauty is Canada's largest and most attended beauty trade show. It is organized by the Allied Beauty Association (ABA), which is the only national Canadian association for beauty professionals. It brings together 150 exhibitors and around 20,000 participants. It is a great opportunity to network and learn about the industry's newest tools and training for hair, skin, nails, makeup and much more. The show brings together thousands of beauty professionals, suppliers, and manufacturers. Further information available at: https://www.abacanada.com/pages/events

v. *Esthetique Spa International (ESI)*

The ESI is the biggest trade show for Esthetic and Spa services. The show is organized in Toronto, Montreal, and Vancouver. The event involves a wide variety of spa industries demonstrating their latest discoveries and inventions in the cosmetic industry. The event is attended by top cosmetic and spa industry professionals from all over the world. In particular, the event showcases makeup and beauty products as well as health and wellness products. More information available at: https://www.spa-show.com

vi. *The Makeup Show Vancouver*

The Makeup Show brings together some of the world's most influential artists and brands in the beauty industry. It is a two-day experience with educational and shopping opportunities in an intimate setting. It also provides an opportunity to follow celebrity makeup artists and industry experts during seminars and demos as they showcase the latest trends, techniques and share their business expertise. An estimate of 1000 - 5000 visitors and 100 - 500 exhibitors participate in the event. More information available at: https://www.themakeupshow.com/vancouver

vii. *International Make-up Artist Trade Show (IMATS)*

The IMATS is the world's largest celebration of make-up artistry. The show provides an opportunity to meet thousands of make-up artists and beauty enthusiasts to discuss and showcase everything from make-up to fashion. Make-up pros from fashion and film provide education, make-up tutorials and live demonstrations, while beauty brands offer the latest trends and new products. More information available at: https://imats.net/2020-vancouver

viii. *Calgary Woman's Show*

The Calgary Woman's show is an event focusing on Women's apparel and lifestyle products. Around 250 exhibitors and 10,000 visitors participate in the event. More information available at: https://calgarywomansshow.com

ix. *Winnipeg Women's Show*

The Winnipeg Women's Show is the largest women's event in Manitoba. With over 130 exhibits, and 3000 visitors, it offers the opportunity to explore and make connections with local beauty businesses. More information available at: http://winnipegwomensshow.com

x. *Canadian Pool and Spa Conference and Expo*

The Canadian Pool and Spa Conference and Expo is the largest show of its kind in Canada and attracts industry professionals from across North America. The expo presents several educational programs, a public pool symposium and some excellent social events providing chances to learn from and to speak with industry professionals. This is a great opportunity to network and connect with the leaders in the spa industry. Additional information is available at: http://www.poolandspaexpo.ca

xi. *Bridal Fashion Week*

Bridal Fashion Week primarily focuses on British Columbia - Vancouver and Surrey. It is a diverse and multi-cultural experience that brings, nations best bridal designers, jewelers and wedding vendors together with international leaders together. It has an estimated 2000 visitors and 70 exhibitors. Additional information is available at: http://www.bridalfashionweekcanada.com

4.5 Direct Marketing

Many cosmetic companies promote their products using a loyalty program which allows businesses to be in close contact with their consumers and gain valuable insights. They leverage technology to grow sales by directly communicating with the consumers and making their offerings more personalized based on the purchase behaviour of the specific client.

a. **Email -** Many Canadian companies currently ask the customers for their email addresses during a purchase and thus can interact directly with them. Sending regular product or promotional updates through email, attracts the customers to purchase via the brand's website or to look for products in store and thus leading to a purchase.
b. **Brand Ambassadors** – Companies connect with influencers or celebrities to showcase their product on social media platforms such as Instagram, YouTube, and personal blogs, where a direct link for purchase is provided. This is a great way to promote new products since the influencers who have a huge following become the face of the brand.
c. **Business partnerships** – Beauty companies generally investigate the possibilities of partnering with local Spas in metropolitan cities: Toronto, Montreal, Vancouver, Calgary, and Quebec City. A list of top spas in these cities is available in Chapter 3: Distribution channels in Canada.

4.6 Promotional Events and Customer Education

Promotional and point-of-sale events are very important initiatives to promote, introduce and explain your products to consumers. These promotional events are often aimed toward a well-defined niche.

As a part of global marketing campaign, special event in department stores and drugstores should be an important part of a company's implementation strategy as well as in-store sampling of products.

The events are also a great way to connect with influencers and their audiences. Brands are increasingly using events to collaborate with micro or macro influencers. As per experts, in 2018, collaborating on events was the second most popular method of working with influencers, after product launches. Also, industry professionals confirm that sending out invitations is still a very effective marketing tactic.

Depending on the specific product niche, promotional events can become extremely important. For the professional network (spas, beauty salons…), industry convention events allow participants to quickly discover and try out the range of products especially in the three main Canadian urban centers (Montreal, Toronto and Vancouver).

However, it is important to remain visible through regular promotional activities to stay top of mind to consumers and to grow sales. For the retail network, participation in chain store advertising programs, trainings and events at points of sale will be required to ensure product sales and to differentiate the brand from the competition.

5 COSMETICS REGULATORY FRAMEWORK

Summary and Main Findings:

All cosmetics imported to Canada must be inspected for compliance with the following three Acts and their associated regulations:

- the *Food and Drugs Act* and the *Cosmetic Regulations* (including Natural Health Products Regulations),
- the *Consumer Packaging and Labelling Act* and the *Consumer Packaging and Labelling Regulations*, and
- the *Hazardous Products Act* and the *Consumer Chemicals and Containers Regulations.*

Included in these regulations are detailed lists outlining how cosmetics are to be prepared and what ingredients they can and cannot include, followed by ways of classifying the restrictions and status of certain ingredients.

Italian manufacturers must allow for product review, including both ingredients and manufacturing procedures, and should be ready to relabel their products when needed as well as modify the product for sale in Canada.

All cosmetics sold in Canada are subject to Cosmetic Notification and must be notified to Health Canada. Manufacturers and importers must notify Health Canada when they first sell a cosmetic in Canada or whenever there is a change affecting the information on a Cosmetic Notification Form (CNF) as per sections 30 and 31 of the *Cosmetic Regulations.*

Submission of the CNF does not constitute approval for sale by Health Canada, agreement that the product is classified as a cosmetic or that the product complies with all legislative requirements and failure to amend the CNF may result in a product being denied entry into Canada or removed from sale.

Canada’s cosmetic labeling has now been brought into line with international standards and requires mandatory ingredient labelling using the International Nomenclature of Cosmetic Ingredients (INCI)

The previously mentioned Acts and Regulations outline what must be included on all cosmetic labels, including French and English language requirements, the use of the INCI, the prohibition of false and misleading statements or deceptive packaging and how to include safety precautions and warning symbols.

Ad Standards has been providing advertising clearance in Canada since 1992: *Ad Standards* reviews cosmetic broadcast advertising to ensure compliance with the Guidelines for the Non-prescription and Cosmetic Industry Regarding Non-Therapeutic Advertising and Labelling Claims
The Guidelines for The Non-prescription and Cosmetic Industry Regarding Non-therapeutic Advertising and Labelling Claims have two principal purposes:

1. To provide guidance to the non-prescription drug industry regarding acceptable wording for non-therapeutic claims that appear on the labels and in advertising of non-prescription drugs and natural health products
2. To provide guidance to the cosmetic industry regarding which claims are considered therapeutic, and as such cannot appear on the labels or in advertising of cosmetic products

5.1 Cosmetics Legislation: General Overview[128]

All cosmetics imported to Canada must be inspected for compliance with Canadian Regulations. Italian manufacturers must allow for product review, including both ingredients and manufacturing procedures, and should be ready to re-label their products when needed as well as modify the product for sale in Canada.

The Canadian authorities provide detailed requirements for the manufacturing, distribution, and sale of cosmetic products, including rules and regulations for labelling, storage and requirements for certain ingredients.

All cosmetics sold in Canada must be safe to use and must not pose any health risk.

Cosmetics in Canada are governed by three Acts and their associated Regulations:
- the *Food and Drugs Act* and the *Cosmetic Regulations* (including Natural Health Products Regulations),
- the *Consumer Packaging and Labelling Act* and the *Consumer Packaging and Labelling Regulations*
- the *Hazardous Products Act* and the *Consumer Chemicals and Containers Regulations.*

The *Food and Drugs Act* and *Cosmetic Regulations* require that cosmetics sold in Canada be manufactured, prepared, preserved, packaged and stored under sanitary conditions. The manufacturer and importer must notify Health Canada of the product they are selling and provide a list of the product's ingredients.

Additionally, cosmetics are subject to the requirements of the *Consumer Packaging and Labelling Act* and its associated *Regulations* and any chemicals found in cosmetics may be subject to the *Canadian Environmental Protection Act*.

Under the *Food and Drugs Act*, a cosmetic is defined as "*any substance used to clean, improve or change the complexion, skin, hair, nails or teeth. Cosmetics include beauty preparations (make-up, perfume, skin cream, nail polish) and grooming aids (soap, shampoo, shaving cream, deodorant*)". [129]
This includes cosmetics used by professional esthetic services, bulk institutional products (such as hand soap in school restrooms), as well as "handmade" cosmetics sold at craft sales or home-based businesses.

Italian manufacturers should also know that in Canada, certain ingredients are prohibited from use in cosmetics that are sold in the country. Canadian regulations are created based on the risk a product could have for consumers (as per other products other than cosmetics). The purpose of a risk assessment is to prevent from harming customers when used as intended.

All cosmetics sold in Canada must:

[128] Government of Canada. Regulatory Information for cosmetics. Last date modified 2019
[129] Government of Canada. What is cosmetics? Last date modified: 2011

- be free from contamination and not contain any substances that may harm you when you use the cosmetic normally and according to the directions on the label. Health Canada sets out a list of ingredients that are banned or limited in cosmetics, called the *Cosmetic Ingredient Hotlist*.[130]
- be manufactured, prepared, preserved, packaged and stored under clean conditions. All cosmetic manufacturers are encouraged to adhere to Good Manufacturing Practices (GMPs)[131].
- have their composition declared to the government via Notification (in other words, Italian manufacturers must tell the government what is in their cosmetics so that their ingredients can be monitored and checked against the Cosmetic Ingredient Hotlist). If a safety concern arises, the cosmetic will be prohibited from the market.

The Cosmetic Ingredient Hotlist consists of two distinct tables, one for ingredients identified as being prohibited and another for those identified as being restricted.

- Prohibited ingredients, including synonyms, salts and related compounds, should not be present in cosmetic products sold in Canada.
- Restricted ingredients are permitted only if the conditions of use and/or cautionary statement(s) are met as outlined.

The status of the ingredients can be classified into 4 different categories:

- Known: The ingredient is not prohibited or restricted for use in cosmetics.
- Restricted: The ingredient is restricted for use in cosmetics. The details of the restriction will be provided in the "Condition of use" field.
- Prohibited: The ingredient is prohibited for use in cosmetics. Therefore, the product cannot be sold in Canada as a cosmetic.
- Unknown/Not found: May be subject to further review by Health Canada.

In order to determine whether a cosmetic is safe for use, it is the manufacturer's and importer's responsibility to be aware of the current scientific information available and the risks associated with the substances in the cosmetics they sell.

Some items may have properties of cosmetics and pharmaceutical products. When this is the case, those products are classified as "Product at the Cosmetic-Drug Interface (PCDI)."[132] Some categories of PCDI are natural health and medicinal products with the intention of influencing the internal processes of the human body.

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[130] Government of Canada. Cosmetic Ingredient Hotlist: Prohibited and Restricted Ingredients. Last date modified: 2020

[131] Government of Canada. Good manufacturing practices for Cosmetic Products. Last date modified: 2014

[132] Government of Canada. Cosmetic-Drug Interface. Last date modified: 2014

5.2 Notification of Cosmetics[133]

All cosmetics sold in Canada are subject to Cosmetic Notification and must be notified to Health Canada. As per section 30 of the Cosmetic Regulations, *manufacturers and importers must notify Health Canada within 10 days after they first sell a cosmetic in Canada*. This includes both domestic and foreign manufacturers. Failure to notify may result in a product being denied entry into Canada or removed from sale.

Also, as per section 31 of the Cosmetic Regulations, whenever a change affecting the information on a Cosmetic Notification Form (CNF) is made (ex. modification of the cosmetic formulation, change of product name or new company name, address or contact information), *manufacturers or importers* must amend the CNF and resubmit it to Health Canada.

The test-marketed cosmetics must meet all requirements of the *Food and Drugs Act* and the *Cosmetic Regulations*, with no exemptions for test-marketing.

There is no fee associated with the cosmetic notification process.

The completed Cosmetic Notification Form (CNF) provides specific product information to Health Canada, including:

- address and contact information of the manufacturer(s), importer(s), distributor(s), and formulator(s)
- function of the cosmetic
- form of the cosmetic (for example, cream or gel)
- ingredients of the cosmetic
- concentration of each ingredient

Submission of the CNF does not constitute approval for sale by Health Canada, agreement that the product is classified as a cosmetic or that the product complies with all legislative requirements.
Manufacturers and importers are responsible for making sure that their cosmetics meet the requirements of the *Food and Drugs Act* and its *Cosmetic Regulations.*

As previously mentioned, the *Food and Drugs Act* defines a "cosmetic" as: "Any substance or mixture of substances manufactured, sold or represented for use in cleansing, improving or altering the complexion, skin, hair or teeth, and includes deodorants and perfumes."

In instances where the classification of a product is not clear, Health Canada will classify the product on a case by case basis, taking into account factors such as:

1. Representation: The product is represented for sale to serve a cosmetic function such as cleansing, moisturizing, lubricating, perfuming or altering the hair, skin or teeth of humans.

[133] Government of Canada. Notification of Cosmetics. Last date modified: 2017

2. Composition of the product: Although the composition of a product alone does not necessarily determine its classification, the presence of an ingredient, or its concentration, may make the product unsuitable for classification as a cosmetic.
3. Level of action: Cosmetics are normally applied to an external part of the body and not absorbed below the skin to achieve their cosmetic effect.

Examples of ''Cosmetics'':

- soaps
- artificial nail builders
- adhesives for things such as artificial nails, hair extensions, etc.
- moisturizers
- tinted moisturizers (concealer)
- tattoo inks
- makeup products
- teeth whiteners
- cleansing wipes
- feminine douches

Examples of Products that are not considered ''Cosmetics'':

- sunscreens (including makeup products with an SPF)
- acne treatment
- skin whiteners or lighteners
- denture cleaners
- hand sanitizers
- artificial nails and hair extensions
- brushes
- laser treatment hair removers
- collagen or "Botox" injections
- insect repellents
- oral supplements
- room or fabric sprays
- non-prescription contact lenses

5.3 Labelling[134]

The labelling of cosmetic ingredients helps Canadians make more informed decisions about the cosmetics they use, since they are able to easily identify ingredients that they may be sensitive to.

Mandatory ingredient labelling using the International Nomenclature of Cosmetic Ingredients (INCI) system also allows doctors to refer to one common name for the purpose of treatment and incidence reporting.

[134] Government of Canada. The Industry Guide for the Labelling of Cosmetics. Last date modified 2019

Because many other countries also use the INCI system, Canadians travelling abroad will be able to recognize and avoid ingredients, as needed, without needing to know additional terminology.

Canada's cosmetic labelling has now been brought into line with international standards[135].

Manufacturers and importers are responsible for making sure their cosmetics meet the requirements of the Food and Drugs Act and its Cosmetic Regulations, as well as the Consumer Packaging and Labelling Act.

In order to meet these requirements, cosmetic labels must show:

- the ingredient list
- the common name of the product (for example, ''hairspray'')
- the amount of the product in metric units or count (for example, 2 bars or 55 mL)
- the name and address of the manufacturer or distributor
- warnings or cautions
- directions for safe use of the product

All the information listed above must be in English and French, except for the ingredient list which needs to be indicated using the INCI nomenclature. There are also specific labelling requirements for the safe use of special products, like hair dyes and teeth whiteners. Additionally, the law prohibits false and misleading statements or deceptive packaging.

The *Food and Drugs Act* and the *Cosmetic Regulations* govern the classification and labelling of cosmetic products with regard to the:

- expression of the product's identity on its label,
- name and address of the principal place of business of the manufacturer indicated on the label,
- listing of ingredients on the label, and
- avoidable hazards presented by the cosmetic.

In addition, the Act and Regulations also address the issues of composition, safety, and advertising.

The *Cosmetic Regulations* under the *Food and Drugs Act* allow a designated Health Canada inspector to inspect:

- cosmetic products,
- locations where cosmetics are manufactured or stored, and
- any labelling or advertising material related to a cosmetic product.

The *Cosmetic Regulations* also prescribe the symbols and warning statements that are to be used on pressurized containers, as defined in the *Consumer Chemicals and Containers Regulations*, as they read on September 30, 2001.

The *Consumer Packaging and Labelling Act and Regulations* prescribe the mandatory information that must appear on the label of a pre-packaged cosmetic product which includes the:

[135] Government of Canada. Cosmetic Advertising, labeling and ingredients. Last date modified: 2017

- product's identification in English and French,
- declaration of the product's net quantity in metric units of measure in English and French, and
- identity and principal place of business of the dealer (see definition) in English or French.

The Act and Regulations also address false or misleading representation of the product and the standardization of container size.

The *Consumer Packaging and Labelling Act* and *Regulations* govern only those cosmetic products sold to consumers. It does not govern cosmetics applied by cosmeticians, hairdressers, etc., to their clients unless such persons sell the cosmetics to their clients as pre-packaged products.

The tables in Annex 1 contain additional information regarding the labelling of cosmetic products in Canada.

5.4. Advertising[136]

Ad Standards has been providing advertising clearance since 1992: *Ad Standards* reviews cosmetic broadcast advertising to ensure compliance with the Guidelines for the Non-prescription and Cosmetic Industry Regarding Non-Therapeutic Advertising and Labelling Claims[137].

The Guidelines for the Non-prescription and Cosmetic Industry Regarding Non-therapeutic Advertising and Labelling Claims were developed to help marketers differentiate non-therapeutic/cosmetic claims from therapeutic/health claims that require authorization from Health Canada.

In other words, Health Canada's Guidelines for Cosmetic Advertising and Labelling Claims are designed to help advertisers develop advertising messages, including those made on or inside of the package, that comply with Canadian cosmetic regulatory requirements. First published in 1998, and last updated in 2006, the Guidelines are regularly reviewed and updated to reflect changes in Canada's dynamic marketplace. Health Canada approved a number of amendments to the 2006 Guidelines.

The Guidelines for The Non-prescription and Cosmetic Industry Regarding Non-therapeutic Advertising and Labelling Claims have two principal purposes: 1) To provide guidance to the non-prescription drug industry regarding acceptable wording for non-therapeutic claims that appear on the labels and in advertising of non-prescription drugs and natural health products; and 2) To provide guidance to the cosmetic industry regarding which claims are considered therapeutic, and as such cannot appear on the labels or in advertising of cosmetic products.

