ATTITUDES TOWARDS NATURAL & ORGANIC BPC – GERMANY – 2020

The COVID-19 pandemic has reinforced consumers' focus on product safety and BPC products made with the environment and other ethical factors in mind.

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MINTEL

Report Content

EXECUTIVE SUMMARY

A note on COVID-19

- COVID-19's impact on natural and organic BPC and German consumer behaviour
- Mintel's perspective

Market context

- Impact of 'lockdown light' on BPC consumers
- Health takes priority
- Consumers look to unwind
- Online shopping increases

The impact of COVID-19 on natural and organic BPC

- COVID-19's impact on natural and organic BPC in Germany

Mintel predicts

- Growing link between personal and planetary health
- Greater support for local businesses
- Go beyond 100% natural

What consumers want and why

- Consumers want: skin kindness first and foremost
- Consumers want: sustainable BPC
- Consumers want: affordable naturals and organics
- Consumers want: prominent signposting

Opportunities

- Upgrade mix 'n' match shoppers
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- Offer prestige benefits at mass prices
- Focus on German science and local ingredients
- Go beyond the environment with social causes
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- Quick download resources

MARKET DRIVERS

- A return to lockdown

- Positive economic growth will resume in 2021
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- The impact of COVID-19 on the German economy
- How a COVID-19 recession will reshape the industry
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  - Graph 3: population by age, 2014, 2019 and 2024

WHAT CONSUMERS WANT AND WHY

The impact of COVID-19 on consumer behaviour

- Key shifts in consumer behaviour
- 'Lockdown light' has a lower impact on BPC

Types of beauty and personal care products purchased

- Consumers buy a mix of regular and natural and organic products
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- Young people drive purchase of natural and organic BPC
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  - Graph 8: category buyers who buy a mix of natural and organic and regular products, June 2020
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- Purchase of natural and organic BPC is up
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  - Graph 9: consumers who have increased purchase of natural and organic BPC products in the last 12 months, by gender and age, June 2020

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- Price is a deterrent
  - Graph 10: barriers to purchasing natural and organic BPC products, June 2020
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- Private label breaks the expense barrier
- Ethical expectations are high
- Mistrust and misinformation impact perceptions
- Front-of-pack logos make it easier to guide purchase
- Logos can instil trust in luxury brands
- Lack of availability impacts experimentation

Channels used to purchase natural and organic beauty and personal care products

- Consumers want the in-store experience
  - Graph 11: channels used to purchase natural and organic BPC products, June 2020
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  - Graph 12: outlets used to purchase natural and organic BPC products, June 2020
- Online buying will increase in 2021
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- Men value convenience, women prefer expertise

Beauty and personal care ingredient concerns

- Health is the top concern
  - Graph 13: ingredient concerns when purchasing BPC products, June 2020
- Focus on skin health
- Highlight broader environmental credentials
- Tap into growing concern for the oceans

Interest in different types of beauty and personal care ingredients

- Consumers reject synthetic ingredients
- Use technology to give nature a helping hand
- Ingredient transparency and consumer education is necessary
- Explain the benefits of nature-identical ingredients
- Increase appeal to older adults with local ingredients
- Upcycling food waste will intrigue younger shoppers

Attitudes towards natural and organic beauty and personal care products

- Trust and transparency are crucial
  - Graph 14: attitudes towards ingredients and manufacture of natural and organic BPC products (net), June 2020
- Women want more proof
  - Graph 15: agreement with attitudes towards ingredients and manufacture of natural and organic BPC products (net), by gender, June 2020
- Take consumers on the production journey
- Prestige brands go beyond natural and organic
- Quality of natural and organic brands isn't in doubt

- Graph 16: attitudes towards other attributes of natural and organic BPC products (net), June 2020

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  - Graph 17: agreement with attitudes towards other attributes of natural and organic BPC products (net), June 2020
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  - Graph 18: BPC product launches with select natural claims, Jan 2016-Oct 2020
- Manufacturers aim for the all-natural target
- 100% natural options become more accessible
- Natural and organic BPC is mainstream
  - Graph 19: natural and/organic* BPC product launches, by top 10 companies, Jan 2016-Oct 2020
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  - Graph 20: BPC product launches by select ethical claims, 'regular' products vs all-natural and/or organic products, 2019
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- Colour cosmetics increases share of NPD
  - Graph 21: natural and/or organic BPC product launches, by category, 2016 vs 2019
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- Soap and bath products driven by skin kindness
- Added benefits can drive interest in haircare
- At-home hair colouring appeals when salons are closed
- Performance concerns could be a barrier in deodorants
- Deodorant brand leaders prioritise natural ingredients
- Opportunity in natural fragrances 'good for you and the planet'
- Private label fragrances will benefit from increasing price consciousness
- Create accessible wellness occasions for men

APPENDIX

A note on COVID-19

- COVID-19's impact on German consumer behavior

Appendix – products covered, abbreviations and consumer research methodology

- Products covered in this Report
- Abbreviations
- Consumer research methodology

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