

BEAUTY & PERSONAL CARE RETAILING – GERMANY – 2024

Shaped by an omnichannel approach, BPC retailers are focusing on an improved shopping experience, while keeping affordability and convenience in mind.



Franziska Kartheus,
Associate Analyst



Beauty & Personal Care Retailing - Germany - 2024

This report looks at the following areas:

- Consumers' purchases of BPC products over the last four years
- Purchase channels and outlets used to buy BPC products, with shopping online gaining popularity and drugstores retaining their leadership
- Reasons for shopping in store rather than online, with the ability to try products and the opportunity to browse being key
- Preferences when buying BPC gifts, the main priorities including price and brand followed by convenience factors
- How social media is impacting BPC retailing, with interest in using social media for inspiration and shopping through social media being particularly high among Millennials and Gen Zers
- Market activity and innovation online and in store



Shaped by an omnichannel approach, BPC retailers are focusing on an improved shopping experience, while keeping affordability and convenience in mind.

Overview

More people are shopping online now compared to previous years, but **offline stores remain the key channel for most**: 85% of Germans shop for BPC products in store vs 35% online. In-store shopping retains a lead over online largely because it **offers the ability to test and discover new products**. Some retailers are making in-store shopping even more convenient and welcoming by facilitating one-stop shops and an inclusive environment.

BUY THIS REPORT NOW


€2600.00 | £2195.00 | \$2995.00*

store.mintel.com | store@mintel.com

Americas: +1 (312) 932 0400
China: +86 (21) 6032 7300
Germany: +49 (0) 211 3399 7411
India: +91 22 4445 1045
Singapore: +65 6653 3600
Thailand: +66 2 821 5122
UK: +44 (0) 20 7606 4533

MINTEL

*These prices are correct at time of publication, but are subject to change due to currency fluctuations.



BPC retail sales struggled in the years immediately following the pandemic, with fewer people going out. However, as in-person socialising and shopping have returned, sales have improved. While **the 'lipstick effect' continues to encourage the purchase of small beauty treats**, consumer confidence is slowly recovering, with a risk of downtrading among consumers with tight budgets.

64% of German BPC shoppers think value own label is as effective as premium own label, meaning **discounters and budget own-label options can benefit, whereas high-end retailers must prove their worth**. Transparent pricing or high-end experiences can help them stand out. Throughout, **sustainability is a consumer expectation**, reflected in BPC retailers' strategies and goals.

The future is digital, and **technology is being leveraged to enhance the customer experience** in store *and* online, with advances in generative AI enabling improved virtual testing.

BUY THIS REPORT NOW

€2600.00 | £2195.00 | \$2995.00*

store.mintel.com | store@intel.com

Americas: +1 (312) 932 0400
China: +86 (21) 6032 7300
Germany: +49 (0) 211 3399 7411
India: +91 22 4445 1045
Singapore: +65 6653 3600
Thailand: +66 2 821 5122
UK: +44 (0) 20 7606 4533

*These prices are correct at time of publication, but are subject to change due to currency fluctuations.

MINTEL

Report Content



EXECUTIVE SUMMARY

- The five year outlook for BPC retailing

Market context

- Inflation continues to impact consumers' willingness to spend
- Sustainability is a consumer expectation
 - Graph 1: BPC launches with an ethical & environmental claim, 2020-24

Mintel predicts

- BPC retailing retains a steady trend
- Market size and forecast for BPC retailing
- BPC sales remain positive

Opportunities

- Omnichannel shopping opens new opportunities
- Rethink the in-store shopping experience
- Facilitate gift buying
- Make BPC gifting an easy and personal option
- Fashion retailers recognise BPC's potential

The competitive landscape

- BPC retailing is dominated by drugstores
- Drugstores push ahead
- dm and Rossmann are the most popular drugstores in Germany
 - Graph 2: drugstores shopped with online or in store for BPC products, 2021-23

MARKET DRIVERS

The German economy

- 2024 is expected to be more challenging than initially predicted
 - Graph 3: key economic data, in real terms, 2019-25
- The inflation rate is slowly bouncing back to conventional levels
- Inflation is still the key factor affecting consumers' finances...
- ...confidence and expenditure
 - Graph 4: financial confidence index, 2022-24
- BPC prices rise above overall price increases