This guidance is based on the principle that labelling and advertising for products that modify or restore organic functions in humans, or impact human disease, are permissible only on health products supported

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[136] Government of Canada. Industry guide for labelling of cosmetics. Last date modified: 2019

[137] Ad Standards. Guidelines for the Nonprescription and Cosmetic Industry Regarding Non-therapeutic Advertising and Labelling Claims. Last date modified: 2020

by appropriate evidence. It is the representation of a benefit to human health that determines the difference between a therapeutic claim and a non-therapeutic/ cosmetic claim.

Here some examples of therapeutic and non-therapeutic/cosmetic claims:

Table 5.1: Therapeutic vs non-therapeutic cosmetic claims

Therapeutic claim	*Non-therapeutic/cosmetic claim*
Hyperhidrosis, Persistent protection based on a mechanism of action that modifies organic function; References to perspiration from hormonal/endocrine changes or malfunction	Antiperspirant, Helps keep you dry, Protects against wetness, Extra effective, Reduces (or provides protection against) underarm perspiration
Anti-dandruff products; Controls/Eliminates/Prevents dandruff	Removes loose dandruff flakes
Prevents/Treats alopecia; Prevents hair loss/ thinning	Thickens hair
Kills germs/pathogens; Kills odour causing germs; Germicide; Antiseptic; Antiviral	Reduces mouth odours; Kills bacteria that can cause bad breath
Calms/Protects/Relieves/Soothes brasions/bites/insect bites/ cuts/nicks/irritated skin/ inflamed skin/rashes/ Sunburns	Protects/Relieves/Soothes dry skin
SPF/ UV/UVA/UVB; Sunburn protectant; (Contains) Sunscreen; Protects sun damaged skin	Bronzed, suntanned look

Claims on a label or in an ad for what a cosmetic can do must be *accurate*, so they do not mislead individuals.

Since certain claims, like increased attractiveness or increased masculinity, can only be judged subjectively, some puffery (exaggeration that does not mislead the public) is tolerated[138].

Therapeutic claims (to modify body functions, prevent or treat disease) are only allowed on drugs or natural health products (with a Drug Identification Number (DIN) or Natural Product Number (NPN) on it), not on cosmetic products.

Marketing terms (ex. ‘’ Fragrance Free or Unscented’’, "Hypoallergenic", ‘’ Preservative-Free’’ etc.), may be used on cosmetic product labels, packaging, or in radio, television or print ads. Health Canada does not consider marketing terms to be related to health or safety. Therefore, such terms are not regulated by Health Canada. However, the Competition Bureau regulates marketing terms under the Consumer

[138] Government of Canada. Cosmetic advertising, labelling and ingredients. Last date modified: 2017

Packaging and Labelling Act and the Competition Act, and can take action on those that are false or misleading.

No person shall sell a cosmetic if any label or advertisement of the cosmetic contains any symbol or statement that implies that the cosmetic has been compounded in accordance with a prescription.

Complaints about print advertising are investigated by the Competition Bureau Canada under the authority of the Competition Act.

6 MADE IN ITALY IN CANADA

Summary and Main Findings:

Italy has managed to maintain a leading position for cosmetic and beauty product imports in Canada, particularly in the ''Beauty or Make up preparations'', ''Hair shampoos and other hair preparations" and ''Perfumes and toilet waters'' categories.

The most important provinces for Made in Italy Canadian exports in the Cosmetics industry are **Ontario**, **Quebec** and **British Columbia**. While the share of cosmetic product imports in Canada from Made in Italy is relatively small because of the niche nature of Italian products, there is great potential to grow these market shares in the future.

Due to their higher price and the additional costs associated, Italian cosmetic products are typically priced between the medium - high price ranges.

The **demand for Made in Italy cosmetics is particularly strong** in the professional sector where innovative, efficient and quality Made in Italy products are appreciated.

Based on a SWOT analysis of Made in Italy products in Canada, it was found that they have a **strong reputation for producing high-end** and **luxury products**, are appreciated for their **extensive research** and **innovation** and for their **high-quality standards** and **packaging/design**.

Overall, Made in Italy products have seen a successful performance in the beauty industry in Canada with new opportunities to attract older demographics and also young generations, respond to demand for sustainable and natural products and growing e-commerce trends. Italian cosmetics products are available mostly at specialized stores on the Canadian market - notably in beauty specialty stores, in professional stores, high-end boutiques and spas in cities with large populations or the popular tourist destinations with an increase through various e-commerce channels. If an Italian brand wants to attain high sales, **an investment in promotional/marketing activities will be important**.

There are several strategies available to Italian companies wanting to penetrate the Canadian cosmetics market; the most effective way is to find a local partner (importer-distributor) or representative, or if possible, to open an office in the country. An Italian company can stimulate further sales by working with Canadian partners on effective marketing campaigns, as well as by utilizing trade shows, in-country promotions, and advertising.

The global beauty industry (including skin care, colour cosmetics, hair care, fragrances, and personal care) has been heavily affected by the COVID-19 crisis, however, **the industry has responded positively to the crisis**. Consumers report that they intend to spend less on other discretionary categories, such as footwear and clothing than on beauty products. Especially during COVID-19 it is even more important to prove the value added and the outstanding benefits of imported products.

E-commerce/on-line shopping is offering huge opportunities for brands and is a very rapidly growing segment in Canada.

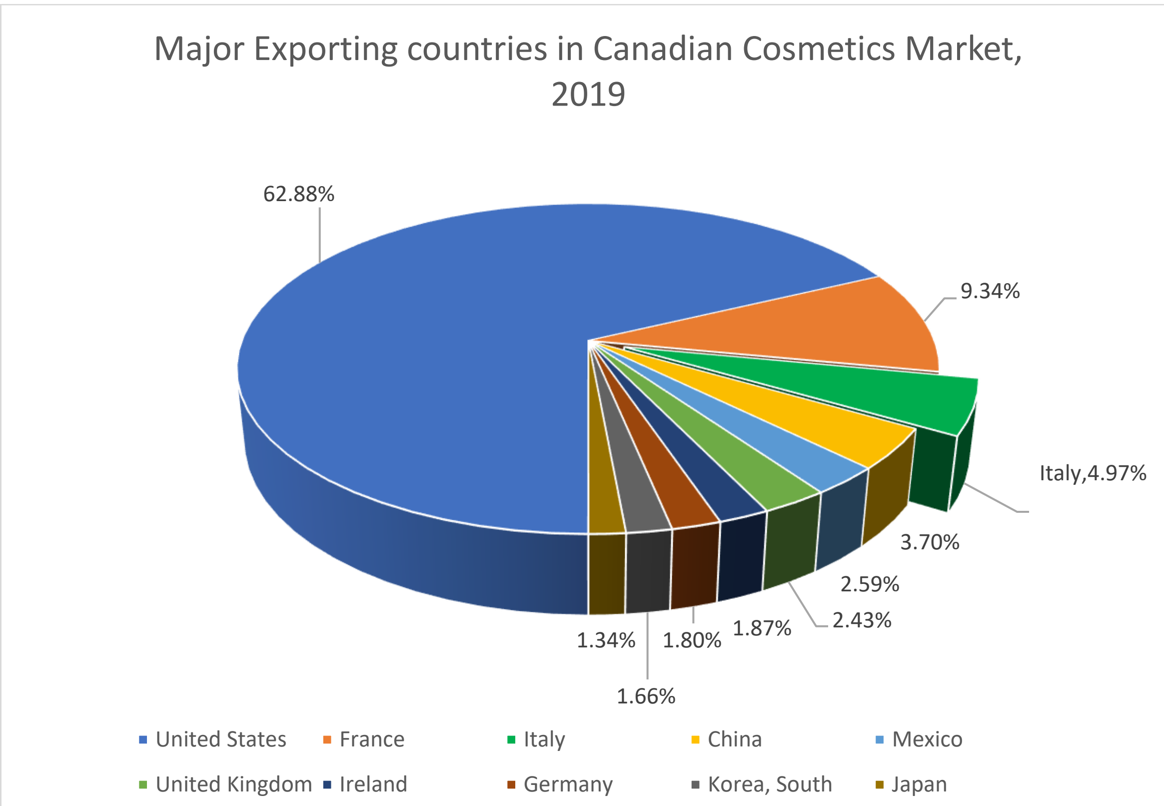
For quality Made in Italy products, the particularly interesting niche is the professional products for spas, beauty salons and esthetic clinics. Success on the Canadian market depends on the strategic choices of the company, the unique value proposition of the product, promotional strategy, general performance of the brand, choice of the Canadian partner or distributing area, and many other factors. Overall, the Canadian market offers a very interesting potential for Italian brands and could report very outstanding commercial results.

6.1 Canadian Imports: Statistics and Market share[139]

In 2019, Canada imported $5.002 billion CAD worth of cosmetics products[140], showing a steady increase over the last five years (average annual growth 4.4% from 2015). The total exports of cosmetics and personal care products from Canada totaled about $2.851 billion CAD with a negative trade balance of -2.151 billion CAD.[141]

Though the relative value of the Canadian dollar has declined considerably over the last five-year period, making foreign-manufactured products less affordable for domestic consumers, foreign competition has still continued to capture a significant share of the market demand.

Chart 6.1: Share of Major Exporting Countries in Canada's Cosmetics Industry, 2019[142]



Based on Statistics Canada. Government of Canada. Trade data online.

As shown in this pie chart, almost 62.88% of industry imports, by value, come from the United States primarily due to the Agreement between the United States of America, the United Mexican States, and Canada (CUSMA), which enables countries within North America to trade goods with minimal restrictions.

139 Based on Statistics Canada. Government of Canada. Trade data online.

140 Global category HS 33 Essential oils and resinoids, perfumes, cosmetics and toilet preparations.

141 Based on Statistics Canada. Government of Canada. Trade data online.

142 Based on Statistics Canada. Government of Canada. Trade data online.

In addition to having linguistic and cultural ties, Canada also has a close trade relationship with France, and in 2019, imports from this country was 9.34% of its total imports. France cosmetics products are well-known for their high-end luxury segments of the industry. Italy and China account for an additional 4.97% and 3.70% of all cosmetic imports, respectively.[143]

Similar to France, **Italy** is also known for its supply of *high-end and niche cosmetics*, while China has expanded its presence in recent years by offering products at price points lower than domestic producers. Mexican products and preparations represent 2.59% of the market share in 2019.

Another competitor in the niche segment in 2019 was the United Kingdom (representing 2.43% of the market share), followed by Ireland (1.87%) and Germany (1.80%).

South Korean and Japanese products are also among the top-10 exporting countries to Canada within the category, with 1.66% and 1.34%, respectively.

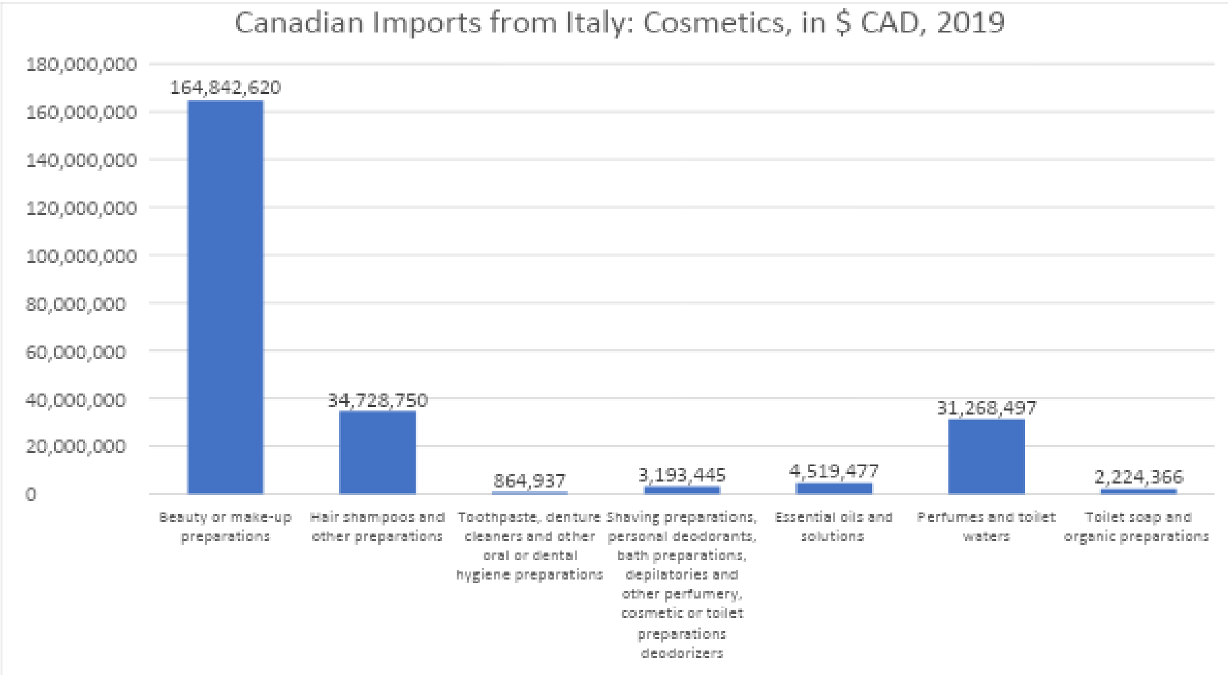
Today, the share of cosmetic product imports in Canada from *Made in Italy* is relatively small because of the niche nature of Italian products, however, there is great potential to grow these market shares in the future.

Overall, Canadian imports of all Cosmetics and Personal Care products from Italy registered an increase over the last five years of 13.1 % annually from 2015, and the Canadian imports of Made in Italy cosmetic categories show an absolute value growth from 2015 to 2019 of 63.46%.

In this section, there is an analysis of the statistical data ranges of cosmetic product imports from Italy and other top export countries. (See also tables in Annex 2, 3 and 4).
In recent years, Italy has managed to maintain a leading position for cosmetic and beauty product imports in Canada, particularly in the ‘‘**Beauty or Make up preparations**’’, ‘‘**Hair shampoos and other hair preparations**” and ‘‘**Perfumes and toilet waters’’** categories:

Chart 6.2: Canadian Cosmetic Imports from Italy, 2019[144]

[143] Based on Statistics Canada. Government of Canada. Trade data online.
[144] Statistics Canada. Government of Canada. Trade data online.



Included below are the fastest growing *Made in Italy* product categories and sub-categories in the last 5 years.

Table 6.1: Fastest Growing Made in Italy Product Categories in Canada, 2015 - 2019

HS code/Category	**Increase during the period 2015-2019**
Hs 330430 - manicure or pedicure preparations	51.8%
Hs 330119 - essential oils of citrus fruit, nes (other than lemon)	45.6%
Hs 330749 - room perfuming or deodorizing preparations, nes	44.9%
Hs 330129 - essential oils, other than citrus fruit, nes	44.8%
Hs 330510 - hair shampoos	24.5%
Hs 330499 - beauty or make-up preparations, nes (including sunscreen or suntan preparations; face, hand and body creams and lotions)	22.2%
Hs 330420 - eye make-up preparations	19.8%
Hs 330710 - pre-shave, shaving or after-shaving preparations	16.7%
Hs 330410 - lip make-up preparations	16.6%
Hs 3303 - perfumes and toilet waters	16.4%

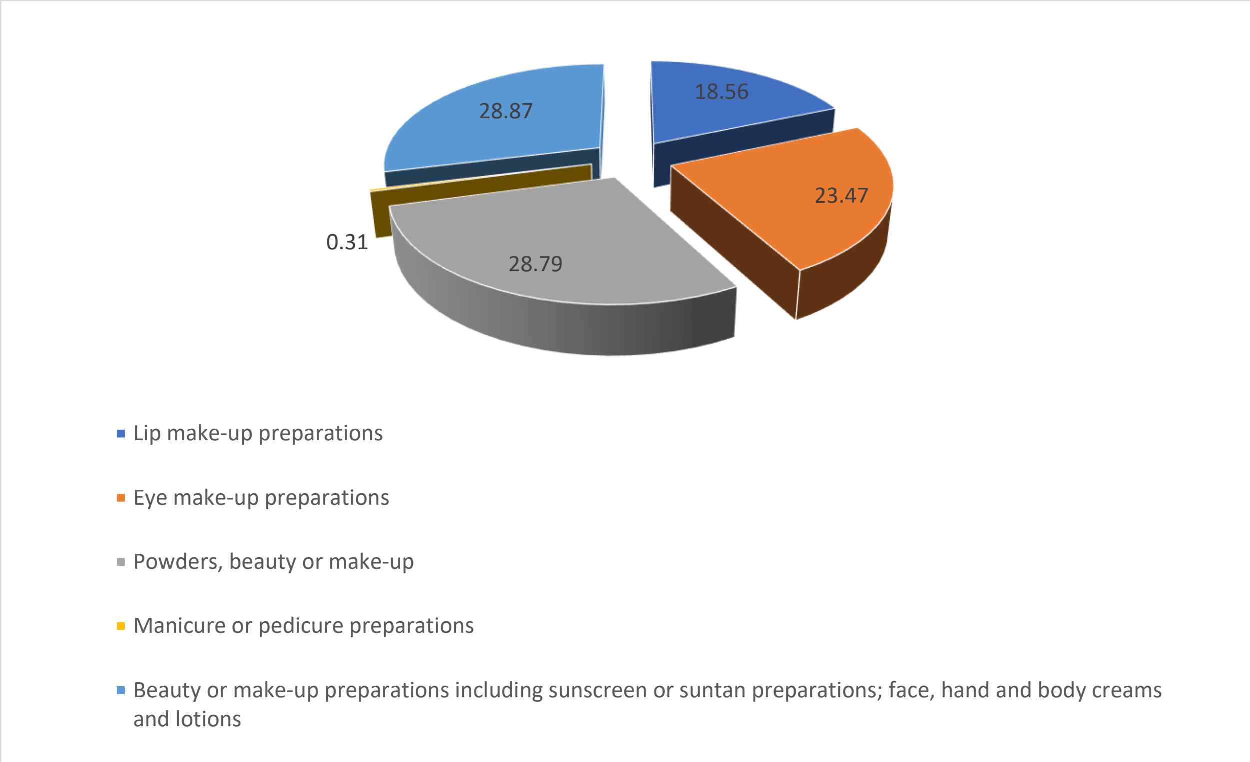
Here we will analyze the most notable *Made in Italy* import trends of cosmetic products in Canada.[145]

According to the latest statistic data available from Statistics Canada for 2019, Italy, with 164.84 mln Canadian dollars of exports, is the 3rd largest trade partner for the category "Hs 3304 – **Beauty or make-up preparations**" after United States (1 245 mln $CAD), and France (263,8 mln $CAD) – the most relevant category for *Made in Italy* cosmetic products.

The total value of Canadian imports in this category (+6.5% in the last 5 years) was 2.21 billion $CAD in 2019. This means that the *Made in Italy* products from the "**Beauty or make-up preparations**" category represents a market share of 7.45 % of the value of imports (compared to 56.32% for the United States and 11.93% for France). During the last 5 years,[146] Italian exports in this rapidly growing category saw an increase of 12.8%, even though there was a decrease in 2019 of 11.9% due to the appearance of new strong players such as China, South Korea and Japan.[147]
In 2019, within the category "Hs 3304 – Beauty or make-up preparations", the largest areas of Italian imports were the following subcategories: '' Beauty or make-up preparations including sunscreen or suntan preparations; face, hand and body creams and lotions'' (28.87% of Italian imports in sub-category), followed by ''Powders, beauty or make-up'' (28.79%), ''Eye make-up preparations'' (23.47%), ''Lip make-up preparations'' (18.56%) and finally '' Manicure or pedicure preparations'' (0.31 %).

