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Cross-Border and Cross-Cultural Marketing

Health Supplement Industry Research 2022



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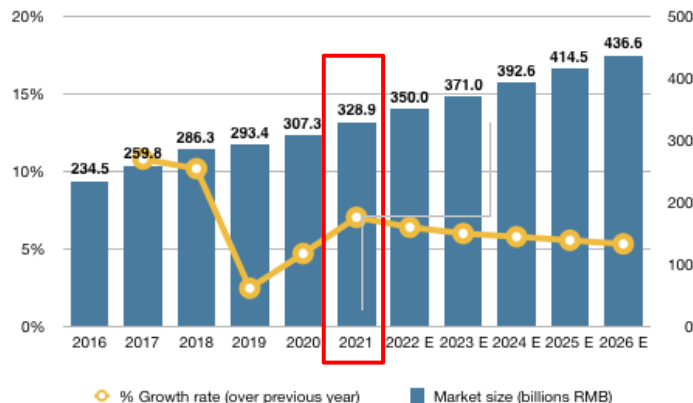
**Account
Management
Performance**

Market Overview

Health Supplement Industry

Health Supplement Market Overview

Health Supplements Market 2016-2026 and Future Predictions



Health Supplements Market Size

2021 put the industry as being worth **328.9 billion RMB**, while it is estimated that by 2026 this figure could rise to a staggering **436.6 billion RMB** following a 2021-2026 compound annual growth rate (CAGR) of **5.8%**.

Source: iiMedia Research

Health Supplements Market share by Product Category 2021

Vitamins and Dietary Supplements

57.52%

Herbal/Traditional Supplements

34.1%

34.1%

Weight Management & Wellbeing

6.82%

Sports Supplements:

1.56%

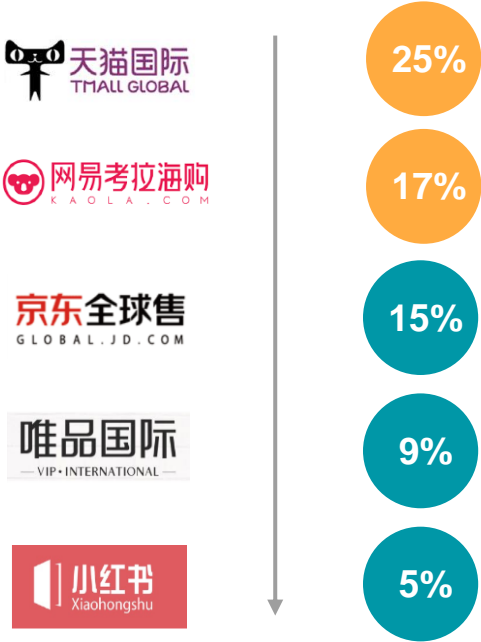
Health Supplement CBEC Market

Market size of Health Products in China by eCommerce 2014- 2020



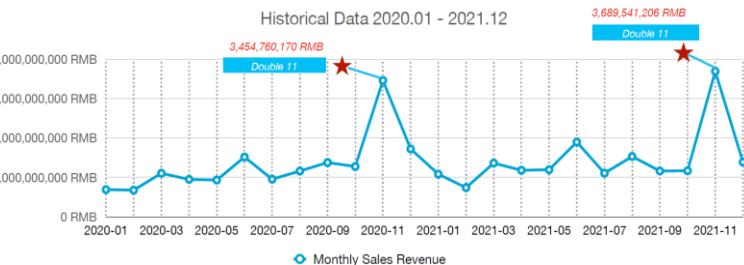
Source: iresearch 2021.6

Top 5 CBEC marketplaces market share



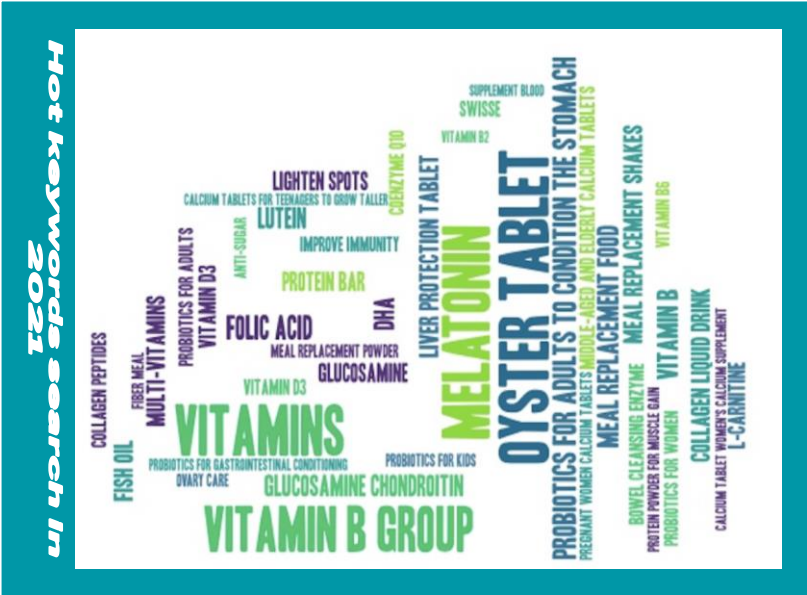
Health Supplement CBEC Market

Cross-Border Health Supplement Market in Alibaba family 2020-2021



- Annual sales revenue: 17,480,394,862 RMB **+10.7%**
- Annual sales volume: 81,327,438 **-1.3%**

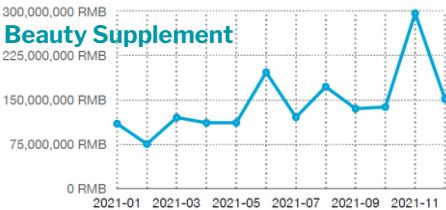
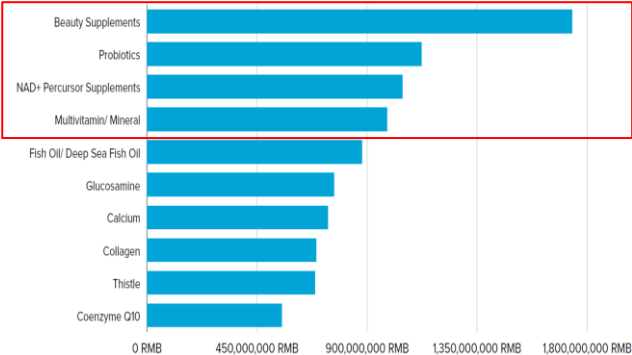
- Brands (yearly avg.): 2,982 **+7.3%**
- SKUs online (yearly avg.): 80,222 **+2.0%**
- Stores (yearly avg.): 3,264 **-5.9%**



Source: CBNDATA

Top 10 Sub-categories

Sub-category Annual Sales Revenue (RMB)

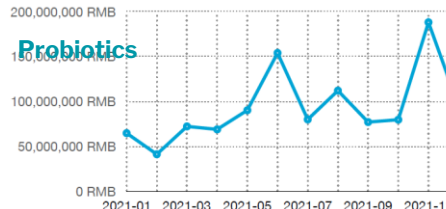


Main Active Ingredients

- # Collagen
- # Hyaluronic Acid
- # Ceramide
- # Glutathione

Consumer Needs

- ✓ Brighten skin
- ✓ Lighten fine lines
- ✓ Anti-aging
- ✓ Anti-glycation

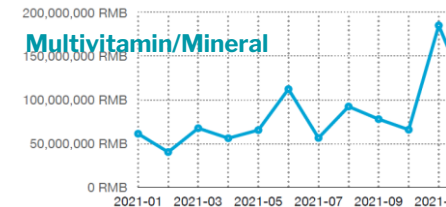


Main Active Ingredients

- # Bifidobacterium Lactis 420
- # Lactobacillus Rhamnosus
- # Lactobacillus Acidophilus
- # Lactobacillus Reuteri

Consumer Needs

- ✓ Gastrointestinal Health
- ✓ Weight management
- ✓ Boost immunity
- ✓ Skin care



Main Active Ingredients

- # B vitamins
- # Vitamin C
- # Vitamin A
- # Trace elements

Consumer Needs

- ✓ Maintain energy
- ✓ Relieve anxiety
- ✓ Improve the immune system
- ✓ Activate blood



