

Intellectual property rights and advertising of cosmetic products in Republic of North Macedonia

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Introduction

The cosmetic industry is a dynamic and competitive sector. Europe is the global leader in cosmetics, exporting one-third of all cosmetic products sold worldwide. Considering the high number of cosmetic products available on the EU market, it is very important to provide consumers with specific, understandable and reliable information, substantiated using generally accepted methods, to enable them to make informed choices and compare products to find the ones that best suit their needs. Consumer information is a key component of the interaction between the cosmetics and personal care industry and consumers. It conveys information about products, how they work, who they are for and how best to use them. Product claims and advertising are essential tools for informing consumers about characteristics, and qualities and help them choose the products that best suit their needs and expectations. Product claims are also marketing tools used by the cosmetic companies to distinguish their products from the competitors, thus they might contribute to the functioning of the internal market and to stimulating innovation and competition among companies (European Commission, 2016). It is essential that consumers are able to make informed choices in full knowledge and that cosmetics manufacturers are transparent and responsible in their marketing communications. The cosmetics legislation clearly indicates what information must be conveyed to consumers through product labels, and also sets criteria for the justification of voluntary marketing communication (claims). Companies in cosmetic industry currently adhere to numerous rules and regulations governing labelling, advertising and cosmetic product claims. At the EU level, these comprise specific articles in the EU Cosmetic Regulation itself, including Article 19, which covers

labelling requirements, and Article 20, which together with the Common Criteria Regulation (EU) (Commission Regulation (EU) No 655/2013, 2013), regulates the use of cosmetic products claims. In line with European cosmetics regulations and common criteria regulations, companies need to comply with national advertising laws, which are also, based on the EU Misleading and Comparative Advertising Directive and the Unfair Competitive Advertising Directive (Cosmetics Europe, 2020).

Intellectual property (IP) is a key driver of economic growth and innovation in business. In an increasingly competitive and crowded market, intellectual property protections offer incentives to keep pushing for new advances. Just as companies, inventors, researchers, engineers, artists, and entrepreneurs depend on intellectual property law to protect their work, consumers trust IP to provide them with safe and authentic products (U.S. Chamber of Commerce, 2021).

The aim of this study was to evaluate the IP rights and advertising of cosmetic products in the R.N. Macedonia (RNM) by on-line prepared questionnaire for different population and professional structure groups.

Materials and methods

For the purpose of researching IP issues related to cosmetic advertising in RNM, we started an exploratory research on this topic. We used method of "Collecting secondary data", first. Using Internet search engines, a comprehensive literature review was carried out to find relevant studies performed on this topic. No other study was found, to be conducted in RNM. Similar and valuable for this research were studies published in 2013 and in 2016 by EUIPO committee: European Citizens and IP perception awareness, and behavior. Also, several studies for deceptive advertising was found and used as data to

continue with our further research. Descriptive research was performed after collecting sufficient secondary data. We expected by gathering information and estimation about the perception, awareness, behavior and knowledge of the citizens of RNM for IP and cosmetics advertising issues will help us to measure the influence on IP on advertising of cosmetic products from one side and analysis of regulative on the other side. The interview questionnaire (Google Docs. Forms) included 22 items related to measurement of the perception on IP, different cosmetics advertising aspects and prevalence of misleading advertising. The snowball effect of questionnaire was planned (Maysonnave and Delorme, 2013). The survey was conducted during May and June 2019 on 313 residents of RNM. Obtained data were tabulated using Microsoft Excel® (Microsoft Corp. Redmond, WA, USA), computed and consequently evaluated using statistical program IBM SPSS Version 23.0.

Results and discussion

Participants of different age groups, social categories, professional structure, education level and nationality were interviewed. The findings indicated that almost 75% of the participants claim that the trade mark has influence on their choice which cosmetic product to buy. Regarding public opinion of whether advertisements for cosmetic products in RNM are controlled by authorities and conform to the regulative, almost 35% answered “rarely”, and 8.6% answered “never”. When asked in which cosmetic advertiser believes the most, ~ 69% believe on European advertisers mostly. 59.1% of the respondents do not believe that the purpose of the application and the action declared on the cosmetic products are credible. The largest percentage of respondents answered that they are most often informed about the cosmetic product by advertisements in the media (31%) and by friends or family member (30.7%), followed by a pharmacist in a pharmacy. (25.9%). According to the answers of the respondents, the recommendation from an expert usually has the greatest impact when choosing a cosmetic product (48.9%). Pharmacy is the most common place to buy cosmetics according the answers of 40.6% of the respondents, Concerning the safety of the cosmetic products, more than half of respondents (58.5%) believe that products that are declared to contain no preservatives are safer to use than products that are not declared to contain no preservatives; and almost 55% of the respondents think that organic cosmetic products are safer than the others non declared as organic.

Conclusion

The findings indicate that Intellectual property rights have influence on the advertising of cosmetic products in RNM. This study might be base for following RNM citizens’ reaction on intellectual property, advertising of the cosmetic products and misleading advertising as a present world global problem. Further researches might be valuable for need of alignment of the regulative on international level.

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