Chart 6.3: % Market Share Canadian Imports from Italy: Beauty or Make – Up Preparations, 2019 [148]

[145] The detailed information is reported in Annex 1 and 2 to the present report
[146] Here and after: period from 2016-2019
[147] The detailed information is reported in Annex 3 to the present report
[148] Based on Statistics Canada. Government of Canada. Trade data online.



In the sub-category ''**Beauty or make-up preparations including sunscreen or suntan preparations; face, hand and body creams and lotions''** Italy was Canada's 4th largest trading partner in 2019 with 3.24% of market share, registering 47.58 $CAD million of exports, slightly behind leading countries such as the United States (877.8 mln $CAD,), France (213.2 mln $CAD), and South Korea (49.4 mln $CAD).
The global performance of the sub-category in the last 5 years was 9.2% but Italian imports achieved an increase of 22.2% during the same period.[149]

Here we analyze other *Made in Italy* imports, particularly subcategories under the most notable export category of ''Beauty or Make up preparations'':

''**Powders, beauty or make-up, whether or not compressed**'': The total value of Italian imports in 2019 was 47.45 mln $ CAD, equivalent to 29.85% of the Canadian imports in this sub-category. In 2019 Italy ranked 2nd, and the major competitors in Canada were the United States (86.53 mln $CAD; 54.43%) and China (9.49 mln; 5.97%). The overall sector imports decreased in 2019 by 5.84%, but Italian imports decreased only by 0.9%.

''**Eye make-up preparations''** is another very important category for *Made in Italy* imports. In 2019 Italy ranked 2nd with 38.69 mln $CAD and 14.49% market share of Canadian imports, despite a decrease of 30,4% in 2018. All Canadian imports in this category decreased by 13.1% when comparing 2018 records. In 2019, the major competitors in Canada were the United States (ranked 1st with 100.01 mln $CAD; 37.46% of market share) and China (ranked 3rd 35.67 mln $CAD; 13.36% of market share).

[149] The detailed information is reported in Annex 3 to the present report

‘’**Lip make-up preparations**’’: With 30.59 mln of imports and 12.88% of market share, in 2019 Italy was the leading European country in the top 10 list of importers into Canada, following United States (129.11 mln $ CAD; market share 54.36%).
France remains the 3rd biggest exporter of lip make up products in Canada with a 7.51% market share (17,828,275 mln $ CAD) in 2019.
The overall Canadian imports in 2019 increased by 13.03 % compared to 2018, and Italy also reacted positively to the market trend, achieving an increase of 11,5% during the same period.

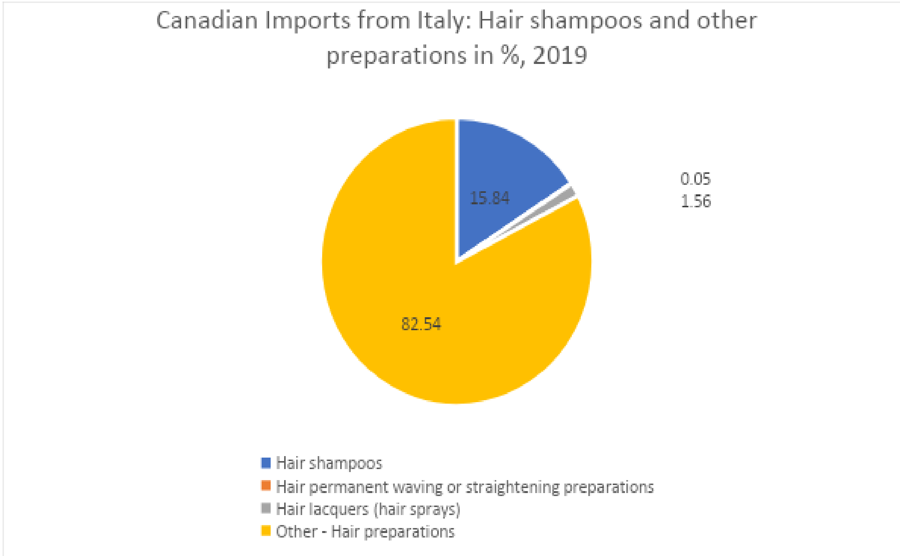
‘’Manicure or pedicure preparations’’: Historically, this subcategory was not among the most important Italian exports to Canada, but it is now one of the fastest growing categories for Italian products.
In 2019, with 0.52 mln $ CAD and 0.65% market share, Italy was ranked the 10th largest exporting country to Canada, after the United States, China, France, Mexico, Germany, Spain, Taiwan, South Korea, and Luxembourg. The overall sector in 2019 decreased by 6.01 % compared to 2018, but Italy reacted positively to the market change, achieving an increase of 90% during the same period.

Here are some other important *Made in Italy* products in the Canadian market:

‘’**Hair shampoos and other preparations’’** is another very important category for Italian export to Canada. In 2019 Italy registered 34.73 mln $CAD of sales in Canada, equivalent to 4.82% of the imported hair shampoos and hair preparations on the market. In this subcategory, Italian exports to Canada ranked 2nd, after the United States with 527.03 $CAD exports to Canada and 73.19% of market share. Italy is followed in this segment by Mexico (4.69% of market share) and Germany (2.67% of market share).

In 2019 and within the category “Hs 3305 - Hair shampoos and other preparations”, the largest subcategory of Italian imports was ‘’**other hair preparations**’’ (all hair preparations excluding hair shampoos, hair lacquers/hair sprays and hair permanent waving or straightening preparations) with 82.54% of all Italian exports in this category followed by the sub-category ‘’**hair shampoos**’’ representing 15.84% of all Italian exports in this category.

Chart 6.4: %Market Share Canadian Imports from Italy: Hair Shampoos and Other Preparations, 2019



The total value of imports to Canada in the subcategory **''other hair preparations''** in 2019 was 28.66 mln $CAD with a market share of 6.77%. Italy is ranked 3rd in this sub-category, with its main competitors the United States (ranked 1st with mln $CAD; 65.72%) and Mexico (ranked 2nd with 31.09 $CAD, 7.35%). In 2019 the Italian exports of ''other hair preparations'' registered an increase of 1.2% compared to 2018, following the general trend in this segment.

''Hair shampoos'' also represents one of the most promising categories for *Made in Italy* sales. In 2019, Italy ranked 2nd with 5.5 mln $CAD and 2.2% of the market share, following the leader – the United States (207.33 mln $CAD, 83.00%). France ranked 3rd with 4.88 mln $CAD and 1.96% of the market share.

The Italian exports of hair shampoos to Canada is a steadily growing category during the last 5 years, demonstrating an increase of 24.5% compared to only 5.3% for the general trend.

Another significant category for Italian exports to Canada are **''perfumes and toilet waters''**.

In 2019, Italy was ranked 3rd with a market share of 9.26% and a value of 31.27 mln. The biggest exporter of perfumes and toilet waters to Canada is France (161.09 mln $CAD and a market share of 47.71%) followed by the United States (84,92 mln $CAD and a market share of 25.15%).

Not only did the exports of Italian perfumes and toilet waters increase in 2019 by 3.26% compared to the same period in 2018, but this segment registered a constant growing trend during the last 5 year period (+16.4%), even though the general trend of Canadian imports for this category was 6.8%.

As illustrated in the Annex 2 "Canadian Import trends: Cosmetics Made in Italy, main categories'', there remains great potential for future growth for several other *Made in Italy* product categories.

As per geographic distribution, the most important provinces for *Made in Italy* Canadian exports in the Cosmetics industry are Ontario, Quebec and British Columbia.

6.2 Market Positioning of Made in Italy cosmetics in Canada

Despite the excellent reputation of Made in Italy cosmetics among Canadian beauty industry professionals and overall appreciation of Italian products on the Canadian market, Italian cosmetic products are generally not very well known to ‘’average’’ Canadian consumer and are mainly seen as niche products.

Few brands have successfully developed in Canada, and this is mostly in the professional segment.

Actually, Canadians do not consider Italian expertise in the beauty industry as important as they do for French products, which are recognized as being a point of reference when choosing a range of products.

Due to their higher price and the additional costs associated (transport, custom tariffs, euro exchange rate…), Italian cosmetic products are typically priced between the medium - high price ranges, and there are less competitive on the Canadian market.

Many Italian cosmetic manufacturers operate in the subcontracting industry, and these Made in Italy products arrive on the Canadian market as international or North American brands or luxury European cosmetic lines. Generally, an ‘’average’’ Canadian consumer is unaware that these products are Made in Italy.

Some examples of companies using of Italian subcontracting for Canadian market include:

- lip make up products: Estee Lauder Cosmetics, Shiseido Canada;
- eye make-up products: Benefits Cosmetics, L’Oréal Canada, Revlon Canada, Groupe Marcelle;
- cosmetic powders: Benefits Cosmetics, Estee Lauder Cosmetics, Shiseido Canada, Revlon Canada;
- perfumed bath salts and other bath products: Shiseido Canada, The Body Shop Canada;
- face, hand and body creams and lotions: Elizabeth Arden Canada, Clarins Canada, Estee Lauder Cosmetics, Shiseido Canada, Groupe Marcelle, Charlotte Tilbury Beauty Canada; and many other companies.

As for independent Italian brands, only some are well known to Canadian consumers, such as Pupa Milano, represented in Canada by a distributor.

Italian brands present in Canada through a local partner or representative office include:

- **Acca Kappa:** hairbrush and accessories manufacturer also selling fragrances, skin care, lip care and body care products
- **Vagheggi:** leading expert in phytocosmetic treatments in Italy offering complete product range
- **Ishi:** innovative ‘’biocosmeceutical’’ products; professional esthetical products for body and face
- **Solimé:** herbal treatment lines
- **Lisap:** professional hair colour and treatment products
- **Difiaba:** professional hair colour, care and styling products
- **Farmavita:** colourings, shampoos, hair care and other products for hair professionals
- **DCM Diapason Cosmetics Milano:** innovative products for hair stylists

- **Professional by Fama The Italian Art of Color:** colourings, shampoos, hair care and other products for hair professionals
- **Skin Regimen:** innovative skin care products for ''urban dwellers'' (also available at Sephora Canada)
- **Kiko Make up**: professional make-up and advanced treatments for skin care (also available at Walmart Canada)
- **Barba Italiana**: a range of men's products for skin, hair and beard
- **Leriem Sport**: skin care products/creams for sports
- **Comfort Zone:** products and professional treatments for spas and wellness center dedicated to face and body care.

Another example of Italian Company operating with success on the Canadian market is **Tecnocosmesi** which opened a production plant in "Biotech City" in Laval (Quebec).

More and more Italian brands are now available through e-commerce channels (e.g. Wycon Cosmetics or Collistar).

Young and curious Canadian consumers are constantly exploring online sources to find and purchase new and trendy products from around the world.

As our research confirmed, the demand for Made in Italy cosmetics is particularly strong in the professional sector where innovative, efficient and quality Made in Italy products are appreciated.

In the segment of natural and organic products, *Made in Italy* is not yet a very well-known brand, being mostly associated with the luxury segment in the Canadian market.

6.3 SWOT analysis of Made in Italy products in Canada

This SWOT analysis evaluates the position of Italian cosmetics in Canada based on a variety of sources, including a small panel discussion conducted with Canadian cosmetics importers.[150]

Strengths:

- Strong Made in Italy reputation and overall appreciation of Italian products in Canada; Made in Italy is usually associated with high-end and luxury products
- Tradition, heritage and proven beauty expertise of Italian cosmetic products
- Innovation in the Italian cosmetics industry: Made in Italy cosmetics have a strong reputation for their extensive research and innovation offering efficiency as well as uniqueness of their formula, specially appreciated by beauty industry professionals
- High quality standard: Italian manufacturers are known for high-quality standards and safe products
- Packaging & design: Italian manufacturers offer attractive, innovative, and sustainable designs for cosmetics packaging, appreciated by Canadian consumers and beauty industry professionals

[150] The ICCC contacted a small group of Canadian importers and distributors to complete this section

- High level of specialization: Italian products are mostly targeting a specific niche in the Canadian market

Weaknesses

- Low customer awareness: Italian brands are not very well known at the Canadian market with less visibility compared to North American or French products
- Lack of product and packaging adaptation for the Canadian market: ex. Italian companies are often not organized to prepare all the required labelling and documentation to adhere to the French language requirements, especially if it's only the initial ‘’market test’’ order.

Opportunities

- Overall successful performance of the beauty industry: the industry prospered in Canada during the last few years, driven by a favourable economic context and increased consumer confidence
- Demographic trends: older demographics are increasingly interested in “ageing well” and incorporating new cosmetics into their regimes. The most important Canadian population group - Millennials are also incorporating anti-ageing products into their skin care routines as a preventative measure against elements such as excessive sun exposure, looking also for ‘’wow effect’, trendy products
- Demand for Sustainable and Natural Products continue to rise: younger consumers in particular are driving interest in sustainability and eco-friendliness, and looking for natural, sustainable, authentic and natural brands with vegan-friendly products
- Canadian customers are generally loyal to brands but remain curious and love to try new products: new products have played an integral part in the development of the market over the last few years. Customers like to try new products, which may provide opportunities for new Italian brands entering the market.
- Growing e-commerce trends

Threats

- Aggressive competition: the Canadian Cosmetics industry is very mature and very competitive with a large number of North American and imported brands who are in a never-ending race to emerge, also through e.commerce
- The impact of strict Canadian norms and regulations
- Buying local trends: buying local and supporting Canadian based businesses is very popular in Canada during the last few years, and is currently being promoted by the Canadian federal and provincial governments during the Covid-19 crisis (ex. the Quebec government program: Le Panier Bleu https://www.lepanierbleu.ca/)
- Euro vs. Canadian Dollar exchange rate: high value of the Euro over the past few years make Italian products less competitive on the Canadian market, as customer are price sensitive.

6.4 Market access and market consolidation of Made in Italy cosmetics

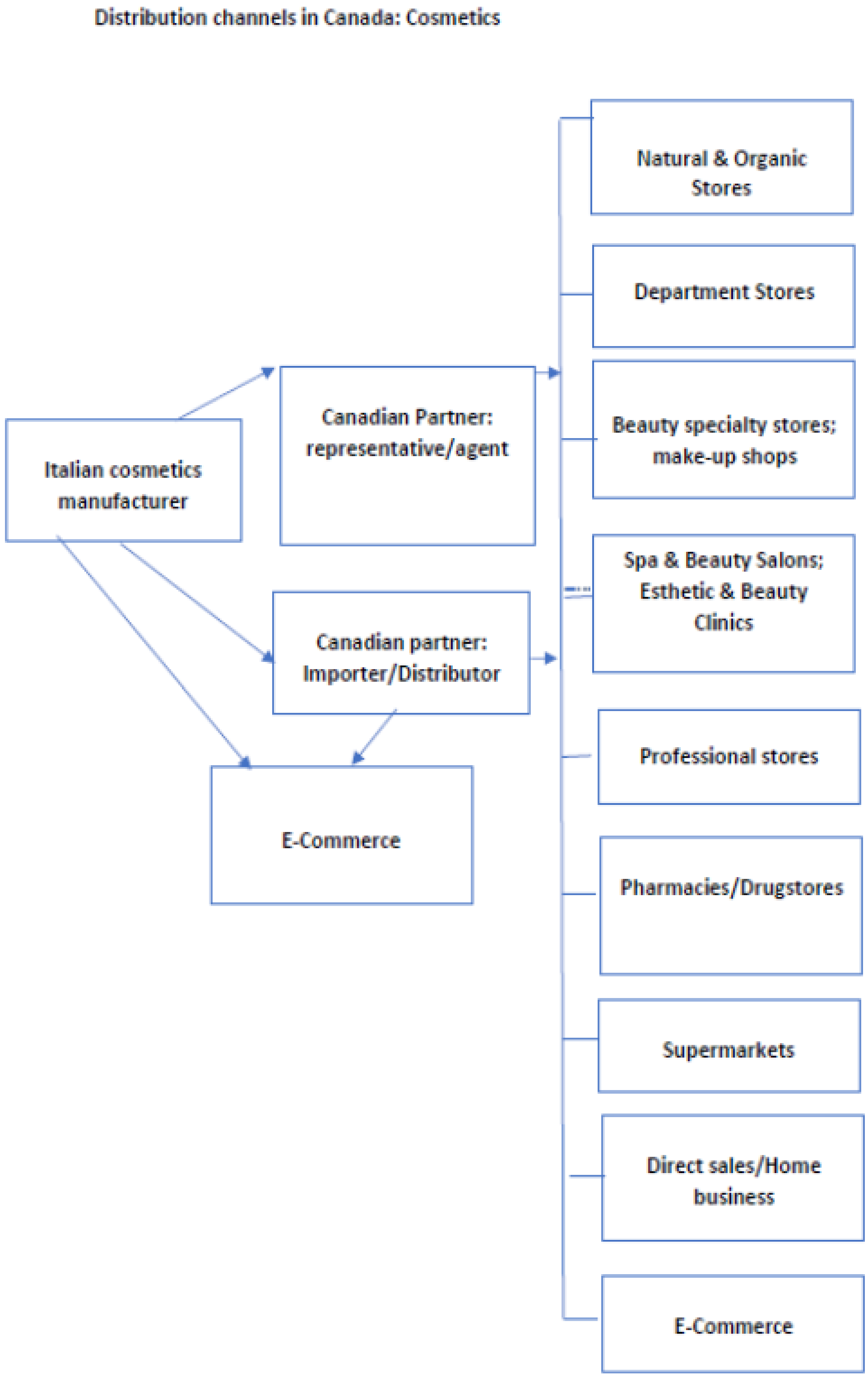
The Italian cosmetics products are available mostly at specialized stores on the Canadian market - notably in beauty specialty stores, in professional stores, high-end boutiques and spas in cities with large population or the popular tourist destinations.

However, the Internet has narrowed the gap, as more Italian products become available online through various e-commerce channels.

In traditional channels the role of the importer-distributor is crucial because they are in direct contact with the retailer and they choose which Italian specialty product to promote. Based on their experience and with feedback from the retailers, they select the most requested and profitable products to push on the Canadian market.

In the case of local representative/agent, the Italian company has more flexibility and more control on the cost, but the success depends on the agent’s networking, reputation, and market knowledge.

Chart 6.5: Cosmetic Distribution Channels in Canada



There are hundreds of importers and distributors of cosmetic products operating across Canada in different territories and price categories, from low-cost mass-market products to high end and niche products.

Canadian importers-distributors could operate at different levels:

- National: companies selling in Canada ''coast to coast'', generally promoting major brands, or operating in the most populous provinces (Quebec, Ontario and British Columbia)
- Regional: companies concentrating their efforts in one single Canadian province (ex. Quebec only), or in bordering provinces (ex. British Columbia with some selling points in Alberta).
- Local: companies doing business only on the local level (ex. region of Quebec-city only)

Typically, importers and distributors serve either the professional market or the retail market or in certain rare cases when they cater to both markets. Distributors will have more commercial success if they are concentrated in one specific segment.

