

TRENDS IN THE GERMAN CONSUMER HEALTH AND COSMETICS MARKET

WEBINAR BY ACCIÓ, 25 NOVEMBER 2020

Julia Albrecht
Manager Healthcare / Investor Consulting
www.gtai.com





Agenda

1. Germany Trade & Invest
2. The German Consumer Health Market
3. The German Cosmetics Market
4. Market Entry

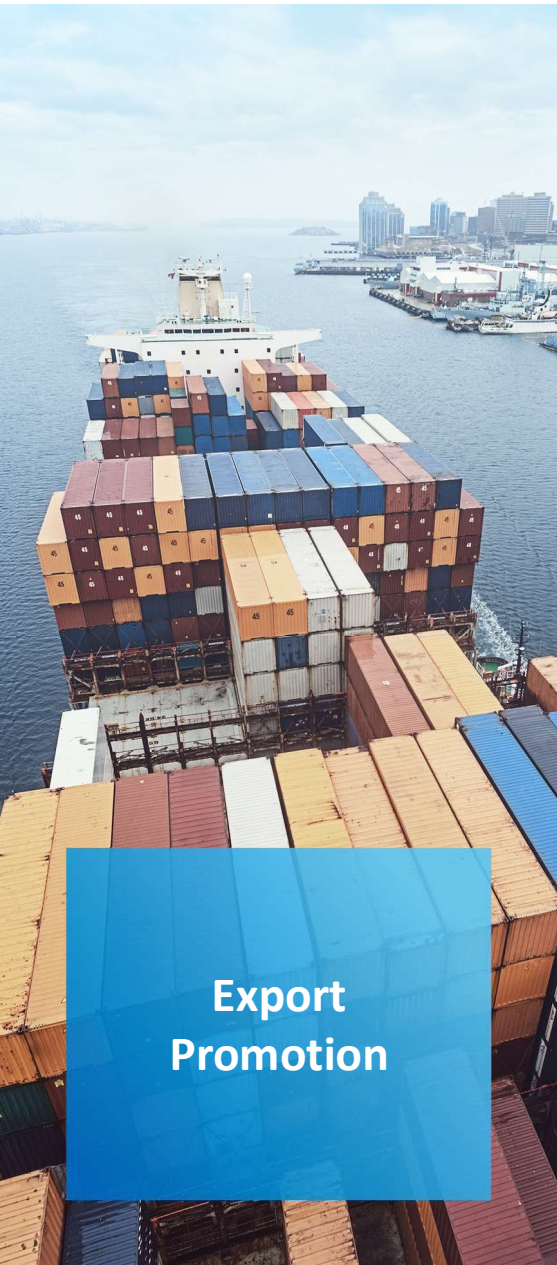


1. GERMANY TRADE & INVEST

A large group of people, mostly in business attire, are posed for a group photo in a modern, spacious hall. The hall features a high ceiling with a complex glass and steel dome structure. Large, white, sculptural elements resembling stylized leaves or petals are suspended from the ceiling. The floor is covered in a red carpet. In the background, a large screen displays the text "GTAI-GERMANY 2019". The overall atmosphere is professional and formal.

Germany Trade & Invest (GTAI) is the economic development agency of the Federal Republic of Germany.