- Graph 5: consumer price index, BPC and overall, 2019-23
- BPC provides an inexpensive mood booster

Environmental and demographic factors

- The European Commission tackles greenwashing
- The Green Claims Directive brings clarity to environmental labels
- An ageing German population demands representation

WHAT CONSUMERS WANT AND WHY

Purchase of BPC products

- BPC buying sees a tumultuous few years
 - Graph 6: BPC products bought in the last 12 months, 2020-23
- Personal care is an essential category
 - Graph 7: types of personal care products bought in the last 12 months, 2020-23
- Beauty shopping is recovering post-COVID-19
 - Graph 8: types of beauty products bought in the last 12 months, 2020-23
- BPC buying is a gendered affair
 - Graph 9: products bought in the last 12 months, by gender, 2023

Channels and retailers used for BPC shopping

- More Germans are buying BPC products online
- Brick and mortar remains the most important purchase channel
 - Graph 10: purchase channel for BPC products bought in the last 12 months, 2023
- Draw Germans into stores with more enjoyable shopping experiences
- Online and offline shopping preferences depend on the products bought
 - Graph 11: BPC products bought in the last 12 months by place of purchase and category, 2023
- Online shoppers seek price advantages
- Drugstores remain Germans' preferred BPC retailers
 - Graph 12: types of retailers from which BPC products have been bought in the last 12 months, 2023
- Health and beauty specialists are the clearly preferred shopping location, but some age and gender differences exist
 - Graph 13: top three retail channels shopped with for BPC products in the past 12 months, men by age, 2023
 - Graph 14: top four retail channels shopped with for BPC products in the past 12 months, women by age, 2023
- Most Germans use one to two retailers for their BPC shopping
 - Graph 15: repertoire of BPC retailers shopped with, by age, 2023
- dm and Rossmann retain the lead among drugstores
 - Graph 16: drugstores shopped with online or in store for BPC products in the last 12 months, 2021-23
- Supermarkets experience a slight decline...
 - Graph 17: grocery retailers shopped with online or in store for BPC products in the last 12 months, 2021-23

Beauty & Personal Care Retailing – Germany – 2024

- ...while discounters retain BPC customers
- Douglas reaps rewards from its investment strategy
 - Graph 18: perfumeries shopped with online or in store for BPC products in the last 12 months, 2021-23
- Amazon is the largest online shop used but has seen a fall in shopper numbers
 - Graph 19: online-only retailers shopped with online for BPC products in the last 12 months, 2021-23
- Clothing specialist retailers expand into beauty

Reasons for shopping in store over online

- Product discovery and trial are key attractions of physical stores
 - Graph 20: reasons for shopping BPC products in store over online in the last 12 months, 2023
- Product discovery leads to trial
- Make in-store browsing more inviting...
- ...and make it easy for shoppers to discover new products
- Appeal to in-store beauty buyers by informing their purchase decisions
- Own-label BPC is a popular option among Germans
- Reassure shoppers on environmental impacts
- Prove efficacy and engage shoppers with diagnostic tools

Buying BPC products as gifts

- Fragrance and soap are the most popular BPC gifts
 - Graph 21: BPC products bought as a gift in the last 12 months, 2023
- BPC gift buyers are value conscious but prefer giving well-known brands as gifts
- Create (conveniently) thoughtful gift sets with customised options
- Leverage brand image to attract gift shoppers
- Target luxury gift shoppers with exclusive convenience
- Sustainable store concepts can draw attention to gifting opportunities
- Use the interest in AI to gamify gift finding
 - Graph 22: agreement that using AI to generate gift ideas is appealing, by generation, 2023

Attitudes towards shopping for BPC products

- BPC shoppers are happy with the quality of value own labels
 - Graph 23: select financial attitudes towards shopping for BPC products, 2023
- Dupe culture is not just about a need to save money
- Flexible payment schemes can nudge purchase
- Use social media advantages to reach younger generations
- Younger generations are the most interested in finding inspiration and shopping on social media
 - Graph 24: agreement that social media platforms are the best way to search for BPC product inspiration, by generation, 2023