For example, the brand Caudalie entered the Canadian market in both the professional and retail segments, however they opted for retail market only to be successful.

However, in a very niche market (ex., vegan products based on a unique formula), the distributor could operate successfully for both professional and retail segment.

As for the e-commerce channel, operators are usually partners with other Canadian importers and distribute their products. In some rare cases they can import directly, again if they are operating in a very niche market.

In the case of an Italian brand who is a new player on the Canadian market, it is advisable to begin with a traditional distribution approach.

The choice of the market segment and of the niche depends on the strengths of your brand, the expertise of your Canadian partner and the general strategy designed for the Canadian market. However, new players should concentrate their efforts in one segment of the market (professional or retail).

Generally, Canadian distributors request exclusivity for the brand that they are investing in and contracts could have a lifespan of minimum 3 to 5 years.

Canadian Distributors can be members of different professional associations, such as Cosmetics Alliance Canada[151], or specialised associations at the regional level (ex. some distributors specialised in the spas industry in Quebec are members of the *Association Québécoise des spas* (AQS)[152])

If an Italian brand wants to attain high sales, an investment in promotional/marketing activities will be important. Also, for products sold in supermarkets or drugstores, there are additional promotional fees that must be paid for the products to appear on the shelves.

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151 https://www.cosmeticsalliance.ca/

152 https://spaexcellence.ca/

What are the costs associated with entering the Canadian market for an Italian cosmetics company?

The determination of cost is dependent on the brand’s strategy, for example, to reach the professional market, the costs are linked to the establishment of partnerships with the salons and with the points of sale (launch program, training, promotional program etc..) It is difficult to determine a specific cost because the strategy is influenced by the brand's interest in growing the range and its objectives in terms of the number of accounts opened and the speed of implementation.

For the pharmacy network, costs are determined based on the range's capacity to reach an acceptable level of sales within a specific time period, for example, a minimum of 4 inventory turnovers per year. There is no listing fee per se. Rather, it is an investment in the range to convince the consumer to buy the products (advertising, promotion, sampling, events, training, etc.). There is also a maintenance fee which varies from 4 to 15% and which must be used to support the range in the flyers of the pharmacy chain.

A recommended strategy for an Italian company interested in penetrating the Canadian cosmetics market would be to find a local partner (importer-distributor) or representative, or if possible, to open an office in the country.

Without a local representative who can support everyday contact with distribution points of sales, it is very difficult to succeed in the market.

It is also important to define the geographic area covered by the Canadian partner, considering that the most important provinces interested in Made in Italy products are Ontario (Toronto), Quebec (Montreal) and British Columbia (Vancouver).

Choosing the territory and distribution politics, the brand should realize the differences between different provinces. For example, in Quebec the development of the cosmetic market is more dynamic and the customers more informed, but in Ontario the customers love to shop in the big shopping malls and chains stores, so the volume could be more important.

Several Italian cosmetics companies have already established local offices or have found a partner in Canada.

An Italian company can stimulate further sales by working with Canadian partners on effective marketing campaigns, as well as by utilizing trade shows, in-country promotions, and advertising.

All players in the cosmetic market are expected to become more proactive in connecting with consumers and keeping them informed about the latest trends, and launching on-trend products to remain relevant in increasingly fast-moving cosmetics categories in which consumers are eager to jump onto the next exciting trend.

6.5 Impact of the COVID-19 Crisis

The global beauty industry (including skin care, colour cosmetics, hair care, fragrances, and personal care) has been heavily affected by the COVID-19 crisis. First-quarter sales have been weak, and there have been widespread store closures.[153]

The local industry has responded positively to the crisis, with brands switching their manufacturing to produce hand sanitizers and cleaning agents and offering free beauty services for frontline response workers.

Even though the economic magnitude of the COVID-19 pandemic on brands and retailers will be far greater than any recession, there are signs that the ***beauty industry may once again prove relatively resilient.***

In a variety of markets, consumers report that they intend to spend less on beauty products in the near future (largely driven by declines in spending on colour cosmetics) but more than they will in other discretionary categories, such as footwear and clothing..[154] ''*The outbreak has already caused an array of changes in shopping behavior and we're focused on understanding the ones that will come next, how long they'll last—and whether any will stay with us after the outbreak is behind us*," according to the article ''How COVID-19 is changing the world of beauty'' dated May 5th 2020 published by McKinsey.

A Nielsen investigation has identified six key consumer behaviour threshold levels that tie directly to concerns around the novel coronavirus (COVID-19) outbreak: phase 1 ''Proactive Health minded buying''; phase 2 ''Reactive health management''; phase 3 ''Pantry preparation''; phase 4 ''Quarantined living preparation''; phase 5 ''Restricted living'; phase 6 ''Living a new normal''. The thresholds offer early signals of spending patterns, particularly for emergency pantry items and health supplies, and these patterns are being mirrored across multiple markets including Canadian market[155]

The rules of the Beauty industry are changing, and so is consumer behavior. Some beauty products are shifting online, but in this business the store has critical role to play.

The shopping of the cosmetics in store is no more an ''emotional pleasure'': the customer is now shopping very quickly and can not touch or try products – the most important thing in the cosmetics industry.

Retailers are also changing strategies, approaching potential customers aggressively through their social media campaigns.

However, ***e-commerce/on-line shopping*** is offering huge opportunities for the brands and is a very rapidly growing segment in Canada. In fact, retail e-commerce reached CA$64.56 billion ($49.80 billion) in 2019. That's up 21.1% from 2018 and will represent 10.0% of all retail sales.[156]

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[153] McKinsey&Company. How COVID-19 is changing the world of beauty. Article. May 5, 2020.

[154] McKinsey&Company. How COVID-19 is changing the world of beauty. Article. May 5, 2020

[155] The Nielsen Company. Key Consumer behaviour thresholds identified as the coronavirus outbreak evolves. CPG, FMCG & RETAIL 03-10-2020

[156] Canada Ecommerce 2019. EMarketer. 2019

6.6 Major Opportunities and Key Success Factors for Made in Italy Products

Previously in this report we analyzed the fastest-growing products and emerging trends in the Canadian Beauty industry.

To summarize, the main opportunities include:

- Products appropriate to age and gender: anti-aging products (with ''medical'' effect ingredients such as retinol, vitamin C, peptides and others), products for young customers, men's products
- Innovative products with proven efficiency: the benefits should be visible quickly
- Natural ingredients; Bio & Organic Products: these products are also expected to be exceptionally performant and showing good results
- Ethnic products
- Personalized products

For quality Made in Italy products, the particularly interesting niche is the professional products for spas, beauty salons and esthetic clinics.

However, success on the Canadian market depends also on the strategic choices of the company, the unique value proposition of the product, promotional strategy, general performance of the brand, choice of the Canadian partner or distributing area, and many other factors.

Some key success factors for the new Italian players in the Canadian beauty market include:

- Canada is a mature market with aggressive competition so the new player should be also aggressive in its promotional strategy and very dynamic and flexible in their approach.
- Before approaching the Canadian market, the brand should be well established in Italy, and there should be a structured business plan in place.
- The choice of a reliable Canadian partner with the same values of the Italian company, and offering a good network, adequate sales force and working with the segment that suits the brand. However, even small distributors could accomplish a very good result in term of sales (ex. the French brand Darphin was very well developed by one sales person, and has since been purchased by Estee Lauder)
- Also, the new player should be aware that sales growth in the Canadian market could require large investments as the Canadian importer or distributor is not looking for an ''Italian supplier'' but more for an ''Italian reliable partner'', willing to co-invest in the promotional strategy and to develop the brand together. The cost to launch a new product/brand depends on the target market and the desired result (ex. distribution in a small chain of spas vs. drugstore chain). An example of partnership between Canadian distributer and foreign company is the French brand Phytomer, a very well performing brand on the Canadian market.

- The company should be ready to comply with Canadian legislation and, if needed, to adapt the product to the Canadian market. The documentation and labelling needs to be in both official languages – French and English is mandatory.
- The Italian company should be creative and open minded (ex. organization of the creative launch of product)

Overall, the Canadian market offers a very interesting potential for Italian brands and could report very outstanding commercial results.

ANNEX 1: COSMETIC LABELLING IN CANADA – ADDITIONAL INFORMATION

Product identity	The identity of a cosmetic product must be evident to the user when purchasing it and continue to be identifiable after any outer packaging has been removed. All information presented on a label must be easily read. The manner in which the requirements are applied depends on the two situations: products that have both outer and inner labels (e.g., a bottle packaged in a box has two labels), and products that have an inner label only (e.g., a bottle of shampoo that is not packaged in a box). For products that have both outer and inner labels, specific requirements apply to each type of label. On the outer label, the declaration of product identity must appear in both English and French on the principal display panel. The declaration must clearly contrast both with the background of the label and all the other information on the label. Some exemptions concerning official bilingual labelling could be allowed in certain cases (ex. temporary exemptions of one year maximum for test marketing or for local/specialty products). Under these circumstances, the product may be identified in either of the two official languages. There is no restriction concerning the typeface that may be used. All information that is required to appear on a label, other than the declaration of net quantity, must be shown in a manner easily legible under normal or customary conditions of sale or use and must be in letters of not less than 1.6 mm in height. When the area of the principal display surface is less than 10 cm2, the information may be in letters of not less than 0.8 mm in height. In certain cases, the product may be exempted from a declaration of product identity. For example, when a product is normally sold by numerical count and packaged so that the content is visible and identifiable (e.g., a plastic bubble pack that contains three shades of eye shadow), or the label bears an accurate pictorial representation of the contents of the package. On the inner label, a declaration of identity must appear either

	in English or French unless the identity of the product is obvious (e.g. lipstick). This declaration must contrast both with the background of the label and with all the other information that appears on the label. Even though both official languages aren't required on the inner label, manufacturers and importers are encouraged to declare the identity of a cosmetic product in both English and French. A declaration of identity must appear in English and French on the principal display panel. The declaration must contrast clearly with the background and all other information that appears on the label. In certain cases, the identity of a product (e.g., lipstick, eyebrow pencil, automatic mascara applicator, or a compact including powder and puff) may be considered obvious and a written declaration of product identity wouldn't be necessary. If the product is in an opaque container, the identity of the product must be stated.
Net quantity	The Cosmetic Regulations do not require a declaration of the net quantity of the product, but there are specific requirements in the Consumer Packaging and Labelling Act and Regulations. In general, the packaging should be constructed, or presented in such a way that the consumer will not be misled about the quality or quantity of the product contained inside. All information regarding the net quantity presented on a label must appear in such a manner that can be easily read. For products that have both outer and inner labels, specific requirements apply to each type of label. On the outer label, the declaration of net quantity must appear in both English and French on the principal display panel. The declaration must contrast clearly with all the other information that appears on the label. A suitable metric symbol used for the unit of measure is considered bilingual. On the other hand, the use of a complete word normally calls for a translation (ex. English "gram"/French "gramme" vs. Correct Bilingual Abbreviation "g"). The labels of some pre-packaged products are composed of one or more additional panels of the same size and prominence as

	the principal display panel. The net quantity may be given on the principal display panel in only one of the two official languages, provided that it is given in the other language on one of the other panels. The declaration of the net quantity of a pre-packaged product must be expressed - by volume, when the product is a liquid, gas, or viscous substance; or - by weight, when the product is a solid. A single space must be used to separate the numerical part of the declaration from the unit of measure. For example: "500 mL" is correct, and "500mL" is incorrect. The net quantity of aerosol products must be declared by weight (propellant plus ingredients).
Name and address of manufacturer	Sometimes it is necessary for the public, associations, medical practitioners, government agencies, or other interest groups to know the identity of the party that is responsible for a product (e.g., in order to communicate with the responsible party). This party is often known as the manufacturer or dealer. It is important that the name and address on the label appearing in section 3 of the Cosmetic Notification Form for the product that is submitted to the Cosmetics Program correspond to the name and address on the label. On the outer label, the name and address of the manufacturer or dealer must appear on the outside surface of the package (anywhere except the bottom but conforming to the requirements discussed in "Imported Products," below) in such a manner that can be easily read. The name and address may appear in English, French, or both official languages. *Imported products:* When a pre-packaged product is manufactured or produced in a country other than Canada, the identification of the manufacturer or dealer may be expressed in the following ways: - showing the identity and principal place of business of the manufacturer outside Canada, or

	- showing the identity and principal place of business of the Canadian dealer, preceded by the words "imported by" ("importé par") or "imported for" ("importé pour"), or - showing a statement of the geographic origin of the product immediately adjacent to identity and principal place of business of the Canadian dealer. The name and address of the manufacturer or dealer must be displayed so that it can be easily read. The information must not be displayed on the bottom of the container.
Avoidable hazards and cautions	The Food and Drugs Act (section 16) and the Cosmetic Regulations (section 24) prohibit the sale of products that present a hazard to the health of the user. When an avoidable hazard is associated with the use of a product, the product may be sold on condition that a warning describes how to use, or when not to use, the product in order to eliminate the risk. This requirement can be satisfied through a combination of instructions for use, cautions, and symbols, in both English and French. A copy of the labels and inserts used with a product of this type must be submitted with the Cosmetic Notification.
Ingredients	Since November 2006, the Cosmetic Regulations require the disclosure of all ingredients on the label for all cosmetic products sold in Canada. The Cosmetic Regulations require that all cosmetic products sold in Canada must list the ingredients on the label using the International Nomenclature for Cosmetic Ingredients (INCI) labelling system. The list of ingredients must appear on the outer label of a cosmetic, or if the cosmetic has one label only, on that label. Extra descriptive or marketing terminology is not acceptable in the ingredient list, although it is permissible elsewhere on the label. For certain ingredients and products such as botanicals and ornamental containers, the manner for listing these is prescribed by the Cosmetic Regulations. For the ingredients with no INCI name, the ingredient must be listed by its chemical name from a recognized source. All information required by the Cosmetic Regulations must be

	clearly legible and remain so throughout the useful life of the cosmetic. While there is no prescribed font size or type face for the ingredient lists, the list must be clearly legible to the consumer under normal conditions of sale and use. Ingredients must be listed on the label in descending order of predominance, in their concentration by weight. Ingredients that are present at a concentration of 1% or less may be listed in random order after the ingredients present at a concentration of more than 1%. All colouring agents, regardless of their concentration, may be listed in random order after the ingredients that are present at a concentration of more than 1%. In the case of fragrances, the word "parfum" may be used to indicate that ingredients have been added to the cosmetic to produce or mask a particular odour. In the case of flavours, the word "aroma" may be used to indicate that ingredients have been added to the cosmetic to produce or mask a particular flavour. For make-up products (e.g. lipstick, blush, eyeshadow), nail polish and nail enamel, which are sold in a range of colour shades, all colouring agents used in the range may be listed if they are preceded by the symbol "+/-" or "±" or the phrase "may contain/peut contenir". For cosmetics whose immediate container or outside package is so small that the information would not be clearly legible, the list of ingredients may appear on a tag, tape or card affixed to the container. In the case of a cosmetic in an ornamental container that has no outside package (i.e. a perfume bottle without a box), the list of ingredients may appear on a tag, tape or card affixed to the container. In the case of a cosmetic that has no outside package and whose size, shape or texture, or that of its immediate container, makes it impractical for a tag, tape or card to be affixed to the container (e.g. bath beads), the list of ingredients may instead appear in a leaflet that must accompany the cosmetic at the point of sale. Some products are exempted from mandatory ingredient labelling.

ANNEX 2: CANADIAN IMPORT TRENDS - MADE IN ITALY COSMETICS

Canadian Imports from Italy

Imported Product	2019, in CAD$	2019, % of all import	General View 2019	Main competitors	All import 2019: Canadian market
HS3304: Beauty or make-up preparations	164.84 mln	7.45%	Rank 3rd, decrease 11.9% (2018)	United States (1), France (2), China (4)	2 212.8 mln ↑ (2018)
Hs330410: Lip make-up preparations	30.59 mln	12.88%	Rank 2nd, increase 11,5% (2018)	United States (1), France (3), China (4)	237.53 mln, ↑ (2018)
Hs 330420: Eye make-up preparations	38.69 mln	14.49%	Rank 2nd, decrease 30,4% (2018)	United States (1), China (3), France (4)	266.99 mln, ↓ (2018)
Hs 330491 - Powders, beauty or make-up, whether or not compressed	47.45 mln	29.85%	Rank 2nd decrease 0.9%	United States (1), China (3), Re-Imports Canada (4)	158.98 mln, ↓ (2018)
Hs 330430 - Manicure or pedicure preparations	0.52 mln	0.65%	Rank 10th, increase 90% (2018)	United States (1), China (2), France (3), Mexico (4)	79.19 mln, ↓ (2018)
Hs 330499 - Beauty or make-up preparations nes (including sunscreen or suntan preparations; face, hand and body creams and lotions)	47.58 mln	90%3.24 %	Rank 4th, decrease 15% (2018)	United States (1), France (2), South Korea (3)	1 469.16 mln, ↑ (2018)

Hs 3305 - Hair shampoos and other hair preparations	34.73 mln	4.82%	Rank 2nd, increase 1.7% (2018)	United States (1), Mexico (3), Germany (4th)	720.1 mln ↑ (2018)
Hs 330510 - Hair shampoos	5.5 mln	2.2%	Rank 2nd, increase 7% (2018)	United States (1), France (3), United Kingdom (4)	249.78 mln ↑ (2018)
Hs 330520 - Hair permanent waving or straightening preparations	0.018 mln	0.41%	Rank 11th, decrease 56.1% (2018)	United States (1) Re-Import Canada (2) South Korea (3), Germany (4)	4.45 mln ↓ (2018)
Hs 330530 - Hair lacquers (hair sprays)	0.54 mln	1.27%	Rank 4th, decrease 13.7% (2018)	United States (1), Re-Imports (Canada) (2) Germany (3)	42.69 mln ↓ (2018)
Hs 330590 - Hair preparations nes	28.66 mln	6.77%	Rank 3rd, increase 1.2% (2018)	United States (1), Mexico (2), Germany (4)	423.18 mln ↑ (2018)
Hs 3306 - toothpaste, denture cleaners and other oral or dental hygiene preparations	0.86 mln	0.27%	Rank 9th, decrease 18.6% (2018)	United States (1), Mexico (2), Ireland (3), China (4)	315.77 mln ↑ (2018)
Hs 3307 - Other perfumery, cosmetic or toilet preparations: Pre-shave, shaving or after-shave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere specified or included; prepared room deodorizers, whether or not perfumed or having disinfectant properties	3.19 mln	0.61%	Rank 8th, increase 2.27 % (2018)	United States (1), Mexico (2), China (3), France (4)	526.66 mln, ↑ (2018)

