

# 1. PUBLISHABLE SUMMARY

## Summary of the context and overall objectives of the project (For the final period, include the conclusions of the action)

The general objective of Cosmetics4Wellbeing project is to create and develop a European Strategic Cluster Partnership – Going International (ESCP-4i) in the cosmetics sector and related industries (Technology, Health and Agro-food), which is oriented towards increased internationalisation and strengthened sustainability of European SMEs.

The project specific objectives as described in Annex I of the GA are the following:

1. Fostering cooperation among cluster organizations and its members in the ESCP-4i and across sectorial boundaries;
2. Identifying and promoting new cross-sectorial value chains based on inputs and needs from SMEs, targeting cosmetics and other related industries that contribute to people's wellbeing;
3. Developing a Joint Internationalization Strategy geared towards third key markets beyond Europe;
4. Developing a governance system and a common branding strategy for the ESCP-4i to ensure active and sustainable collaboration among the different stakeholders;

During these 18 months, the partners have progressed in the achievement of three key project outcomes that will pave the way for the development of the ESCP-4i:

- the Map of Cluster capacities and needs, an In-depth analysis of existing industry resources and capabilities the 4 countries involved (France, Spain, Romania and Portugal). This information (through a questionnaire filled-in by 138 SMEs) has become a very interesting report to complete the desk research with the opinion of companies from the fourth participant countries.
- A complete SWOT analysis of the ESCP-4i. Each cluster has done the internal analysis to answer the questionnaire: this a comprehensive diagnostic supplements the precedent analysis with further market information at the European and global level. A strategic workshop brought together all partners to discuss which are the Opportunities and Threats recognized by their SMEs and cluster members and uncovered based on extensive analysis of the existing market information.
- An analysis on international market trends from the target sectors and identification of key international markets: A first phase provides a quantitative-based Market Assessment Scorecard that identifies 22 countries and offers the best prospects for their product. The consortium has agreed to go in-deep in the analysis for the following 5 countries: INDIA, MEXICO, SOUTH KOREA, UNITED ARAB Emirates and USA. Thus, it was delivered an in-depth analysis of these selected countries with quantitative and qualitative information about the market for beauty products (colour cosmetics, skin care, fragrances and haircare) but also for packaging and ingredients.
- A study of new transnational value chains : 4 new value chain were identified at the beginning of the project: Agro-food/raw materials, Health and dermatology, Industry 4.0/Digitalization and Circular-economy. According to the consortium a fifth is relevant and under study: photonics.

Additionally, the international forum “The Cosmetics Clusters Rendez-vous” was held in Paris in the context of the Cosmetic 360 exhibition fair (220 exhibitors and nearly 5,000 visitors) on 17, 18th of October in Paris. It enabled clusters and SMEs from the entire cosmetic value chain, to take part to BtoB meetings, to learn, to promote their expertise and to make business. T

Furthermore, the Cosmetics4Wellbeing partners have developed joint activities to increase the internationalisation of the clusters members through

- a 1st Joint trade mission to Mexico. This pilot action took place from February 25th to 27th 2019..
- Joint Training programme of specialists from SMEs and RD-I Units is essential for building capacities for internationalization..

- Eventually, The project has successfully developed the major output of the project: the Joint Internationalization Strategy which includes:
- Governance structure
- Sustainability Plan
- Road Map for Internationalisation

The objective of Cosmetics4Wellbeing was to constitute a unique network in the field of cosmetics to support the access to international markets, especially for SMEs and represent the interest of the sector at the European level. The Global Cosmetics Cluster Europe is now ready to go forward with a strong governance and a sustainability plan to implement its internationalization strategy

**Work performed from the beginning of the project to the end of the period covered by the report and main results achieved so far (For the final period please include an overview of the results and their exploitation and dissemination)**

**DIAGNOSTIC & OPPORTUNITIES**

Map of Cluster capacities and needs: Each cluster partner has conducted an in-depth analysis in their region/country of the cosmetics sector as well as of other complementary sectors to identify existing resources and capabilities within their SMEs and members.

The complete SWOT analysis allowed us to acknowledge the clusters need of training on SMEs internationalization support. Being aware of it, training sessions have been delivered by Inno SD as mentioned in WP2.

It has been crucial for the project to identify the top local ingredients and packaging type for cosmetics, as well as trends in products, packaging and ingredients. Euromonitor provided in a first stage a quantitative-based Market Assessment Scorecard that identifies 22 countries and offers the best prospects for their product. After analyzing this, the consortium agreed to go in-deep in the analysis for the following 5 countries:

- INDIA
- MEXICO
- SOUTH KOREA
- UNITED ARAB EMIRATES
- USA.