- Graph 25: agreement that buying directly from social media platforms is a good way to keep up with trends, by generation, 2023

- Become a part of online communities
- Leverage social media trends
- Flag popular products in dedicated spaces online
- Live shopping shows potential as retailers explore new avenues

RETAILER ACTIVITY

Retail innovation – in store

- Sustainability is shaping retailing developments
- Müller designs family-friendly stores
- Changing the in-store layout norm
- Drugstore apps underline omnichannel strategies
- Rituals opens a Mind Oasis in Frankfurt
- dm introduces a new store concept for an improved shopping experience
- Douglas' 'Let it Bloom' strategy aims for growth
- H&M creates a spa-inspired beauty space
- One-stop shopping at budni
- Müller introduces circular packaging
- Own label appeals to cash-strapped consumers

Retail innovation – online

- Online shopping is rising
- Making gift shopping easy with optional personalisation
- Snapchat tries on virtual makeup
- Drive the convenience factor of online shopping
- ASOS expands its Face + Body BPC offer

MARKET ACTIVITY

Sector size and forecast

- The market continues to grow, but Germans are savvy spenders
- The cost-of-living crisis and the pandemic impact the BPC market
 - Graph 26: retail value sales of BPC products by category, 2019-23
- BPC retailing retains a positive trend
- Online shopping takes a bigger hit amid financial struggles
 - Graph 27: online sales of drugstore products, 2016-23

Leading retailers

- BPC retailers continue to see growth
- Leading BPC specialists

APPENDIX

Appendix – products covered, abbreviations, consumer research methodology and language usage

- Products covered in this Report
- Abbreviations
- Generations
- Consumer research methodology
- Infegy Atlas – coverage
- Infegy Atlas – full list of search terms used
- A note on language

Appendix – market size and central forecast methodology

- Forecast methodology
- Forecast methodology – fan chart
- Mintel retail definitions
- Market size – value
- Market forecast and prediction intervals – value

About Mintel Reports: Germany

Access our reports now and get the most accurate, credible and powerful data, insights and analysis. Mintel Reports Germany gives you everything you need to know about what German consumers want and why.

In each report, we're analysing the market, new product innovations and the competitive landscape, as well as consumer behaviours across Germany. Our local analysts, supported by our team of global experts then translate it into what it means for you.

What makes us unique?

- ✔ A 360-degree view of German markets
- ✔ Experienced analysts based in Germany
- ✔ Expert-led support from global category experts

How Mintel Reports Germany will help your business grow:

01

Identify future opportunities by understanding what German consumers want and why

02

Make better decisions faster by keeping informed on what's happening across your market

03

See the trends and innovations impacting Germany both on a local and global level

BUY THIS REPORT NOW

€2600.00 | £2195.00 | \$2995.00*

store.mintel.com | store@mintel.com

Americas: +1 (312) 932 0400
China: +86 (21) 6032 7300
Germany: +49 (0) 211 3399 7411
India: +91 22 4445 1045
Singapore: +65 6653 3600
Thailand: +66 2 821 5122
UK: +44 (0) 20 7606 4533

*These prices are correct at time of publication, but are subject to change due to currency fluctuations.

MINTEL

Disclaimer

This is marketing intelligence published by Mintel. The consumer research exclusively commissioned by Mintel was conducted by a German licensed market survey agent ([See Research Methodology for more information](#)).

Terms and Conditions of use

Any use and/or copying of this document is subject to Mintel's standard terms and conditions, which are available at <http://www.mintel.com/terms>

If you have any questions regarding usage of this document please contact your account manager or call your local helpdesk.

Published by Mintel Group Ltd

www.mintel.com

email: store@mintel.com

Help desk

UK	+44 (0)20 7778 7155
US	+1 (312) 932 0600
Australia	+61 (0)2 8284 8100
China	+86 (21) 6386 6609
Germany	+49 211 2409023
India	+91 22 4090 7217
Japan	+81 (3) 6228 6595
Singapore	+65 (0)6 818 9850