Hs 330710 - Pre-shave, shaving or after-shaving preparations	0.99 mln	2.38%	Rank 5th, decrease 12.4% (2018)	United States (1), United Kingdom (2), France (3), Germany (4)	41.71 mln, ↓ (2018)
Hs 330720 - Personal deodorants and antiperspirants	0.25 mln	0.2%	Rank 13th, decrease 16.72% (2018)	United States (1), Mexico (2), France (3), United Kingdom (4)	126.79 mln, ↑ (2018)
Hs 330730 - Perfumed bath salts and other bath preparations	0.13 mln	0.34%	Rank 12th, decrease 4.36% (2018)	United States (1), China (2), Germany (3), Aruba (4)	37,9 mln ↓ (2018)
Hs 330749 - room perfuming or deodorizing preparations, nes	0.61 mln	0.38%	Rank 9th, increase 7.81% (2018)	United States (1), Mexico (2), China (3) Hungary (4)	162.33 mln ↑ (2018)
Hs 330790 - perfumery, cosmetic or toilet preparations nes (Animal toilet preparations, Contact lens solutions and other)	1.2 mln	0.8%	Rank 8th, increase 22.36% (2018)	United States (1), France (2), China (3), United Kingdom (4)	151.24 mln ↑ (2018)
Hs 3301 - essential oils, resinoids and aqueous solutions thereof	4.51 mln	2.76%	Rank 6th, decrease 26.9% (2018)	United States (1), India (2), France (3) China (4)	164.01mln ↓ (2018)
Hs 330113 - essential oils of lemon	0.82 mln	8.92%	Rank 4th, decrease 33.72% (2018)	United States (1), Ireland (2), Argentina (3)	9.2 mln ↓ (2018)
Hs 330119 - essential oils of citrus fruit, nes	2.67 mln	24.3%	Rank 2nd, decrease	United States (1), Mexico (3), Australia	10.9 mln ↓ (2018)

			28.25% (2018)	(4)	
Hs 330129 - essential oils, other than citrus fruit, nes	0.87 mln	0.86%	Rank 15th, increase 34.01% (2018)	United States (1), France (2), China (3) Australia (4)	101.14 mln ↓ (2018)
Hs 3303 - perfumes and toilet waters	31.27 mln	9.26%	Rank 3rd, increase 3.26% (2018)	France (1), United States (2), Spain (4)	337.67 mln ↑ (2018)
Hs 340111 - toilet soap and organic preparations (including medicated products)	2.22 mln	0.93%	Rank 9th, increase 87.04% (2018)	United States (1), China (2), United Kingdom (3), Poland (4)	239.08 mln ↓ (2018)

Annex 3: Canadian Imports by category – Detailed 2015 - 2019

Product	Country	2015	2016	2017	2018	2019	5 year growth
Hs 3304 - Beauty or make-up preparations	Italy	101,760,174	157,973,347	156,324,494	187,178,771	164,842,620	12.8%
	Total import	1,716,632,052	1,906,239,434	2,059,808,190	2,178,167,041	2,211,860,025	6.5%
Hs 330410 - lip make-up preparations	Italy	16,554,640	24,984,785	26,388,351	27,448,326	30,597,028	16.6%
	Total import	170,491,444	201,555,735	236,627,216	210,140,949	237,531,837	8.6%
Hs 330420 - eye make-up preparations	Italy	18,758,057	52,628,500	33,642,773	55,562,381	38,689,610	19.8%
	Total import	251,438,273	299,894,673	289,472,424	307,265,313	266,998,295	1.5%
Hs 330491 - powders, beauty or make-up, whether or not compressed	Italy	45,019,571	53,525,104	51,815,731	47,898,425	47,454,629	1.3%
	Total import	141,027,569	164,128,981	177,673,844	168,845,397	158,979,187	3.0%
Hs 330430 - manicure or pedicure preparations	Italy	97,776	126,044	694,959	272,955	518,533	51.8%
	Total import	120,720,662	108,360,816	94,331,112	84,263,795	79,191,305	-10.0%
Hs 330499 - Beauty or make-up preparations nes (including sunscreen or suntan preparations; face, hand and body creams and lotions)	Italy	21,330,130	26,708,914	43,782,680	55,996,684	47,582,820	22.2%
	Total import	1,032,954,104	1,132,299,229	1,261,703,594	1,407,651,587	1,469,159,401	9.2%
Hs 3305 - Hair shampoos and other preparations	Italy	23,814,358	26,796,134	30,572,938	34,146,803	34,728,750	9.9%
	Total import	677,501,135	688,069,965	666,278,443	696,576,018	720,105,156	1.5%
Hs 330510 - hair shampoos	Italy	2,291,970	2,935,763	4,149,532	5,141,817	5,502,399	24.5%
	Total import	203,513,092	215,426,998	216,255,460	233,588,564	249,786,492	5.3%
Hs 330520 - hair permanent waving or straightening preparations	Italy	494,399	47,011	167,820	42,065	18,448	-56.0%
	Total import	6,421,651	4,439,074	4,658,294	4,895,073	4,450,666	-8.8%
	Italy	557,964	582,792	745,890	628,122	541,990	-0.7%

Hs 330530 - hair lacquers (hair sprays)	Total import	53,453,967	58,741,541	48,759,526	45,691,752	42,691,430	-5.5%
Hs 330590 - hair preparations nes	Italy	20,470,025	23,230,568	25,509,696	28,334,799	28,665,913	8.8%
	Total import	414,112,425	409,462,352	396,605,163	412,400,629	423,176,568	0.5%
Hs 3306 - toothpaste, denture cleaners and other oral or dental hygiene preparations	Italy	649,301	670,558	1,003,555	1,062,765	864,937	7.4%
	Total import	336,654,795	328,859,719	303,946,375	309,661,972	315,765,848	-1.6%
Hs 3307 - other perfumery, cosmetic or toilet preparations: Pre-shave, shaving or after-shave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere specified or included; prepared room deodorizers, whether or not perfumed or having disinfectant properties	Italy	2,262,173	2,373,452	2,495,707	3,122,649	3,193,445	9.0%
	Total import	480,057,655	485,854,149	499,763,380	517,618,031	526,659,484	2.3%
Hs 330710 - pre-shave, shaving or after-shaving preparations	Italy	533,964	817,359	771,023	1,131,736	990,950	16.7%
	Total import	50,119,554	48,373,262	45,654,126	44,667,297	41,714,714	-4.5%
Hs 330720 - personal deodorants and antiperspirants	Italy	365,209	322,362	407,073	298,429	248,526	-9.2%
	Total import	131,331,583	127,722,081	125,601,342	126,374,735	126,789,379	-0.9%
	Italy	182,490	250,869	124,884	135,333	129,432	-8.2%

Hs 330730 - perfumed bath salts and other bath preparations	Total import	21,334,422	26,194,753	31,079,568	42,495,678	37,917,513	15.5%
Hs 330749 - room perfuming or deodorizing preparations, nes	Italy	138,798	131,788	253,849	566,952	611,235	44.9%
	Total import	142,982,892	138,993,451	162,858,978	158,748,055	162,326,890	3.2%
Hs 330790 - perfumery, cosmetic or toilet preparations nes (Animal toilet preparations, Contact lens solutions and other)	Italy	1,037,763	847,719	931,377	984,121	1,204,191	3.8%
	Total import	127,837,922	137,585,985	127,783,756	138,029,113	151,239,823	4.3%
Hs 3301 - essential oils, resinoids and aqueous solutions thereof	Italy	1,717,558	2,266,664	3,678,724	6,184,051	4,519,477	27.4%
	Total import	150,579,121	173,259,285	221,249,435	211,403,840	164,016,685	2.2%
Hs 330113 - essential oils of lemon	Italy	772,396	496,381	853,742	1,235,858	819,083	1.5%
	Total import	8,846,911	12,817,274	16,102,798	17,980,475	9,181,711	0.9%
Hs 330119 - essential oils of citrus fruit, nes	Italy	594,442	1,285,806	2,446,412	3,723,305	2,671,268	45.6%
	Total import	5,734,696	10,020,452	13,483,671	12,300,909	10,990,753	17.7%
Hs 330129 - essential oils, other thant citrus fruit, nes	Italy	197,369	265,634	204,309	647,324	867,492	44.8%
	Total import	85,569,809	91,882,668	119,151,151	117,442,470	101,136,563	4.3%
Hs 3303 - perfumes and toilet waters	Italy	17,027,979	17,403,618	24,476,814	30,281,871	31,268,497	16.4%
	Total import	259,376,324	293,501,385	306,586,874	328,885,898	337,673,363	6.8%
Hs 340111 - toilet soap and organic preparations (including medicated products)	Italy	1,290,710	1,306,511	1,456,331	1,189,225	2,224,366	14.6%
	Total import	255,177,898	239,331,310	236,681,967	240,979,315	239,086,036	-1.6%

ANNEX 4: CANADIAN IMPORTS BY CATEGORY – DETAILED BY COUNTRY AND PROVINCE

Canadian imports
Products Hs 33 - essential oils and resinoids, perfumes, cosmetics and toilet preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in canadian dollars

Report					
	2015	2016	2017	2018	2019
United States	2,876,945,181	2,995,668,138	3,055,319,752	3,133,285,235	3,145,288,547
France (incl. Monaco, French Antilles)	331,220,650	365,597,350	383,527,359	437,328,226	467,174,327
Italy (incl. Vatican City State)	151,981,697	213,994,306	226,468,898	271,759,306	248,434,531
China	119,597,921	140,206,838	166,643,951	176,170,444	184,977,830
Mexico	125,858,928	127,070,873	110,972,595	117,391,364	129,546,573
United Kingdom	122,464,786	133,394,482	156,834,783	128,298,458	121,618,712
Ireland	21,982,091	35,655,139	66,148,508	88,253,342	93,332,135
Germany	98,414,653	101,190,549	98,157,413	94,546,694	90,212,310
Korea, South	34,829,135	51,062,412	59,010,880	79,876,869	83,071,211
Japan	32,933,963	32,915,745	41,644,648	59,034,916	67,114,779
Total All Countries	4,205,522,847	4,497,000,534	4,722,436,610	4,954,382,925	5,002,424,960

Data Source: Statistics Canada

Title Canadian imports
Products Hs 33 - essential oils and resinoids, perfumes, cosmetics and toilet preparations
Origin All countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

Report					
	2015	2016	2017	2018	2019
United States	68.41%	66.61%	64.70%	63.24%	62.88%
France (incl. Monaco, French Antilles)	7.88%	8.13%	8.12%	8.83%	9.34%
Italy (incl. Vatican City State)	3.61%	4.76%	4.80%	5.49%	4.97%
China	2.84%	3.12%	3.53%	3.56%	3.70%
Mexico	2.99%	2.83%	2.35%	2.37%	2.59%
United Kingdom	2.91%	2.97%	3.32%	2.59%	2.43%
Ireland	0.52%	0.79%	1.40%	1.78%	1.87%
Germany	2.34%	2.25%	2.08%	1.91%	1.80%
Korea, South	0.83%	1.14%	1.25%	1.61%	1.66%
Japan	0.78%	0.73%	0.88%	1.19%	1.34%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian trade balances
Products Hs 33 - essential oils and resinoids, perfumes, cosmetics and toilet preparations
Origin Canada
Destination All countries (total)
Period Latest 5 years
Units Value in millions of canadian dollars

Report						
		2015	2016	2017	2018	2019
All Countries (Total)	**Total Exports**	2,295	2,443	2,504	2,834	2,851
	Total Imports	4,206	4,497	4,722	4,954	5,002
	Trade Balance	-1,910	-2,054	-2,218	-2,120	-2,151

Data Source: Statistics Canada

Title: Canadian Imports
Products Hs 3304 - Beauty or make-up preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	1,020,837,954	1,096,484,739	1,198,089,230	1,230,051,740	1,245,681,601
France (incl. Monaco, French Antilles)	201,672,032	214,036,610	223,375,872	251,266,831	263,821,433
3. Italy (incl. Vatican City State)	101,760,174	157,973,347	156,324,494	187,178,771	164,842,620
China	67,671,050	84,037,883	102,782,806	99,603,810	111,731,113
Korea, South	32,704,816	48,536,816	55,173,562	75,423,364	76,750,955
Japan	29,198,039	28,617,703	35,677,895	52,076,211	59,693,263
Germany	73,522,034	70,964,091	64,219,218	57,467,122	55,521,425
United Kingdom	41,197,238	43,789,200	43,989,674	42,967,179	41,799,192
Re-Imports (Canada)	27,022,773	34,822,626	44,579,302	43,154,710	39,513,888
Switzerland	21,822,750	23,495,069	25,698,424	26,468,961	34,970,322
Total All Countries	1,716,632,052	1,906,239,434	2,059,808,190	2,178,167,041	2,211,860,025

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3304 - beauty or make-up preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	59.47%	57.52%	58.17%	56.47%	56.32%
France (incl. Monaco, French Antilles)	11.75%	11.23%	10.84%	11.54%	11.93%
3. Italy (incl. Vatican City State)	5.93%	8.29%	7.59%	8.59%	7.45%
China	3.94%	4.41%	4.99%	4.57%	5.05%
Korea, South	1.91%	2.55%	2.68%	3.46%	3.47%
Japan	1.70%	1.50%	1.73%	2.39%	2.70%
Germany	4.28%	3.72%	3.12%	2.64%	2.51%
United Kingdom	2.40%	2.30%	2.14%	1.97%	1.89%
Re-Imports (Canada)	1.57%	1.83%	2.16%	1.98%	1.79%
Switzerland	1.27%	1.23%	1.25%	1.22%	1.58%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3304 - beauty or make-up preparations
Origin Italy (incl. Vatican City State)
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	88,102,706	131,895,346	140,217,769	161,022,847	138,855,371
---- Quebec	9,003,974	9,256,249	11,000,072	13,281,934	13,923,742
---- British Columbia	3,725,539	3,665,338	1,989,435	5,725,102	8,979,629
---- Alberta	833,405	13,068,779	2,880,920	6,327,207	2,759,247
---- Manitoba	81,117	74,538	202,408	657,073	165,822
---- New Brunswick	674	3,481	31,727	62,092	120,598
---- Saskatchewan	12,759	8,878	2,163	102,344	34,029
---- Nova Scotia	--	738	--	172	4,182
---- Newfoundland and Labrador	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
Sub-total	101,760,174	157,973,347	156,324,494	187,178,771	164,842,620
Others	1,614,871,878	1,748,266,087	1,903,483,696	1,990,988,270	2,047,017,405
Total All Countries	1,716,632,052	1,906,239,434	2,059,808,190	2,178,167,041	2,211,860,025

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330410 - lip make-up preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	86,500,963	97,744,615	130,296,054	110,974,279	129,111,232
2. Italy (incl. Vatican City State)	16,554,640	24,984,785	26,388,351	27,448,326	30,597,028
France (incl. Monaco, French Antilles)	11,713,838	15,297,949	19,176,835	17,644,570	17,828,275
China	12,815,549	15,932,983	21,097,611	18,080,580	17,641,063
Korea, South	828,207	4,906,120	3,453,650	4,833,210	9,341,824
Germany	24,015,890	19,156,523	12,603,616	6,774,223	8,362,022
Re-Imports (Canada)	3,508,465	6,944,866	7,805,674	7,006,986	7,426,782
Japan	961,069	1,556,708	1,816,747	3,857,075	3,238,427
United Kingdom	3,180,539	2,365,777	2,881,534	2,224,944	3,011,570
Czech Republic	721,908	2,283,889	1,920,931	1,724,233	2,637,477
Total All Countries	170,491,444	201,555,735	236,627,216	210,140,949	237,531,837

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330410 - lip make-up preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	50.74%	48.50%	55.06%	52.81%	54.36%
2. Italy (incl. Vatican City State)	9.71%	12.40%	11.15%	13.06%	12.88%
France (incl. Monaco, French Antilles)	6.87%	7.59%	8.10%	8.40%	7.51%
China	7.52%	7.91%	8.92%	8.60%	7.43%
Korea, South	0.49%	2.43%	1.46%	2.30%	3.93%
Germany	14.09%	9.50%	5.33%	3.22%	3.52%
Re-Imports (Canada)	2.06%	3.45%	3.30%	3.33%	3.13%
Japan	0.56%	0.77%	0.77%	1.84%	1.36%
United Kingdom	1.87%	1.17%	1.22%	1.06%	1.27%
Czech Republic	0.42%	1.13%	0.81%	0.82%	1.11%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330410 - lip make-up preparations
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	13,433,712	22,006,325	23,589,128	23,129,596	26,699,206
---- British Columbia	1,191,644	1,779,334	602,709	1,316,500	1,925,016
---- Quebec	1,895,399	1,155,744	1,910,586	2,405,679	1,801,079
---- Alberta	17,258	31,105	273,323	465,905	148,663
---- Manitoba	14,731	11,852	12,605	128,686	22,957
---- New Brunswick	--	--	--	180	107
---- Saskatchewan	1,896	425	--	1,780	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Nova Scotia	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
Sub-total	16,554,640	24,984,785	26,388,351	27,448,326	30,597,028
Others	153,936,804	176,570,950	210,238,865	182,692,623	206,934,809
Total All Countries	170,491,444	201,555,735	236,627,216	210,140,949	237,531,837

Data Source: Statistics Canada

Title Canadian imports

Products Hs 330420 - eye make-up preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	129,522,785	125,487,822	134,451,687	119,667,814	100,010,858
2. Italy (incl. Vatican City State)	18,758,057	52,628,500	33,642,773	55,562,381	38,689,610
China	16,559,942	25,227,347	30,456,839	30,217,727	35,674,970
France (incl. Monaco, French Antilles)	19,719,292	20,869,946	19,605,600	25,246,300	23,915,118
Germany	31,757,310	31,983,021	23,985,635	21,157,686	19,228,069
Korea, South	8,583,428	13,044,427	14,012,998	20,231,871	16,517,896
Japan	7,478,003	8,787,325	10,502,082	13,939,818	14,216,448
Re-Imports (Canada)	5,997,835	7,470,020	10,110,599	10,239,425	7,476,511
Taiwan	2,016,621	1,786,577	1,883,063	1,874,343	2,083,355
United Kingdom	3,631,483	3,651,454	2,693,198	2,324,856	1,961,926
Total All Countries	251,438,273	299,894,673	289,472,424	307,265,313	266,998,295

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330420 - eye make-up preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	51.51%	41.84%	46.45%	38.95%	37.46%
2. Italy (incl. Vatican City State)	7.46%	17.55%	11.62%	18.08%	14.49%
China	6.59%	8.41%	10.52%	9.83%	13.36%
France (incl. Monaco, French Antilles)	7.84%	6.96%	6.77%	8.22%	8.96%
Germany	12.63%	10.66%	8.29%	6.89%	7.20%
Korea, South	3.41%	4.35%	4.84%	6.58%	6.19%
Japan	2.97%	2.93%	3.63%	4.54%	5.32%
Re-Imports (Canada)	2.39%	2.49%	3.49%	3.33%	2.80%
Taiwan	0.80%	0.60%	0.65%	0.61%	0.78%
United Kingdom	1.44%	1.22%	0.93%	0.76%	0.73%
Total All Countries	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330420 - eye make-up preparations
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	13,924,316	37,518,131	28,647,503	45,606,348	28,650,352
---- Quebec	3,941,220	3,203,363	3,176,090	4,325,719	4,976,627
---- British Columbia	837,767	474,201	428,394	2,143,268	3,705,777
---- Alberta	27,067	11,411,920	1,354,198	3,227,604	1,289,409
---- Manitoba	24,677	20,492	36,588	259,250	65,648
---- New Brunswick	--	--	--	--	1,582
---- Saskatchewan	3,010	393	--	192	215
---- Newfoundland and Labrador	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Nova Scotia	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
Sub-total	18,758,057	52,628,500	33,642,773	55,562,381	38,689,610
Others	232,680,216	247,266,173	255,829,651	251,702,932	228,308,685
Total All Countries	251,438,273	299,894,673	289,472,424	307,265,313	266,998,295

