

The Value of Fragrance » Facts & Figures

Fragrance is an **important link in the economy**

The fragrance industry is central in a value chain that runs from suppliers to consumer product manufacturers and retailers. Value is driven by revenue but enabled by success operating across this complex value chain.

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€7.3bn

Global sales* generated by the fragrance industry



€357bn

Global sales* generated by consumer product manufacturing / retailing

Fragrance **delivers economic and social value**

Through activities such as manufacturing, blending and R&D the fragrance industry supports value generation and job creation.

2



€2.8bn

Value Added from global activities* of the fragrance industry and from the spending of its employees



26,000

Full-time jobs supported by the fragrance industry globally*

Fragrance **means innovation**

The fragrance industry invests significantly in R&D – using creativity and expertise to meet consumers' needs, and give consumer goods companies and retailers the innovation they rely on for differentiation.

3



8%

Proportion of net sales invested in R&D by fragrance manufacturers

€7.2bn

Total Value Added generated by the industry, based on operations of the industry and suppliers, and employees spending their wages

Fragrance **nurtures skills**

Jobs in the fragrance industry are high-skilled, high-value and R&D focused, with employees in sourcing, R&D, creation, evaluation, sales and manufacturing generating high Value Added.

4



€135,000

Value Added per employee in the fragrance industry globally*

Fragrance manufacturing is **at the heart of a sophisticated value chain**

The fragrance industry is a multiplier: unlocking benefits for suppliers and customers, generating value, and supporting jobs in farming, the chemicals sector, manufacturing and retail.

5



3,000

Raw material suppliers to global fragrance and flavor companies

(Based on public data available for Givaudan and IFF)



162

Customer markets for global fragrance and flavor companies

(Based on public data available for Symrise and IFF)

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Fragrance **benefits suppliers** and the **communities** in which they operate

The fragrance industry's upstream supply chain is diverse and global, supporting value generation, employment and wider community benefits.

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€4.4bn



Value Added generated by suppliers to the fragrance industry



389,000



Full-time jobs supported by suppliers to the fragrance industry

Fragrance **benefits consumer product manufacturers**

As a 'platform technology', fragrance enables innovation and value generation downstream – supporting growth and job creation among consumer goods companies and retailers.

7



€48bn - €72bn

Value Added for 25 consumer product categories that can be attributed to fragrance (based on a total market size of €357bn)

10x

Downstream Value Added compared to fragrance industry Value Added

Fragrance is **global**

The fragrance industry supports job creation and economic value around the world. The fragrance industry sources ingredients and materials from suppliers based worldwide.

8



45+

Manufacturing countries of fragrance and flavor companies

(Based on public data available for Givaudan and IFF)



50+

Sourcing countries of fragrance and flavor companies

Fragrance is **complex and diverse**

Using natural and synthetic raw materials sourced from around the world, the industry creates fragrance ingredients that satisfy people's emotional needs and solve functional problems.

9

€1.2bn

€2.3bn



Value Added from producing and selling raw materials to the fragrance industry

218,000

139,500



Jobs supported by producing and selling raw materials to the fragrance industry

Fragrance is **a key differentiator**

For consumers, fragrance can be a key driver of purchase. The fragrance industry unlocks value for fine fragrance, home care / cleaning and personal care product manufacturers.

10



Up to 88%

Proportion of price that consumers are willing to pay for fragrance element (according to industry experts / academic research)

* Excluding US/Canada



Natural materials



Synthetic materials



Indirect materials