Euromonitor carried out an in deep analysis of the selected countries with quantitative and qualitative information about the market for beauty products (colour cosmetics, skin care, fragrances and haircare) but also for packaging and ingredients. A huge analysis was provided with a final report on PDF and an excel sheet with the quantitative information.

4 new value chain were identified at the beginning of the project: Agro-food/raw materials, Health and dermatology, Industry 4.0/Digitalization and Circular-economy. According to the consortium a fifth is relevant and under study: photonics. An analysis of the potential for these potential new value chains was developed.

**JOINT INTERNATIONALIZATION DEVELOPMENT**

Our Joint Internationalization Strategy is the main result of the whole project since it comes from the results of all the previous tasks of the project: the diagnostic and analysis made by the partners and its SMEs, the cross-fertilization and communication work but also the deep work to draw the governance of our European Cluster and its sustainability. Step by step, according to the schedule, we identified strategic partners at European and non-European levels, we organized 9 trainings, we built a pilot action that gathered 13 people to the high potential market of Mexico, first steps of the

implementation of our Internationalization Strategy that will be carried out the coming months and years by Global Cosmetics Cluster Europe.

Among the 360° screening of organizations that we could cooperate with for the future of the project (either in/outside of Europe, within the cosmetics value chain or complementary sector, etc...), we have specifically chosen 12 organizations that are relevant for the project. For instance, the Italian cluster “Polo della Cosmesi” would be a strategic partner for our consortium as it covers the “make up” part of the cosmetic value chain, that we only have lightly in our actual consortium. Contact and attends to collaboration are currently ongoing. As Italia was clearly identified as a potential strategic partner for the next steps of the Cosmetics4Wellbeing dynamic, CV and BCB participated to the Innovation Day of el Polo della Cosmesi, in Crema- Italia to make the promotion of

We also decided to go further by identifying potential partners outside Europe.

Training of specialists from SMEs and RD-I Units is essential for building capacities for internationalization. We made an exercise to further design the guide for organizing and developing appropriate trainings for all C4W project partners. This 18-month project allowed us to set up trainings to their SMEs and we are keeping developing a “building capacities programme” for our SMEs for the next months. The trainings organized are whether general, whether specific to a country or a topic linked to internationalization.

A total of 315 SMEs representatives, specialists, interested persons benefit of the lectures and

#### KEY NUMBERS

- 13 persons were part of the delegation: 6 business network representatives and 7 SMEs representatives
- 3 technical seminars to understand the cosmetics market in Mexico
- 3 workshops with local key actors
- 5 site visits to discover different types of distribution channels
- 5 institutional meetings with European representative in Mexico
- 40 BtoB meetings organized with local companies

#### GOVERNANCE & IDENTITY BUILDING

Cosmetics4Wellbeing was supported by Plan Focal to elaborate its Governance structure and by Inno TSD to elaborate its sustainability plan.

The main purpose of the governance plan is to define the most suitable governance organization and structure to achieve the partners’ common objective. The consortium has decided to go to an unformal structure at the beginning, but a survey has been conducted to review the different possibilities to set up a formal legal one.

The sustainability plan was elaborated in coherence with the ambition of the cluster partners and the resources available. All partners are willing to engage in the creation of a sustainable network by allocating appropriated human resources and strengthen synergies with other initiatives supporting internationalisation funded by the European Union, national authorities and regional authorities.

Global Cosmetics Clusters Europe has explored the possibilities to leverage funding, relying on regional, national and European sources to maximise the impact of its action. This sustainability plan will help the project partners to map out priorities and move beyond the lifetime of the Cosmetics4Wellbeing project and to be acknowledged as an important stepping- stone towards the establishment of Global Cosmetics Clusters Europe, a strong network gathering the main stakeholders from the cosmetics sector in Europe.

#### COMMUNICATION

To ensure effective external communication, we kept spreading information on key factors and outstanding features of the project though different medias : LinkedIn, Facebook, Twitter as for social network, and on The international network of cosmetics clusters newsletter and website.

The dedicated landing page was out in April 2019 : <https://europe.cosmeticsclusters.com/> .

Facebook : <https://www.facebook.com/CosmeticsClusters/>

Linkedin : <https://fr.linkedin.com/in/cosmetics-clusters-9359b4153>

Twitter: <https://twitter.com/CosmeticsCCIN>

Youtube: <https://www.youtube.com/channel/UCTETCQcO56LiVG68QIRKxOA>

We have created a leaflet presentation of our Global Cosmetics Cluster – Europe in order to showcase our ambition and internationalization program toward third countries but also to attract new European SMEs network that would join their forces with us to go international. We kept using European Clusters Collaboration Platform to communicate on our main results and to search for partners (a call for partners in Mexico has been made).