Data Source: Statistics Canada

Title Canadan imports
Products Hs 330491 - powders, beauty or make-up, whether or not compressed
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	72,044,174	84,594,928	93,067,624	95,019,977	86,535,978
2. Italy (incl. Vatican City State)	45,019,571	53,525,104	51,815,731	47,898,425	47,454,629
China	8,773,994	9,768,866	12,986,152	9,597,730	9,489,344
Re-Imports (Canada)	2,468,278	2,745,272	4,953,572	5,602,878	5,728,820
France (incl. Monaco, French Antilles)	5,532,331	6,578,134	4,830,032	4,869,348	4,308,807
Japan	1,602,505	1,542,745	1,429,821	2,117,722	1,725,686
Taiwan	1,543,948	1,189,528	803,999	788,540	766,545
Korea, South	1,006,124	1,006,674	1,425,179	696,176	647,940
Poland	311,761	503,342	3,474,473	425,053	523,462
Germany	566,322	681,217	510,801	506,298	381,682
Total All Countries	141,027,569	164,128,981	177,673,844	168,845,397	158,979,187

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330491 - powders, beauty or make-up, whether or not compressed
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	51.09%	51.54%	52.38%	56.28%	54.43%
2. Italy (incl. Vatican City State)	31.92%	32.61%	29.16%	28.37%	29.85%
China	6.22%	5.95%	7.31%	5.68%	5.97%
Re-Imports (Canada)	1.75%	1.67%	2.79%	3.32%	3.60%
France (incl. Monaco, French Antilles)	3.92%	4.01%	2.72%	2.88%	2.71%
Japan	1.14%	0.94%	0.80%	1.25%	1.09%
Taiwan	1.09%	0.72%	0.45%	0.47%	0.48%
Korea, South	0.71%	0.61%	0.80%	0.41%	0.41%
Poland	0.22%	0.31%	1.96%	0.25%	0.33%
Germany	0.40%	0.42%	0.29%	0.30%	0.24%
Total All Countries	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330491 - powders, beauty or make-up, whether or not compressed
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	43,498,473	51,203,427	48,990,583	45,171,799	44,582,009
---- Quebec	793,614	2,076,727	2,676,024	1,916,427	1,867,198
---- British Columbia	652,662	169,287	129,751	638,796	941,836
---- Alberta	73,280	74,237	15,841	140,549	60,258
---- Manitoba	1,537	1,421	3,532	11,802	2,253
---- New Brunswick	5	5	--	--	1,055
---- Saskatchewan	--	--	--	19,052	20
---- Newfoundland and Labrador	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Nova Scotia	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
Sub-total	45,019,571	53,525,104	51,815,731	47,898,425	47,454,629
Others	96,007,998	110,603,877	125,858,113	120,946,972	111,524,558
Total All Countries	141,027,569	164,128,981	177,673,844	168,845,397	158,979,187

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330430 - manicure or pedicure preparations
Origin Top 10 countries (detailed)
Destination
Canada
Period
Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	93,700,324	81,800,044	72,509,058	62,297,492	52,202,488
China	11,556,262	8,857,405	6,289,956	7,022,879	9,691,596
France (incl. Monaco, French Antilles)	4,986,571	6,996,012	4,960,747	4,074,430	4,610,996
Mexico	3,503,429	3,131,181	2,992,347	3,551,115	3,774,364
Germany	808,114	952,035	1,078,307	1,062,888	1,738,537
Spain	154,243	539,191	1,083,159	1,371,137	1,556,681
Taiwan	217,451	141,097	214,183	684,861	1,026,342
Korea, South	590,811	558,697	464,314	621,824	814,001
Luxembourg	630,088	1,324,816	1,064,904	1,047,164	781,398
10. Italy (incl. Vatican City State)	97,776	126,044	694,959	272,955	518,533
Total All Countries	120,720,662	108,360,816	94,331,112	84,263,795	79,191,305

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330430 - manicure or pedicure preparations
Origin All countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	77.62%	75.49%	76.87%	73.93%	65.92%
China	9.57%	8.17%	6.67%	8.33%	12.24%
France (incl. Monaco, French Antilles)	4.13%	6.46%	5.26%	4.84%	5.82%
Mexico	2.90%	2.89%	3.17%	4.21%	4.77%
Germany	0.67%	0.88%	1.14%	1.26%	2.20%
Spain	0.13%	0.50%	1.15%	1.63%	1.97%
Taiwan	0.18%	0.13%	0.23%	0.81%	1.30%
Korea, South	0.49%	0.52%	0.49%	0.74%	1.03%
Luxembourg	0.52%	1.22%	1.13%	1.24%	0.99%
10. Italy (incl. Vatican City State)	0.08%	0.12%	0.74%	0.32%	0.65%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330430 - manicure or pedicure preparations
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Quebec	30,769	24,087	14,646	34,919	254,841
---- Ontario	55,645	88,276	527,077	201,277	233,544
---- British Columbia	3,209	7,057	29,181	29,765	24,872
---- Manitoba	6,533	5,513	2,617	4,703	5,248
---- Alberta	1,620	373	121,438	2,169	28
---- New Brunswick	--	--	--	122	--
---- Nova Scotia	--	738	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Saskatchewan	--	--	--	--	--
Sub-total	97,776	126,044	694,959	272,955	518,533
Others	120,622,886	108,234,772	93,636,153	83,990,840	78,672,772
Total All Countries	120,720,662	108,360,816	94,331,112	84,263,795	79,191,305

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330499 - Beauty or make-up preparations nes (including sunscreen or suntan preparations; face, hand and body creams and lotions)
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	639,069,708	706,857,330	767,764,807	842,092,178	877,821,045
France (incl. Monaco, French Antilles)	159,720,000	164,294,569	174,802,658	199,432,183	213,158,237
Korea, South	21,696,246	29,020,898	35,817,421	49,040,283	49,429,294
4. Italy (incl. Vatican City State)	21,330,130	26,708,914	43,782,680	55,996,684	47,582,820
Japan	18,729,430	16,436,081	21,687,437	31,987,963	40,393,219
China	17,965,303	24,251,282	31,952,248	34,684,894	39,234,140
United Kingdom	31,726,875	35,366,175	37,036,614	37,520,745	36,106,310
Switzerland	19,853,903	21,965,413	24,021,883	25,400,892	34,147,333
Germany	16,374,398	18,191,295	26,040,859	27,966,027	25,811,115
Re-Imports (Canada)	14,991,694	17,618,048	21,706,708	20,298,045	18,793,990
Total All Countries	1,032,954,104	1,132,299,229	1,261,703,594	1,407,651,587	1,469,159,401

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330499 - Beauty or make-up preparations nes (including sunscreen or suntan preparations, face, hand and body creams and lotions)
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	61.87%	62.43%	60.85%	59.82%	59.75%
France (incl. Monaco, French Antilles)	15.46%	14.51%	13.85%	14.17%	14.51%
Korea, South	2.10%	2.56%	2.84%	3.48%	3.36%
4. Italy (incl. Vatican City State)	2.06%	2.36%	3.47%	3.98%	3.24%
Japan	1.81%	1.45%	1.72%	2.27%	2.75%
China	1.74%	2.14%	2.53%	2.46%	2.67%
United Kingdom	3.07%	3.12%	2.94%	2.67%	2.46%
Switzerland	1.92%	1.94%	1.90%	1.80%	2.32%
Germany	1.59%	1.61%	2.06%	1.99%	1.76%
Re-Imports (Canada)	1.45%	1.56%	1.72%	1.44%	1.28%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330499 - beauty or make-up preparations nes (including sunscreen or suntan preparations, face, hand and body creams and lotions)
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	17,190,560	21,079,187	38,463,478	46,913,827	38,690,260
---- Quebec	2,342,972	2,796,328	3,222,726	4,599,190	5,023,997
---- British Columbia	1,040,257	1,235,459	799,400	1,596,773	2,382,128
---- Alberta	714,180	1,551,144	1,116,120	2,490,980	1,260,889
---- New Brunswick	669	3,476	31,727	61,790	117,854
---- Manitoba	33,639	35,260	147,066	252,632	69,716
---- Saskatchewan	7,853	8,060	2,163	81,320	33,794
---- Nova Scotia	--	--	--	172	4,182
---- Newfoundland and Labrador	--	--	--	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
Sub-total	21,330,130	26,708,914	43,782,680	55,996,684	47,582,820
Others	1,011,623,974	1,105,590,315	1,217,920,914	1,351,654,903	1,421,576,581
Total All Countries	1,032,954,104	1,132,299,229	1,261,703,594	1,407,651,587	1,469,159,401

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3305 - Hair shampoos and other preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	487,847,405	503,697,779	487,421,797	501,371,368	527,036,467
2. Italy (incl. Vatican City State)	23,814,358	26,796,134	30,572,938	34,146,803	34,728,750
Mexico	64,200,132	57,455,719	41,283,431	40,270,408	33,795,797
Germany	14,357,651	17,068,599	18,697,779	18,333,141	19,231,817
Re-Imports (Canada)	14,251,334	13,656,540	14,529,036	16,195,443	17,676,248
France (incl. Monaco, French Antilles)	9,839,707	9,891,257	9,403,432	11,528,095	12,906,967
China	8,568,616	10,993,715	11,514,179	12,357,395	11,352,704
Israel	12,000,546	9,435,881	10,392,066	14,386,169	10,801,015
Spain	6,835,285	7,128,013	7,099,535	7,813,443	6,963,854
United Kingdom	5,723,065	6,006,465	6,001,977	4,801,028	6,865,979
Total All Countries	677,501,135	688,069,965	666,278,443	696,576,018	720,105,156

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3305 - hair shampoos and other preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	72.01%	73.20%	73.16%	71.98%	73.19%
2. Italy (incl. Vatican City State)	3.52%	3.89%	4.59%	4.90%	4.82%
Mexico	9.48%	8.35%	6.20%	5.78%	4.69%
Germany	2.12%	2.48%	2.81%	2.63%	2.67%
Re-Imports (Canada)	2.10%	1.98%	2.18%	2.33%	2.45%
France (incl. Monaco, French Antilles)	1.45%	1.44%	1.41%	1.65%	1.79%
China	1.26%	1.60%	1.73%	1.77%	1.58%
Israel	1.77%	1.37%	1.56%	2.07%	1.50%
Spain	1.01%	1.04%	1.07%	1.12%	0.97%
United Kingdom	0.84%	0.87%	0.90%	0.69%	0.95%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3305 - hair shampoos and other preparations
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Units Value in canadian dollars

	2015	2016	2017	2018	2019
---- Quebec	9,363,885	10,526,383	12,395,072	13,848,089	13,599,016
---- Ontario	10,611,590	12,409,501	12,755,360	12,921,269	13,139,077
---- British Columbia	1,335,281	2,015,303	2,988,537	3,784,542	4,013,717
---- Alberta	1,306,468	1,012,913	1,387,439	1,690,191	1,505,329
---- New Brunswick	78,668	87,180	184,595	941,241	1,216,986
---- Manitoba	611,192	595,842	480,633	736,119	802,277
---- Saskatchewan	507,274	149,012	348,275	225,161	420,132
---- Newfoundland and Labrador	--	--	33,027	--	30,933
---- Nova Scotia	--	--	--	191	1,283
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
Sub-total	23,814,358	26,796,134	30,572,938	34,146,803	34,728,750
Others	653,686,777	661,273,831	635,705,505	662,429,215	685,376,406
Total All Countries	677,501,135	688,069,965	666,278,443	696,576,018	720,105,156

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330510 - hair shampoos
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	173,974,922	186,089,129	184,775,371	197,643,660	207,329,946
2. Italy (incl. Vatican City State)	2,291,970	2,935,763	4,149,532	5,141,817	5,502,399
France (incl. Monaco, French Antilles)	2,620,914	2,408,150	2,467,417	3,431,707	4,887,142
United Kingdom	3,660,666	3,339,617	2,816,876	2,490,865	4,031,823
China	3,035,749	3,033,114	3,352,208	3,006,859	3,965,075
Germany	1,730,690	2,170,695	2,389,256	2,789,389	3,074,114
Mexico	5,452,487	3,608,271	4,364,903	3,158,610	2,543,613
Re-Imports (Canada)	800,545	1,160,809	938,905	997,783	2,152,240
Belgium	2,383,763	2,348,853	2,611,460	2,535,766	2,015,705
Japan	572,992	868,852	1,078,924	1,423,914	1,874,246
Total All Countries	203,513,092	215,426,998	216,255,460	233,588,564	249,786,492

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330510 - hair shampoos
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	85.49%	86.38%	85.44%	84.61%	83.00%
2. Italy (incl. Vatican City State)	1.13%	1.36%	1.92%	2.20%	2.20%
France (incl. Monaco, French Antilles)	1.29%	1.12%	1.14%	1.47%	1.96%
United Kingdom	1.80%	1.55%	1.30%	1.07%	1.61%
China	1.49%	1.41%	1.55%	1.29%	1.59%
Germany	0.85%	1.01%	1.10%	1.19%	1.23%
Mexico	2.68%	1.67%	2.02%	1.35%	1.02%
Re-Imports (Canada)	0.39%	0.54%	0.43%	0.43%	0.86%
Belgium	1.17%	1.09%	1.21%	1.09%	0.81%
Japan	0.28%	0.40%	0.50%	0.61%	0.75%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330510 - hair shampoos
Origin Italy (incl. Vatican City State)
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	1,317,733	1,614,187	1,853,223	2,160,802	2,033,855
---- Quebec	583,819	767,347	1,114,456	1,169,205	1,411,023
---- British Columbia	158,843	347,304	843,772	1,093,392	1,150,845
---- New Brunswick	3,143	22,121	72,004	378,173	493,924
---- Alberta	88,198	113,683	132,972	192,480	185,802
---- Manitoba	48,944	46,369	49,151	102,869	134,052
---- Saskatchewan	91,290	24,752	65,076	44,705	76,425
---- Newfoundland and Labrador	--	--	18,878	--	15,904
---- Nova Scotia	--	--	--	191	569
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
Sub-total	2,291,970	2,935,763	4,149,532	5,141,817	5,502,399
Others	201,221,122	212,491,235	212,105,928	228,446,747	244,284,093
Total All Countries	203,513,092	215,426,998	216,255,460	233,588,564	249,786,492

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330520 - hair permanent waving or straightening preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	4,365,793	3,076,090	3,151,736	3,309,714	3,090,954
Re-Imports (Canada)	554,552	465,738	510,391	541,001	464,090
Korea, South	86,604	114,798	165,036	212,487	305,208
Germany	486,255	426,145	286,425	326,134	154,023
France (incl. Monaco, French Antilles)	183,506	117,091	115,260	99,916	126,181
Mexico	54,056	39,193	50,124	173,675	95,731
China	91,480	53,657	92,393	36,943	51,253
Spain	23,714	36,490	27,669	36,659	40,523
Japan	25,324	15,915	38,509	47,639	37,856
United Kingdom	1,986	8,432	15,685	16,324	21,179
11. Italy (incl. Vatican City State)	494,399	47,011	167,820	42,065	18,448
Total All Countries	6,421,651	4,439,074	4,658,294	4,895,073	4,450,666

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330520 - hair permanent waving or straightening preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	67.99%	69.30%	67.66%	67.61%	69.45%
Re-Imports (Canada)	8.64%	10.49%	10.96%	11.05%	10.43%
Korea, South	1.35%	2.59%	3.54%	4.34%	6.86%
Germany	7.57%	9.60%	6.15%	6.66%	3.46%
France (incl. Monaco, French Antilles)	2.86%	2.64%	2.47%	2.04%	2.84%
Mexico	0.84%	0.88%	1.08%	3.55%	2.15%
China	1.42%	1.21%	1.98%	0.75%	1.15%
Spain	0.37%	0.82%	0.59%	0.75%	0.91%
Japan	0.39%	0.36%	0.83%	0.97%	0.85%
United Kingdom	0.03%	0.19%	0.34%	0.33%	0.48%
11. Italy (incl. Vatican City State)	7.70%	1.06%	3.60%	0.86%	0.41%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330520 - hair permanent waving or straightening preparations
Origin Italy (incl. Vatican City State)
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Quebec	20,167	39,633	149,300	31,822	6,799
---- New Brunswick	--	--	--	1,639	6,641
---- Ontario	452,120	3,189	7,571	6,038	2,771
---- Manitoba	976	351	2,051	856	1,791
---- Alberta	20,669	3,258	8,898	1,542	324
---- British Columbia	467	580	--	168	122
---- Nova Scotia	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Saskatchewan	--	--	--	--	--
Sub-total	494,399	47,011	167,820	42,065	18,448
Others	5,927,252	4,392,063	4,490,474	4,853,008	4,432,218
Total All Countries	6,421,651	4,439,074	4,658,294	4,895,073	4,450,666

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330530 - hair lacquers (hair sprays)
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	48,758,737	53,772,170	43,454,926	39,423,926	38,517,996
Re-Imports (Canada)	418,327	517,388	571,430	1,349,264	684,455
Germany	495,522	606,963	935,119	699,832	585,581
4. Italy (incl. Vatican City State)	557,964	582,792	745,890	628,122	541,990
Spain	353,576	581,010	438,825	439,473	407,471
France (incl. Monaco, French Antilles)	444,958	591,776	545,088	208,986	406,837
United Kingdom	184,753	411,200	554,200	573,176	310,738
China	397,302	259,289	318,081	160,931	287,696
Hungary	165,362	260,200	413,668	154,858	181,413
Austria	192,546	148,092	138,821	92,109	119,583
Total All Countries	53,453,967	58,741,541	48,759,526	45,691,752	42,691,430

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330530 - hair lacquers (hair sprays)
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	91.22%	91.54%	89.12%	86.28%	90.22%
Re-Imports (Canada)	0.78%	0.88%	1.17%	2.95%	1.60%
Germany	0.93%	1.03%	1.92%	1.53%	1.37%
4. Italy (incl. Vatican City State)	1.04%	0.99%	1.53%	1.37%	1.27%
Spain	0.66%	0.99%	0.90%	0.96%	0.95%
France (incl. Monaco, French Antilles)	0.83%	1.01%	1.12%	0.46%	0.95%
United Kingdom	0.35%	0.70%	1.14%	1.25%	0.73%
China	0.74%	0.44%	0.65%	0.35%	0.67%
Hungary	0.31%	0.44%	0.85%	0.34%	0.42%
Austria	0.36%	0.25%	0.28%	0.20%	0.28%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330530 - hair lacquers (hair sprays)
Origin Italy (incl. Vatican City State)
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	356,236	299,375	329,582	188,975	207,306
---- Quebec	101,547	127,997	274,892	247,813	173,169
---- British Columbia	43,123	33,859	63,646	92,619	83,674
---- Saskatchewan	27,753	32,934	29,996	34,567	35,810
---- New Brunswick	885	--	6,565	15,195	27,417
---- Manitoba	12,997	45,137	20,417	20,555	10,875
---- Newfoundland and Labrador	--	--	508	--	2,353
---- Alberta	15,423	43,490	20,284	28,398	1,386
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Nova Scotia	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
Sub-total	557,964	582,792	745,890	628,122	541,990
Others	52,896,003	58,158,749	48,013,636	45,063,630	42,149,440
Total All Countries	53,453,967	58,741,541	48,759,526	45,691,752	42,691,430