**Export
Promotion**



**Investor
Consulting**



**Location
Marketing**



**New Federal
States & Structural
Transformation**



2. THE GERMAN CONSUMER HEALTH MARKET

The German Healthcare Market

One of Germany's largest growth markets at a glance

83 million
inhabitants

EUR 391 billion
healthcare
expenditure

11.7%
of GDP

4.4%
annual growth

7.5 million
employees in the
healthcare
industry

1,925 hospitals
500,000 beds

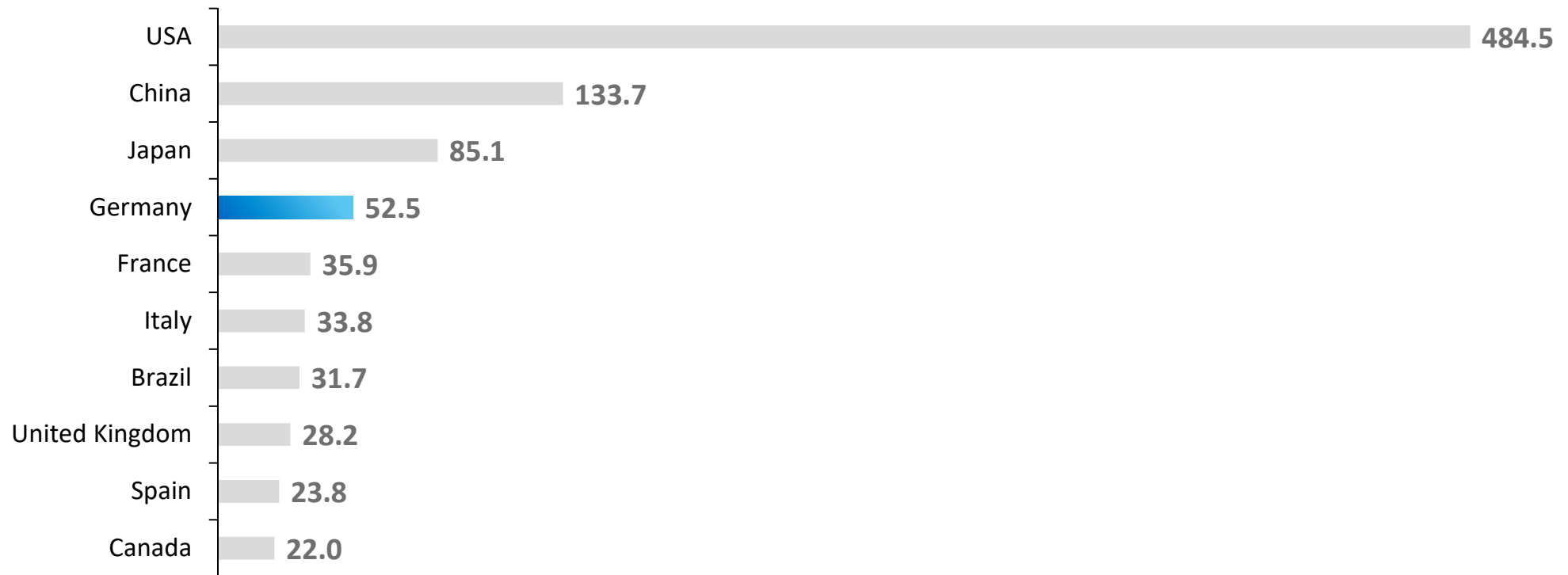
400,000
physicians

19,000
pharmacies

Source: German Federal Statistical Office 2020, Federal Ministry for Economic Affairs & Energy 2020, German Medical Association 2020, ABDA 2020

The Global Pharmaceutical Market

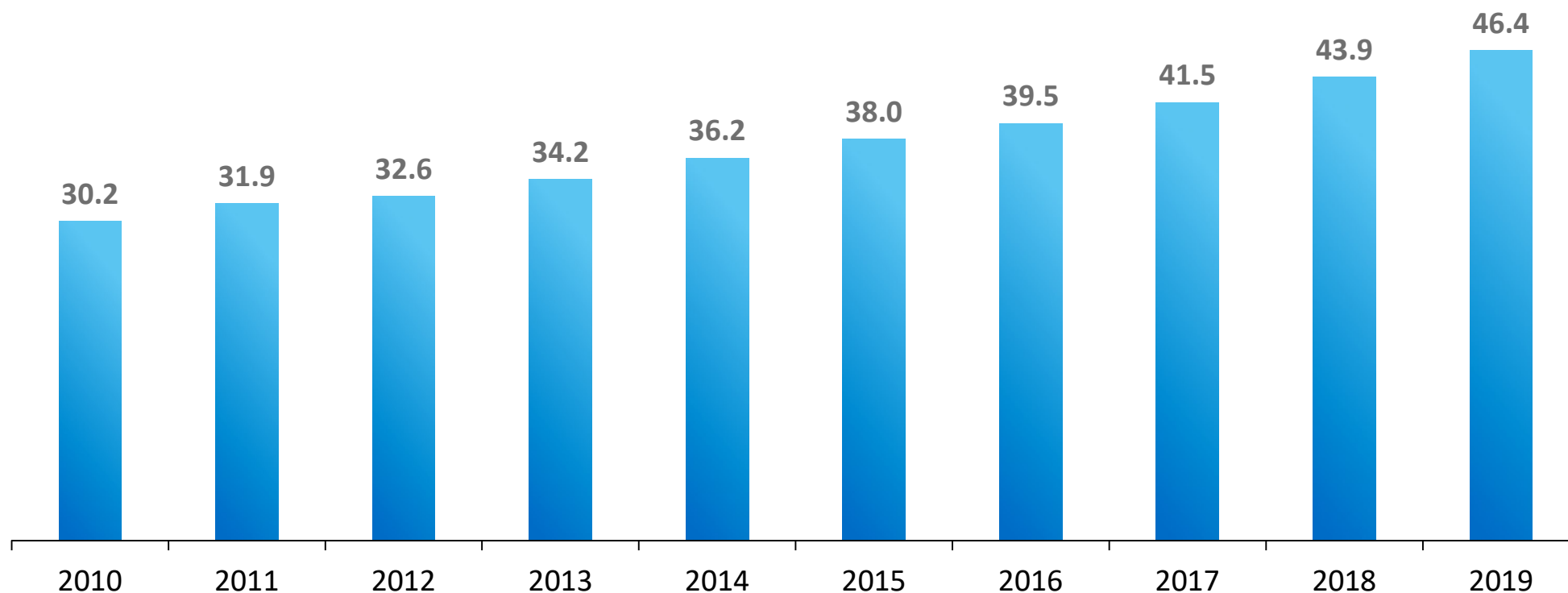
The Top 10 pharmaceutical markets by turnover 2018 (in USD billion)