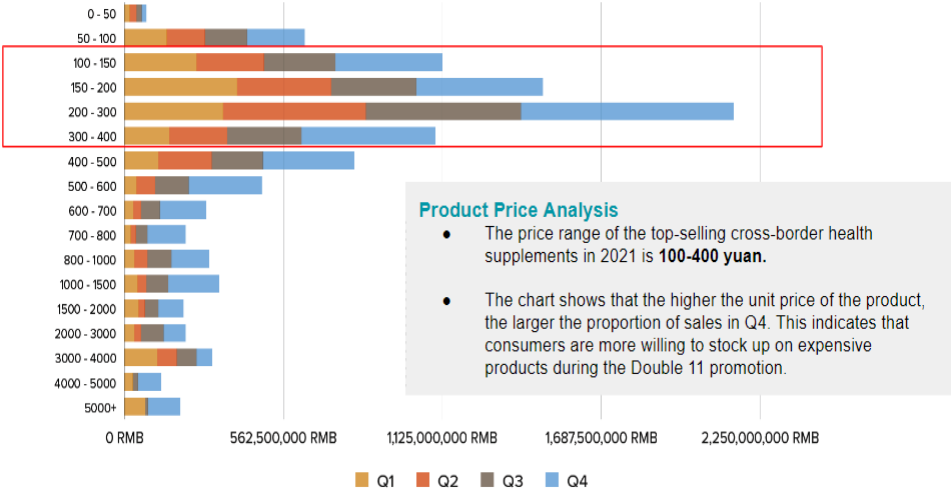
CBEC Popular brand and product

Top popular brands

Country	Popular Brands
USA	Move Free
	GNC
	Puritan's pride
AUSTRALIA	Swisse
	Blackmores
	Life Space
JAPAN	Fancl
	Pola
	ISDG
GERMANY	Doppelherz
	Biomenta
	Elevit
CANADA	Jamieson
	Webber Naturals
	Kirkland Signature

Source: CBNDATA

Products Price Range



Consumer Insight & Trend

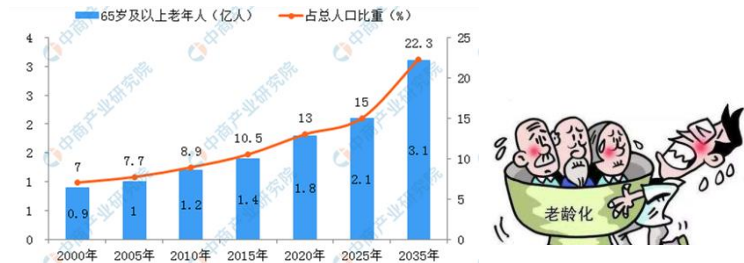
Health Supplement Industry

Consumption Drive Analysis

1. Rising personal income drives demand for better healthcare

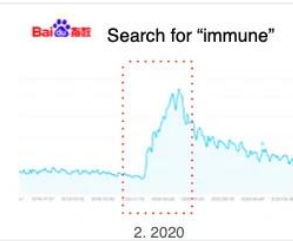
- In 2020, China's GDP per capita has exceeded \$10,000 USD, of which the super-first-tier cities have exceeded **\$25,000 USD**.
- The national per capita disposable expenditure on healthcare exceeded **1,000 yuan** in 2019, with a yoy growth of **13%**.

2. Aging population



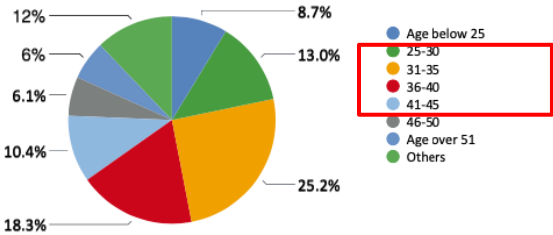
Source: national Bureau of Statistics

3. The epidemic has cultivated Healthcare needs, the products that enhance immunity are the most concerned



- **40%** increase on product view In Feb 2020 for the Health product in Tmall Global
- **47%** growth on the total sales revenue in cross border Health Supplement in 2020 compared to 2019

4. The growing number of young and middle-aged sub-health groups



Age distribution of Sub-Health population in China
Source :huaon.com

Market Size for different Groups

150.1 Billion RMB

Eldly People



Factors when purchasing:

- Function
- Price
- Word of Mouth
- Branding
- Promotion
- Packing

Expenditure on Health Supplement purchased by the eldly people:

- 24% below 100 RMB
- 40% 100 - 300 RMB
- 28% 300-500 RMB

70.1 Billion RMB

Young & Middle aged People



The distribution of lifestyle factors in the decline of immunity level:

- Stay up late
- Irregular diet
- Unbalanced diet
- Sedentary inactivity
- Chronic high anxiety

Sub-health status among Chinese citizens aged 18 and above:

- 50%+ Overweight and obesity rate
- 27.3% The prevalence of hypertension
- 11.9% The prevalence of diabetes
- 8.2% The prevalence of hypercholesterolemia

65 Billion RMB

Pregnant Women



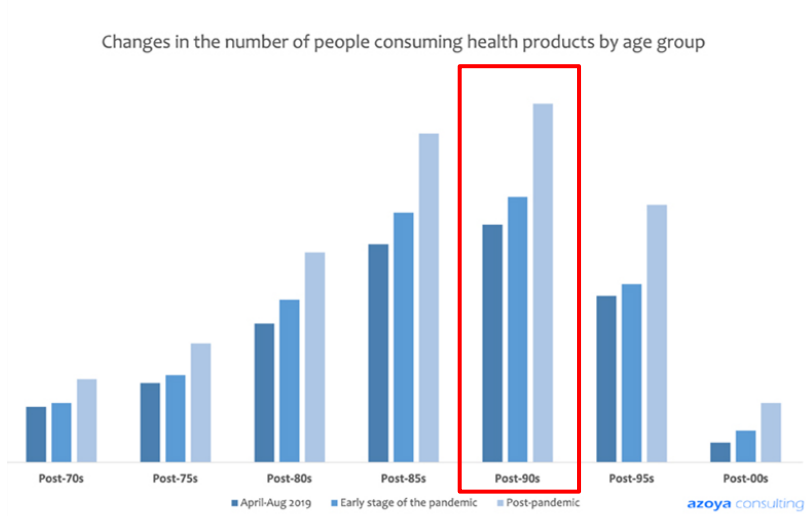
2020 Overall penetration rate of nutritional supplement during pregnancy:

- Folic acid
- Multi-vitamins
- DHA
- Probiotics
- Calcium Supplement
- Protein power

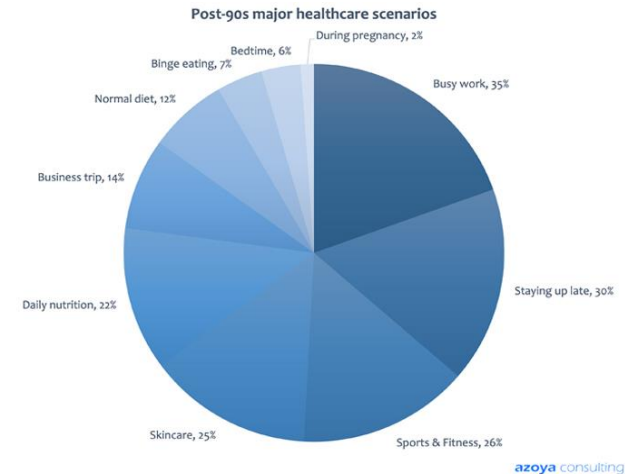
Product preference:

- 78% of pregnant women think the granules are too large to take
- 78% can't stand the taste of fish/shrimp
- 65% would like mini-tablets
- 56% would like fruit-flavored medicines

Post-90s are the Emerging Consumers of Healthy Supplements

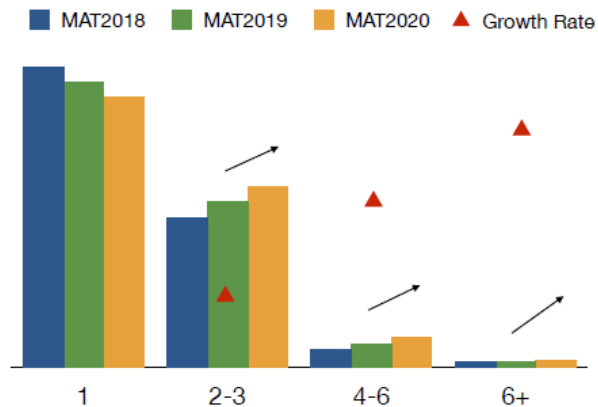


.Regarding the spending on the imported health supplement, post-90s spending amount witnessed **an increase of 51% YoY**, compared to the pre-pandemic era.



The growth is driven by increasing awareness of taking supplements to maintain nutrients balance, immunity, better digestion, hair & skin benefits, as well as functional support.

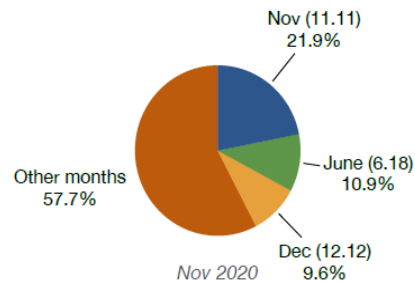
Consumer Insight & Trend



* Source: CBNDATA Consumer Big Data

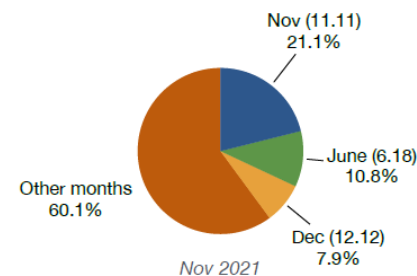
Consumers, especially young people, are no more satisfied with taking only a single type of products or consuming supplements with generic functions.

It can be seen the trend of consumers purchasing more than 4 kinds of products with targeted functionalities respectively.



Nov 2020

VS



Nov 2021

The consumption of health supplements has gradually been shifting from only hoarding products during big promotion periods to more of a routine pattern.

Consumer Insight & Trend



精致女生口服好物分享 日常养生必备气质



！内服好物||女生必备保健品 越吃越美丽

More Chinese women start to pay attention to internal beauty

- Unichi Rosa Prima Gummies
- Nature's Bounty Hair, Skin & Nail Gummies
- Vitafusion SleepWell Melatonin Gummies



Snack-formed products are trendy

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