Data Source: Statistics Canada

Title: Canadian Imports
Products Hs 330590 - hair preparations nes
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in canadian dollars

	2015	2016	2017	2018	2019
United States	260,747,953	260,760,390	256,039,764	260,994,068	278,097,571
Mexico	58,157,436	53,540,561	36,727,489	36,207,746	31,086,965
3. Italy (incl. Vatican City State)	20,470,025	23,230,568	25,509,696	28,334,799	28,665,913
Germany	11,645,184	13,864,796	15,086,979	14,517,786	15,418,099
Re-Imports (Canada)	12,477,910	11,512,605	12,508,310	13,307,395	14,375,463
Israel	10,196,815	7,842,727	8,887,617	11,457,807	9,205,628
France (incl. Monaco, French Antilles)	6,590,329	6,774,240	6,275,667	7,787,486	7,486,807
China	5,044,085	7,647,655	7,751,497	9,152,662	7,048,680
Spain	4,984,973	4,845,818	4,709,846	4,860,984	4,714,840
Thailand	7,369,891	1,986,299	2,551,723	3,265,274	3,199,420
Total All Countries	414,112,425	409,462,352	396,605,163	412,400,629	423,176,568

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330590 - hair preparations nes
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	62.97%	63.68%	64.56%	63.29%	65.72%
Mexico	14.04%	13.08%	9.26%	8.78%	7.35%
3. Italy (incl. Vatican City State)	4.94%	5.67%	6.43%	6.87%	6.77%
Germany	2.81%	3.39%	3.80%	3.52%	3.64%
Re-Imports (Canada)	3.01%	2.81%	3.15%	3.23%	3.40%
Israel	2.46%	1.92%	2.24%	2.78%	2.18%
France (incl. Monaco, French Antilles)	1.59%	1.65%	1.58%	1.89%	1.77%
China	1.22%	1.87%	1.95%	2.22%	1.67%
Spain	1.20%	1.18%	1.19%	1.18%	1.11%
Thailand	1.78%	0.49%	0.64%	0.79%	0.76%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3306 - toothpaste, denture cleaners and other oral or dental hygiene preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	286,382,793	269,463,832	246,526,671	247,160,415	236,387,640
Mexico	14,486,195	16,188,299	16,312,717	19,476,982	31,961,594
Ireland	8,971,780	15,533,397	19,268,604	16,759,264	18,911,691
China	12,374,167	12,806,559	11,463,576	15,036,548	14,978,584
Brazil	2,010,017	2,959,991	2,665,110	3,220,816	3,212,300
Denmark	1,644	--	202	452,802	1,682,571
Dominican Republic	1,126,823	2,072,352	1,620,173	1,559,516	1,221,424
India	978,227	941,209	911,792	876,599	900,097
9. Italy (incl. Vatican City State)	649,301	670,558	1,003,555	1,062,765	864,937
Malaysia	726,850	737,846	1,004,753	664,579	860,005
Total All Countries	336,654,795	328,859,719	303,946,375	309,661,972	315,765,848

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3306 - toothpaste, denture cleaners and other oral or dental hygiene preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	85.07%	81.94%	81.11%	79.82%	74.86%
Mexico	4.30%	4.92%	5.37%	6.29%	10.12%
Ireland	2.66%	4.72%	6.34%	5.41%	5.99%
China	3.68%	3.89%	3.77%	4.86%	4.74%
Brazil	0.60%	0.90%	0.88%	1.04%	1.02%
Denmark	--	--	--	0.15%	0.53%
Dominican Republic	0.33%	0.63%	0.53%	0.50%	0.39%
India	0.29%	0.29%	0.30%	0.28%	0.29%
9. Italy (incl. Vatican City State)	0.19%	0.20%	0.33%	0.34%	0.27%
Malaysia	0.22%	0.22%	0.33%	0.21%	0.27%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3306 - toothpaste, denture cleaners and other oral or dental hygiene preparations
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
UnitsValue in canadian dollars

	2015	2016	2017	2018	2019
---- Quebec	317,053	208,530	702,584	718,726	459,625
---- Ontario	318,312	444,220	283,517	317,065	358,132
---- British Columbia	13,936	17,514	16,751	24,934	38,945
---- Alberta	--	--	703	2,040	7,231
---- Manitoba	--	294	--	--	1,004
---- New Brunswick	--	--	--	--	--
---- Nova Scotia	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Saskatchewan	--	--	--	--	--
Sub-total	649,301	670,558	1,003,555	1,062,765	864,937
Others	336,005,494	328,189,161	302,942,820	308,599,207	314,900,911
Total All Countries	336,654,795	328,859,719	303,946,375	309,661,972	315,765,848

Data Source: Statistics Canada

Title Canadian imports

Products Hs 3307 - other perfumery, cosmetic or toilet preparations: Pre-shave, shaving or after-shave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere specified or included; prepared room deodorizers, whether or not perfumed or having disinfectant properties
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	384,497,057	384,689,391	386,047,426	386,487,828	390,400,347
Mexico	27,996,048	27,618,362	28,501,046	31,724,924	38,256,945
China	21,119,032	22,424,334	28,020,394	34,360,722	34,636,189
France (incl. Monaco, French Antilles)	11,201,169	13,443,603	13,782,538	18,507,307	16,780,537
United Kingdom	6,349,308	7,717,023	7,133,543	6,814,026	6,343,096
Germany	4,283,788	4,034,993	4,401,593	5,217,182	4,945,102
Re-Imports (Canada)	3,678,445	4,196,193	4,296,258	4,100,758	4,373,743
8. Italy (incl. Vatican City State)	2,262,173	2,373,452	2,495,707	3,122,649	3,193,445
Hungary	1,485,141	1,618,606	2,271,765	3,987,040	2,774,951
Taiwan	1,003,895	1,209,253	1,323,985	2,552,615	2,618,929
Total All Countries	480,057,655	485,854,149	499,763,380	517,618,031	526,659,484

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3307 - other perfumery, cosmetic or toilet preparations Pre-shave, shaving or after-shave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere specified or included; prepared room deodorizers, whether or not perfumed or having disinfectant properties

Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	80.09%	79.18%	77.25%	74.67%	74.13%
Mexico	5.83%	5.68%	5.70%	6.13%	7.26%
China	4.40%	4.62%	5.61%	6.64%	6.58%
France (incl. Monaco, French Antilles)	2.33%	2.77%	2.76%	3.58%	3.19%
United Kingdom	1.32%	1.59%	1.43%	1.32%	1.20%
Germany	0.89%	0.83%	0.88%	1.01%	0.94%
Re-Imports (Canada)	0.77%	0.86%	0.86%	0.79%	0.83%
8. Italy (incl. Vatican City State)	0.47%	0.49%	0.50%	0.60%	0.61%
Hungary	0.31%	0.33%	0.45%	0.77%	0.53%
Taiwan	0.21%	0.25%	0.26%	0.49%	0.50%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3307 - other perfumery, cosmetic or toilet preparations
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	1,505,638	1,263,582	1,455,377	1,708,181	2,073,441
---- Quebec	638,584	999,230	947,052	1,330,803	1,064,909
---- British Columbia	80,829	96,278	68,185	52,641	33,769
---- Alberta	27,012	9,006	17,949	15,342	13,065
---- Manitoba	10,097	5,317	7,056	15,000	6,022
---- Nova Scotia	--	--	--	144	1,857
---- Saskatchewan	--	--	88	538	382
---- New Brunswick	13	39	--	--	--
---- Nunavut	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
Sub-total	2,262,173	2,373,452	2,495,707	3,122,649	3,193,445
Others	477,795,482	483,480,697	497,267,673	514,495,382	523,466,039
Total All Countries	480,057,655	485,854,149	499,763,380	517,618,031	526,659,484

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330710 - pre-shave, shaving or after-shaving preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	41,828,765	38,714,597	36,667,557	36,150,296	32,897,813
United Kingdom	3,540,482	3,420,414	2,186,053	1,900,885	2,206,767
France (incl. Monaco, French Antilles)	1,328,834	1,662,523	1,562,148	1,740,468	1,537,217
Germany	794,073	706,389	757,195	897,676	1,144,335
5. Italy (incl. Vatican City State)	533,964	817,359	771,023	1,131,736	990,950
China	389,149	492,770	835,788	824,711	714,535
Mexico	232,757	556,624	549,063	612,228	646,753
Thailand	124,798	197,983	354,601	239,934	515,112
Re-Imports (Canada)	468,735	968,289	743,901	556,653	383,088
Australia	57,995	60,168	103,479	91,539	128,622
Total All Countries	50,119,554	48,373,262	45,654,126	44,667,297	41,714,714

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330710 - pre-shave, shaving or after-shaving preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	83.46%	80.03%	80.32%	80.93%	78.86%
United Kingdom	7.06%	7.07%	4.79%	4.26%	5.29%
France (incl. Monaco, French Antilles)	2.65%	3.44%	3.42%	3.90%	3.69%
Germany	1.58%	1.46%	1.66%	2.01%	2.74%
5. Italy (incl. Vatican City State)	1.07%	1.69%	1.69%	2.53%	2.38%
China	0.78%	1.02%	1.83%	1.85%	1.71%
Mexico	0.46%	1.15%	1.20%	1.37%	1.55%
Thailand	0.25%	0.41%	0.78%	0.54%	1.23%
Re-Imports (Canada)	0.94%	2.00%	1.63%	1.25%	0.92%
Australia	0.12%	0.12%	0.23%	0.20%	0.31%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330710 - pre-shave, shaving or after-shaving preparations
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Quebec	247,615	619,961	631,943	920,074	795,280
---- Ontario	281,912	193,881	134,925	209,475	186,813
---- Alberta	663	1,425	700	204	3,801
---- British Columbia	3,657	2,092	3,455	1,445	3,322
---- Nova Scotia	--	--	--	--	1,465
---- Manitoba	117	--	--	--	269
---- Saskatchewan	--	--	--	538	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- New Brunswick	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
Sub-total	533,964	817,359	771,023	1,131,736	990,950
Others	49,585,590	47,555,903	44,883,103	43,535,561	40,723,764
Total All Countries	50,119,554	48,373,262	45,654,126	44,667,297	41,714,714

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330720 - personal deodorants and antiperspirants
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	113,460,586	108,085,541	104,599,552	109,742,919	107,911,563
Mexico	9,795,216	10,039,125	10,744,229	5,652,125	7,588,884
France (incl. Monaco, French Antilles)	1,391,507	1,645,049	1,796,217	1,687,454	1,753,705
United Kingdom	459,192	951,040	945,949	1,129,034	1,243,284
China	592,710	532,548	928,003	1,099,061	1,237,355
Re-Imports (Canada)	954,567	1,018,075	1,158,186	1,057,184	1,011,187
Germany	1,553,065	877,782	569,168	1,007,478	992,428
Chile	37,819	694,766	1,080,768	943,448	858,086
Colombia	--	672,992	399,798	853,755	709,089
Thailand	495,429	580,597	728,409	600,049	588,386
Spain	496,219	533,233	507,263	576,742	573,195
Philippines	583,185	396,670	477,059	416,591	537,982
13. Italy (incl. Vatican City State)	365,209	322,362	407,073	298,429	248,526
Total All Countries	131,331,583	127,722,081	125,601,342	126,374,735	126,789,379

Data Source: Statistics Canada

Title Canadian imports

Products Hs 330720 - personal deodorants and antiperspirants
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	86.39%	84.63%	83.28%	86.84%	85.11%
Mexico	7.46%	7.86%	8.55%	4.47%	5.99%
France (incl. Monaco, French Antilles)	1.06%	1.29%	1.43%	1.34%	1.38%
United Kingdom	0.35%	0.74%	0.75%	0.89%	0.98%
China	0.45%	0.42%	0.74%	0.87%	0.98%
Re-Imports (Canada)	0.73%	0.80%	0.92%	0.84%	0.80%
Germany	1.18%	0.69%	0.45%	0.80%	0.78%
Chile	0.03%	0.54%	0.86%	0.75%	0.68%
Colombia	--	0.53%	0.32%	0.68%	0.56%
Thailand	0.38%	0.45%	0.58%	0.47%	0.46%
Spain	0.38%	0.42%	0.40%	0.46%	0.45%
Philippines	0.44%	0.31%	0.38%	0.33%	0.42%
13. Italy (incl. Vatican City State)	0.28%	0.25%	0.32%	0.24%	0.20%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330720 - personal deodorants and antiperspirants
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	228,933	195,168	234,806	166,227	142,469
---- Quebec	135,486	126,382	171,849	131,362	103,470
---- British Columbia	70	812	382	740	2,489
---- Alberta	720	--	--	100	98
---- Manitoba	--	--	36	--	--
---- Saskatchewan	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- New Brunswick	--	--	--	--	--
---- Nova Scotia	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
Sub-total	365,209	322,362	407,073	298,429	248,526
Others	130,966,374	127,399,719	125,194,269	126,076,306	126,540,853
Total All Countries	131,331,583	127,722,081	125,601,342	126,374,735	126,789,379

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330730 - perfumed bath salts and other bath preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	13,198,862	17,944,760	17,495,997	22,936,048	18,746,166
China	4,303,223	3,844,194	7,737,772	14,323,256	12,976,901
Germany	1,392,358	1,688,480	1,490,758	1,625,949	1,314,162
Aruba	--	--	--	62	903,475
Belgium	4,032	3,454	1,908	5,772	899,995
France (incl. Monaco, French Antilles)	736,919	847,668	1,154,577	847,534	817,603
United Kingdom	474,510	629,006	1,217,734	1,003,291	499,620
Israel	231,139	124,870	705,173	514,988	382,438
Japan	135,722	137,386	227,453	207,040	381,406
Re-Imports (Canada)	28,766	44,210	22,304	54,455	134,691
Hong Kong	24,495	19,110	14,712	17,210	131,133
12. Italy (incl. Vatican City State)	182,490	250,869	124,884	135,333	129,432
Total All Countries	21,334,422	26,194,753	31,079,568	42,495,678	37,917,513

Data Source: Statistics Canada

Title Canadian imports
Productsn Hs 330730 - perfumed bath salts and other bath preparations
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	61.87%	68.51%	56.29%	53.97%	49.44%
China	20.17%	14.68%	24.90%	33.71%	34.22%
Germany	6.53%	6.45%	4.80%	3.83%	3.47%
Aruba	--	--	--	--	2.38%
Belgium	0.02%	0.01%	0.01%	0.01%	2.37%
France (incl. Monaco, French Antilles)	3.45%	3.24%	3.71%	1.99%	2.16%
United Kingdom	2.22%	2.40%	3.92%	2.36%	1.32%
Israel	1.08%	0.48%	2.27%	1.21%	1.01%
Japan	0.64%	0.52%	0.73%	0.49%	1.01%
Re-Imports (Canada)	0.13%	0.17%	0.07%	0.13%	0.36%
Hong Kong	0.11%	0.07%	0.05%	0.04%	0.35%
12. Italy (incl. Vatican City State)	0.86%	0.96%	0.40%	0.32%	0.34%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330730 - perfumed bath salts and other bath preparations
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	141,031	152,824	119,319	120,708	118,066
---- Quebec	31,930	94,512	3,639	5,579	8,542
---- British Columbia	2,871	1,650	1,923	6,747	2,337
---- Nova Scotia	--	--	--	144	392
---- Manitoba	5,742	1,607	3	1,836	95
---- Alberta	916	276	--	319	--
---- Saskatchewan	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- New Brunswick	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
Sub-total	182,490	250,869	124,884	135,333	129,432
Others	21,151,932	25,943,884	30,954,684	42,360,345	37,788,081
Total All Countries	21,334,422	26,194,753	31,079,568	42,495,678	37,917,513

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330749 - room perfuming or deodorizing preparations, nes
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	103,758,309	99,249,191	120,650,476	104,741,858	104,235,271
Mexico	17,654,814	16,836,502	16,890,019	24,548,800	29,428,090
China	11,649,924	12,416,115	12,726,806	12,620,377	13,339,502
Hungary	1,281,977	1,010,737	1,949,089	3,737,174	2,719,008
France (incl. Monaco, French Antilles)	1,045,658	1,232,632	1,681,606	2,389,281	2,625,987
Taiwan	873,118	1,083,586	1,182,372	2,390,530	2,318,924
Re-Imports (Canada)	2,153,935	2,082,145	1,886,615	2,238,908	1,908,488
Thailand	749,526	650,035	881,165	963,283	762,317
9. Italy (incl. Vatican City State)	138,798	131,788	253,849	566,952	611,235
United Kingdom	281,962	454,841	318,979	388,693	585,241
Total All Countries	142,982,892	138,993,451	162,858,978	158,748,055	162,326,890

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330749 - room perfuming or deodorizing preparations, nes
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	72.57%	71.41%	74.08%	65.98%	64.21%
Mexico	12.35%	12.11%	10.37%	15.46%	18.13%
China	8.15%	8.93%	7.81%	7.95%	8.22%
Hungary	0.90%	0.73%	1.20%	2.35%	1.68%
France (incl. Monaco, French Antilles)	0.73%	0.89%	1.03%	1.51%	1.62%
Taiwan	0.61%	0.78%	0.73%	1.51%	1.43%
Re-Imports (Canada)	1.51%	1.50%	1.16%	1.41%	1.18%
Thailand	0.52%	0.47%	0.54%	0.61%	0.47%
9. Italy (incl. Vatican City State)	0.10%	0.09%	0.16%	0.36%	0.38%
United Kingdom	0.20%	0.33%	0.20%	0.24%	0.36%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330749 - room perfuming or deodorizing preparations, nes
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	88,266	80,674	212,031	494,952	508,011
---- Quebec	17,571	34,159	12,925	38,541	68,386
---- British Columbia	9,293	12,346	12,677	6,368	23,663
---- Manitoba	517	50	4,483	12,756	5,658
---- Alberta	23,151	4,559	11,645	14,335	5,135
---- Saskatchewan	--	--	88	--	382
---- Nova Scotia	--	--	--	--	--
---- New Brunswick	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
Sub-total	138,798	131,788	253,849	566,952	611,235
Others	142,844,094	138,861,663	162,605,129	158,181,103	161,715,655
Total All Countries	142,982,892	138,993,451	162,858,978	158,748,055	162,326,890

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330790 - perfumery, cosmetic or toilet preparations nes (Animal toilet preparations, Contact lens solutions and other)
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	109,507,888	117,347,354	103,266,547	109,401,198	124,257,440
France (incl. Monaco, French Antilles)	5,592,955	6,979,120	6,642,356	10,979,217	9,171,067
China	3,422,335	4,316,951	5,129,065	4,536,752	5,419,163
United Kingdom	1,578,464	2,251,456	2,455,271	2,385,465	1,778,851
Spain	2,136,006	1,369,293	1,619,844	1,811,392	1,716,413
Korea, South	206,145	258,143	880,041	840,991	1,440,332
Germany	463,613	587,743	1,264,310	1,331,974	1,215,333
8. Italy (incl. Vatican City State)	1,037,763	847,719	931,377	984,121	1,204,191
Re-Imports (Canada)	65,341	80,411	477,413	175,923	899,732
Dominican Republic	849,161	777,372	1,445,553	1,257,015	682,845
Total All Countries	127,837,922	137,585,985	127,783,756	138,029,113	151,239,823