A press release was launched to communicate on main results and ambition (the reunion of the cosmetics clusters at the COSMETIC 360 international forum, the launch of Global Cosmetics Cluster – Europe and its main results).

The Communication and dissemination plan intends to provide a guideline on

Target groups :

- Cosmetics SMEs and R&D structures
- Cosmetics Clusters, the international network
- Cross-sectoral clusters and companies
- Local, regional institutional actors

Key specific messages: in terms of EU requirement as well of rules when using the name, brand and baseline when communicating on our project.

Channels and tools to convey our messages: this is to identify the resources available when communicating on our project and matching with our targeted audience.

The main outputs are:

- Building a dedicated landing page for Global Cosmetics Cluster – Europe: its results and coming projects: <https://europe.cosmeticsclusters.com/>
- Leaflet presentation of Global Cosmetics Cluster – Europe
- New logo
- Dedicated material such as word and powerpoint open format
- Brand book with charter and use of logos
- Communication on social network & press release

Both Cosmetic Valley and France Clusters participated to the networking event of the European Commission on 2nd of February 2018 and 25th of October 2018 in Brussels. We could not only display our main results, but also learn through the workshops on good practices. Networking sessions were also interested to learn from other projects and meet with clusters that are not directly active in the cosmetic sector, but some contacts have been made with agro-food industry for instance.

It resulted as an evidence to organize our international forum “The Cosmetics Clusters Rendez-vous” in the fringes of Cosmetic 360 exhibition fair on 17 and 18 October in Paris. This one-day international forum enabled clusters and SMEs from the entire cosmetic value chain, to take part to BtoB meetings, to learn, to promote their expertise and to make business, taking advantage of the exhibition we organized our meeting on.

Key figures of the International Forum (in the framework of Cosmetic 360)

- 60 representants of organisations/clusters
- 26 organizations and 17 countries represented
- 109 Start-up and SMEs taking part of BtoB
- 5 new members of Cosmetics Clusters, The international Network
- 105 CtoC meetings
- 285 BtoB meetings

- Worldwide cosmetics market trends presentation and an international panorama of expertises along the cosmetics value chain

As part of the cross-fertilization and capitalization effort under WP2, Cosmetics4Wellbeing partners agreed on an Indicators Scoreboard to gather the impact of the actions proposed to SMEs and to appraise the results of the internationalization strategy, completed by recommendations and lessons learned on the approach adopted by the partnership. Mutual learning actions came out to be very various. As a matter of fact, we all learnt from the others: Cosmetics4Wellbeing partners, ESCP-4i cluster manager and clusters in general.

The consortium organized on 9th of May 2019 the final conference in Barcelona under the title “Beauty Connecting Business” day. Close to 80 people participated in the event, all them related to the beauty sector. A B2B time has been developed with 90 meetings pre-scheduled before the event and other 60 meetings developed during the event (around 150 meetings in total).

### **Progress beyond the state of the art, expected results until the end of the project and potential impacts (including the socio-economic impact and the wider societal implications of the project so far)**

Global Cosmetics Clusters Europe is strongly committed in acting as a unique network in the cosmetics sectors to facilitate the access to international markets for SMEs. Among each cluster member, key human resources have been identified to pursue and implement the partnership and strategic activities. A review of the different funding possibilities in each cluster ecosystem has also been conducted to maximise the impact of Global Cosmetics Clusters Europe. The clusters will also use their communication actions (conferences, newsletters etc) to promote the visibility and the impact of SME internationalisation actions to attract new partners. The engagement of each cluster partner and their members to sustain the network will contribute to leverage the support to access international markets for SMEs in Europe, thanks a strong partnership and a clear roadmap.

The governance plan addresses the obligations and duties of all parts, the decision-taking process, the management structure, the commitment of human and financial resources from the partners. The consortium has decided to go to an unformal structure at the beginning, but a survey has been conducted to review the different possibilities to set up a formal legal one.

Besides the present Cosmetic4wellbeing project, the 5 partners that made up the consortium also belong to the Global Cosmetics Cluster. This latter gathers 25 international Clusters worldwide with a significant number of European ones. It makes sense that the governance and the formal representation of the Global Cosmetics Cluster Europe has to be reflected accordingly to optimize its sustainability. After having consulted all of the members, it appears that the main principle, deduced from this report, is to consider for the commencement of the operations that: Global Cosmetics Cluster Europe should be a branch of Global Cosmetics Cluster, in charge of increasing the competitiveness of European companies by innovation, business development and internationalization

### **Address (URL) of the project's public website**

[www.cosmeticsclusters.com](http://www.cosmeticsclusters.com)