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330790 - perfumery, cosmetic or toilet preparations nes (Animal toilet preparations, Contact lens solutions and other)
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	85.66%	85.29%	80.81%	79.26%	82.16%
France (incl. Monaco, French Antilles)	4.38%	5.07%	5.20%	7.95%	6.06%
China	2.68%	3.14%	4.01%	3.29%	3.58%
United Kingdom	1.23%	1.64%	1.92%	1.73%	1.18%
Spain	1.67%	1.00%	1.27%	1.31%	1.13%
Korea, South	0.16%	0.19%	0.69%	0.61%	0.95%
Germany	0.36%	0.43%	0.99%	0.96%	0.80%
8. Italy (incl. Vatican City State)	0.81%	0.62%	0.73%	0.71%	0.80%
Re-Imports (Canada)	0.05%	0.06%	0.37%	0.13%	0.59%
Dominican Republic	0.66%	0.57%	1.13%	0.91%	0.45%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330790 - perfumery, cosmetic or toilet preparations nes
Origin Italy (incl. Vatican City State)
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	761,606	637,728	750,621	711,546	1,111,597
---- Quebec	205,923	124,168	126,696	235,247	87,842
---- Alberta	1,562	2,746	5,604	384	4,031
---- British Columbia	64,938	79,378	45,922	36,536	721
---- Manitoba	3,721	3,660	2,534	408	--
---- New Brunswick	13	39	--	--	--
---- Saskatchewan	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Nova Scotia	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
Sub-total	1,037,763	847,719	931,377	984,121	1,204,191
Others	126,800,159	136,738,266	126,852,379	137,044,992	150,035,632
Total All Countries	127,837,922	137,585,985	127,783,756	138,029,113	151,239,823

Data Source: Statistics Canada

Title Canadian imports
Product Hs 3301 - essential oils, resinoids and aqueous solutions thereof
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	93,738,935	102,161,912	115,140,621	110,281,589	85,892,700
India	7,304,457	7,795,053	12,273,061	15,061,078	14,923,529
France (incl. Monaco, French Antilles)	5,054,275	6,815,419	5,810,961	6,937,471	6,897,343
China	3,425,517	3,744,232	6,120,074	7,944,715	6,628,076
Australia	3,627,911	3,728,958	6,216,115	4,683,331	5,645,267
6. Italy (incl. Vatican City State)	1,717,558	2,266,664	3,678,724	6,184,051	4,519,477
Brazil	7,913,789	6,029,821	12,372,101	12,681,107	3,760,663
Mexico	4,917,423	8,005,294	8,237,020	4,171,326	3,549,529
Ireland	104,207	259,069	195,827	1,675,358	2,582,245
Bulgaria	1,210,746	2,993,365	3,992,358	2,862,066	2,436,968
Total All Countries	150,579,121	173,259,285	221,249,435	211,403,840	164,016,685

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3301 - essential oils, resinoids and aqueous solutions thereof
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	62.25%	58.96%	52.04%	52.17%	52.37%
India	4.85%	4.50%	5.55%	7.12%	9.10%
France (incl. Monaco, French Antilles)	3.36%	3.93%	2.63%	3.28%	4.21%
China	2.27%	2.16%	2.77%	3.76%	4.04%
Australia	2.41%	2.15%	2.81%	2.22%	3.44%
6. Italy (incl. Vatican City State)	1.14%	1.31%	1.66%	2.93%	2.76%
Brazil	5.26%	3.48%	5.59%	6.00%	2.29%
Mexico	3.27%	4.62%	3.72%	1.97%	2.16%
Ireland	0.07%	0.15%	0.09%	0.79%	1.57%
Bulgaria	0.80%	1.73%	1.80%	1.35%	1.49%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3301 - essential oils, resinoids and aqueous solutions thereof
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Quebec	1,040,121	1,301,735	2,088,362	4,010,568	2,136,095
---- Ontario	489,101	668,993	1,288,496	1,701,893	1,965,674
---- British Columbia	152,425	247,297	270,738	452,181	400,023
---- Alberta	9,989	14,243	16,613	16,366	16,799
---- Manitoba	23,784	15,108	3,288	1,692	746
---- New Brunswick	--	--	1,961	1,351	140
---- Saskatchewan	2,138	19,288	9,266	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Nova Scotia	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
Sub-total	1,717,558	2,266,664	3,678,724	6,184,051	4,519,477
Others	148,861,563	170,992,621	217,570,711	205,219,789	159,497,208
Total All Countries	150,579,121	173,259,285	221,249,435	211,403,840	164,016,685

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330113 - essential oils of lemon
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	4,617,246	5,917,038	6,488,406	8,511,315	4,327,485
Ireland	14,304	162,479	8,636	794,585	1,955,026
Argentina	950,941	3,283,031	6,338,667	6,441,497	1,118,502
4. Italy (incl. Vatican City State)	772,396	496,381	853,742	1,235,858	819,083
Australia	151,224	349,496	445,716	267,852	266,667
Spain	1,071,008	14,800	168,884	7,850	209,516
China	238	19,129	303,428	225,914	131,353
France (incl. Monaco, French Antilles)	5,574	9,211	6,468	78,997	128,628
India	22,829	183,465	57,663	54,689	58,695
Re-Imports (Canada)	26,441	80,734	102,080	57,079	52,347
Total All Countries	8,846,911	12,817,274	16,102,798	17,980,475	9,181,711

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330113 - essential oils of lemon
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	52.19%	46.16%	40.29%	47.34%	47.13%
Ireland	0.16%	1.27%	0.05%	4.42%	21.29%
Argentina	10.75%	25.61%	39.36%	35.82%	12.18%
4. Italy (incl. Vatican City State)	8.73%	3.87%	5.30%	6.87%	8.92%
Australia	1.71%	2.73%	2.77%	1.49%	2.90%
Spain	12.11%	0.12%	1.05%	0.04%	2.28%
China	--	0.15%	1.88%	1.26%	1.43%
France (incl. Monaco, French Antilles)	0.06%	0.07%	0.04%	0.44%	1.40%
India	0.26%	1.43%	0.36%	0.30%	0.64%
Re-Imports (Canada)	0.30%	0.63%	0.63%	0.32%	0.57%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330113 - essential oils of lemon
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	135,831	67,972	291,943	441,875	432,900
---- Quebec	616,056	370,123	478,028	740,163	324,402
---- British Columbia	20,241	58,285	83,189	53,737	61,309
---- Manitoba	268	1	192	71	434
---- Alberta	--	--	390	12	38
---- New Brunswick	--	--	--	--	--
---- Nova Scotia	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Saskatchewan	--	--	--	--	--
Sub-total	772,396	496,381	853,742	1,235,858	819,083
Others	8,074,515	12,320,893	15,249,056	16,744,617	8,362,628
Total All Countries	8,846,911	12,817,274	16,102,798	17,980,475	9,181,711

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330119 - essential oils of citrus fruit, nes
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	3,060,309	4,136,994	5,576,184	4,080,736	4,424,923
2. Italy (incl. Vatican City State)	594,442	1,285,806	2,446,412	3,723,305	2,671,268
Mexico	1,261,311	2,631,674	1,820,987	2,571,814	1,533,802
Australia	--	2,977	205,353	20,395	506,205
India	47,440	30,363	82,336	407,145	409,096
France (incl. Monaco, French Antilles)	34,488	40,750	62,024	156,598	196,640
South Africa	4,947	277,355	5,336	9,127	190,846
Argentina	38,925	99,326	658,456	52,687	164,075
Netherlands	59,526	29,123	102,479	468,714	155,213
China	52,070	82,507	147,484	137,147	151,763
Total All Countries	5,734,696	10,020,452	13,483,671	12,300,909	10,990,753

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330119 - essential oils of citrus fruit, nes
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	53.36%	41.29%	41.36%	33.17%	40.26%
2. Italy (incl. Vatican City State)	10.37%	12.83%	18.14%	30.27%	24.30%
Mexico	21.99%	26.26%	13.51%	20.91%	13.96%
Australia	--	0.03%	1.52%	0.17%	4.61%
India	0.83%	0.30%	0.61%	3.31%	3.72%
France (incl. Monaco, French Antilles)	0.60%	0.41%	0.46%	1.27%	1.79%
South Africa	0.09%	2.77%	0.04%	0.07%	1.74%
Argentina	0.68%	0.99%	4.88%	0.43%	1.49%
Netherlands	1.04%	0.29%	0.76%	3.81%	1.41%
China	0.91%	0.82%	1.09%	1.11%	1.38%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330119 - essential oils of citrus fruit, nes
Origin Top 10 countries (detailed)
Destination Distribution by province
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	2,732,881	4,531,567	5,185,542	4,839,567	4,601,572
---- Quebec	1,265,276	3,346,728	6,066,707	5,325,057	3,826,425
---- British Columbia	657,277	630,032	935,908	891,660	1,529,627
---- Alberta	959,177	1,106,966	1,256,821	1,218,182	1,005,442
---- Manitoba	116,524	25,979	24,829	20,180	23,303
---- New Brunswick	3,561	18,537	12,044	6,263	4,384
---- Saskatchewan	--	941	920	--	--
---- Nova Scotia	--	359,702	900	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
Total All Countries	5,734,696	10,020,452	13,483,671	12,300,909	10,990,753

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330129 - essential oils, o/t citrus fruit, nes
Origin Top 15 countries (detailed)
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	58,952,135	58,658,350	68,934,693	68,364,587	56,735,708
France (incl. Monaco, French Antilles)	4,617,226	5,429,402	4,602,163	6,348,428	6,085,422
China	2,646,582	2,898,729	5,035,014	6,510,497	5,643,410
Australia	3,215,420	3,226,532	5,304,700	4,233,440	4,701,363
India	2,168,846	2,626,771	4,483,769	4,806,291	4,563,172
Bulgaria	986,333	2,799,728	3,862,123	2,697,216	2,318,015
Morocco	682,687	1,054,178	2,159,396	1,905,636	2,231,332
Sri Lanka	385,512	2,206,326	3,835,753	4,283,575	2,024,749
Turkey	1,012,737	818,625	1,248,397	1,243,337	1,725,974
Indonesia	1,329,281	781,055	1,421,627	1,406,611	1,521,157
United Kingdom	715,778	771,864	1,389,249	1,498,816	1,316,755
Madagascar	539,588	1,091,652	2,116,697	2,071,714	1,262,349
Spain	1,439,031	1,080,862	1,202,732	1,528,325	1,191,811
Oman (formerly Muscat and Oman)	836,211	1,302,331	2,162,571	2,140,019	1,067,781
15. Italy (incl. Vatican City State)	197,369	265,634	204,309	647,324	867,492
Total All Countries	85,569,809	91,882,668	119,151,151	117,442,470	101,136,563

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330129 - essential oils, o/t citrus fruit, nes
Origin Top 15 countries (detailed)
Units % Percentage

	2015	2016	2017	2018	2019
United States	68.89%	63.84%	57.85%	58.21%	56.10%
France (incl. Monaco, French Antilles)	5.40%	5.91%	3.86%	5.41%	6.02%
China	3.09%	3.15%	4.23%	5.54%	5.58%
Australia	3.76%	3.51%	4.45%	3.60%	4.65%
India	2.53%	2.86%	3.76%	4.09%	4.51%
Bulgaria	1.15%	3.05%	3.24%	2.30%	2.29%
Morocco	0.80%	1.15%	1.81%	1.62%	2.21%
Sri Lanka	0.45%	2.40%	3.22%	3.65%	2.00%
Turkey	1.18%	0.89%	1.05%	1.06%	1.71%
Indonesia	1.55%	0.85%	1.19%	1.20%	1.50%
United Kingdom	0.84%	0.84%	1.17%	1.28%	1.30%
Madagascar	0.63%	1.19%	1.78%	1.76%	1.25%
Spain	1.68%	1.18%	1.01%	1.30%	1.18%
Oman (formerly Muscat and Oman)	0.98%	1.42%	1.81%	1.82%	1.06%
15. Italy (incl. Vatican City State)	0.23%	0.29%	0.17%	0.55%	0.86%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 330129 - essential oils, o/t citrus fruit, nes
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	71,598	105,005	101,874	336,255	593,184
---- Quebec	58,174	47,744	37,088	182,148	173,449
---- British Columbia	43,535	67,598	36,993	111,438	83,825
---- Alberta	9,905	14,159	15,393	16,101	16,725
---- Manitoba	12,019	11,840	2,886	441	240
---- New Brunswick	--	--	809	941	69
---- Saskatchewan	2,138	19,288	9,266	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Nova Scotia	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
Sub-total	197,369	265,634	204,309	647,324	867,492
Others	85,372,440	91,617,034	118,946,842	116,795,146	100,269,071
Total All Countries	85,569,809	91,882,668	119,151,151	117,442,470	101,136,563

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3303 - perfumes and toilet waters
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
France (incl. Monaco, French Antilles)	100,158,211	118,446,128	127,191,780	144,735,709	161,094,406
United States	96,296,973	110,414,463	93,610,336	93,239,648	84,923,812
3. Italy (incl. Vatican City State)	17,027,979	17,403,618	24,476,814	30,281,871	31,268,497
Spain	6,944,215	10,715,661	12,936,601	15,275,686	24,473,953
United Kingdom	16,308,984	15,661,208	25,989,932	14,014,011	7,105,571
Germany	2,638,938	3,421,721	3,232,927	8,650,549	6,718,020
Mexico	2,658,925	2,264,142	2,393,789	5,506,478	5,507,964
Switzerland	5,964,457	4,887,742	6,062,421	5,768,729	4,991,277
China	5,697,184	5,255,309	6,040,317	5,484,870	4,567,008
India	2,552,507	2,572,269	2,317,311	2,631,981	3,193,630
Total All Countries	259,376,324	293,501,385	306,586,874	328,885,898	337,673,363

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3303 - perfumes and toilet waters
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
France (incl. Monaco, French Antilles)	38.62%	40.36%	41.49%	44.01%	47.71%
United States	37.13%	37.62%	30.53%	28.35%	25.15%
3. Italy (incl. Vatican City State)	6.56%	5.93%	7.98%	9.21%	9.26%
Spain	2.68%	3.65%	4.22%	4.64%	7.25%
United Kingdom	6.29%	5.34%	8.48%	4.26%	2.10%
Germany	1.02%	1.17%	1.05%	2.63%	1.99%
Mexico	1.03%	0.77%	0.78%	1.67%	1.63%
Switzerland	2.30%	1.67%	1.98%	1.75%	1.48%
China	2.20%	1.79%	1.97%	1.67%	1.35%
India	0.98%	0.88%	0.76%	0.80%	0.95%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 3303 - perfumes and toilet waters
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Period Latest 5 years
Units Value in canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	14,949,089	15,627,681	19,617,143	26,361,257	26,975,866
---- Quebec	1,902,554	1,604,649	4,628,044	3,726,553	3,874,086
---- British Columbia	108,218	84,310	151,003	128,259	369,287
---- Alberta	53,614	52,175	63,090	55,169	27,483
---- Manitoba	14,503	23,957	11,363	8,284	18,333
---- Saskatchewan	1	1,314	6,171	2,344	3,442
---- New Brunswick	--	--	--	5	--
---- Nova Scotia	--	9,532	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Nunavut	--	--	--	--	--
Sub-total	17,027,979	17,403,618	24,476,814	30,281,871	31,268,497
Others	242,348,345	276,097,767	282,110,060	298,604,027	306,404,866
Total All Countries	259,376,324	293,501,385	306,586,874	328,885,898	337,673,363

Data Source: Statistics Canada

Title Canadian imports
Products Hs 340111 - toilet soap and organic preparations (including medicated products)
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
United States	227,944,444	212,048,047	206,277,097	205,416,174	196,060,630
China	6,676,138	6,702,864	7,461,701	7,858,999	13,236,565
United Kingdom	5,644,223	4,719,295	5,285,983	5,813,948	3,686,433
Poland	36,534	14,120	52,205	1,575,175	3,666,726
France (incl. Monaco, French Antilles)	3,232,978	3,359,710	2,917,175	3,377,068	3,327,563
Germany	1,910,088	2,946,482	1,927,543	4,339,192	3,219,731
India	1,133,853	1,601,891	1,533,328	2,295,572	3,204,597
Mexico	586,402	1,076,358	2,614,829	2,117,377	2,450,257
9. Italy (incl. Vatican City State)	1,290,710	1,306,511	1,456,331	1,189,225	2,224,366
Portugal	365,871	511,549	640,048	732,390	1,116,120
Total All Countries	255,177,898	239,331,310	236,681,967	240,979,315	239,086,036

Data Source: Statistics Canada

Canadian imports
Products Hs 340111 - toilet soap and organic preparations (including medicated products)
Origin Top 10 countries (detailed)
Destination Canada
Period Latest 5 years
Units % Percentage

	2015	2016	2017	2018	2019
United States	89.33%	88.60%	87.15%	85.24%	82.00%
China	2.62%	2.80%	3.15%	3.26%	5.54%
United Kingdom	2.21%	1.97%	2.23%	2.41%	1.54%
Poland	0.01%	0.01%	0.02%	0.65%	1.53%
France (incl. Monaco, French Antilles)	1.27%	1.40%	1.23%	1.40%	1.39%
Germany	0.75%	1.23%	0.81%	1.80%	1.35%
India	0.44%	0.67%	0.65%	0.95%	1.34%
Mexico	0.23%	0.45%	1.10%	0.88%	1.02%
9. Italy (incl. Vatican City State)	0.51%	0.55%	0.62%	0.49%	0.93%
Portugal	0.14%	0.21%	0.27%	0.30%	0.47%
Total All Countries	100.00%	100.00%	100.00%	100.00%	100.00%

Data Source: Statistics Canada

Title Canadian imports
Products Hs 340111 - toilet soap and organic preparations (including medicated products)
Origin Italy (incl. Vatican City State)
Destination Distribution by province
Units Value in Canadian dollars

	2015	2016	2017	2018	2019
---- Ontario	1,192,217	1,192,549	1,325,006	1,057,519	2,132,050
---- Quebec	82,408	54,770	97,383	95,269	51,662
---- British Columbia	15,308	54,897	30,826	29,633	27,915
---- Alberta	136	1,072	529	2,695	8,683
---- Manitoba	641	3,223	2,587	3,725	3,165
---- Nova Scotia	--	--	--	384	891
---- New Brunswick	--	--	--	--	--
---- Prince Edward Island	--	--	--	--	--
---- Nunavut	--	--	--	--	--
---- Northwest Territories	--	--	--	--	--
---- Yukon Territory	--	--	--	--	--
---- Newfoundland and Labrador	--	--	--	--	--
---- Saskatchewan	--	--	--	--	--
Sub-total	1,290,710	1,306,511	1,456,331	1,189,225	2,224,366
Others	253,887,188	238,024,799	235,225,636	239,790,090	236,861,670
Total All Countries	255,177,898	239,331,310	236,681,967	240,979,315	239,086,036

Data Source: Statistics Canada