Source: German Pharmaceutical Industry Association (BPI) 2019, IQVIA 2019

The German Pharmaceutical Market

Revenues of the pharmaceutical industry in Germany 2010 – 2019 (in EUR billion)

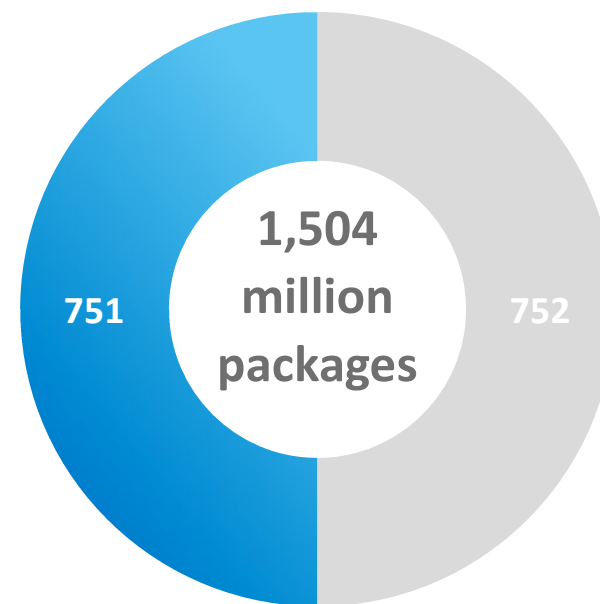
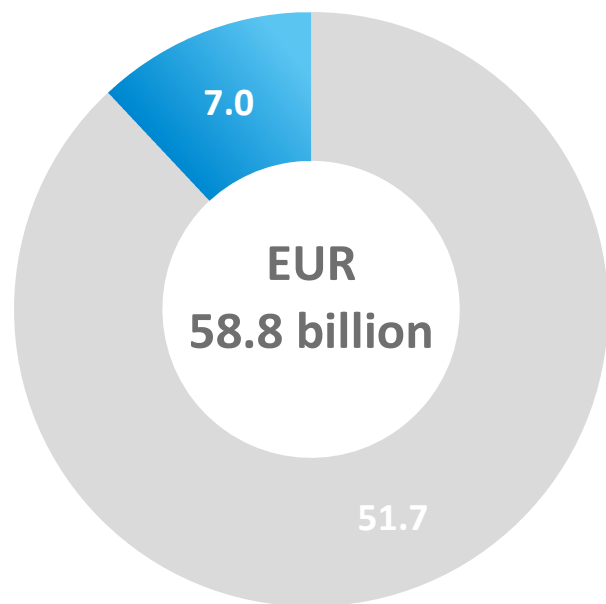


Note: Revenues are based on ex-manufacturer prices and refer to the overall pharmaceutical market (pharmacies and clinics).

Source: IQVIA 2020

The German Pharmaceutical Market

Drug sales in the German pharmacy market 2019 (in EUR billion and million packaging units)

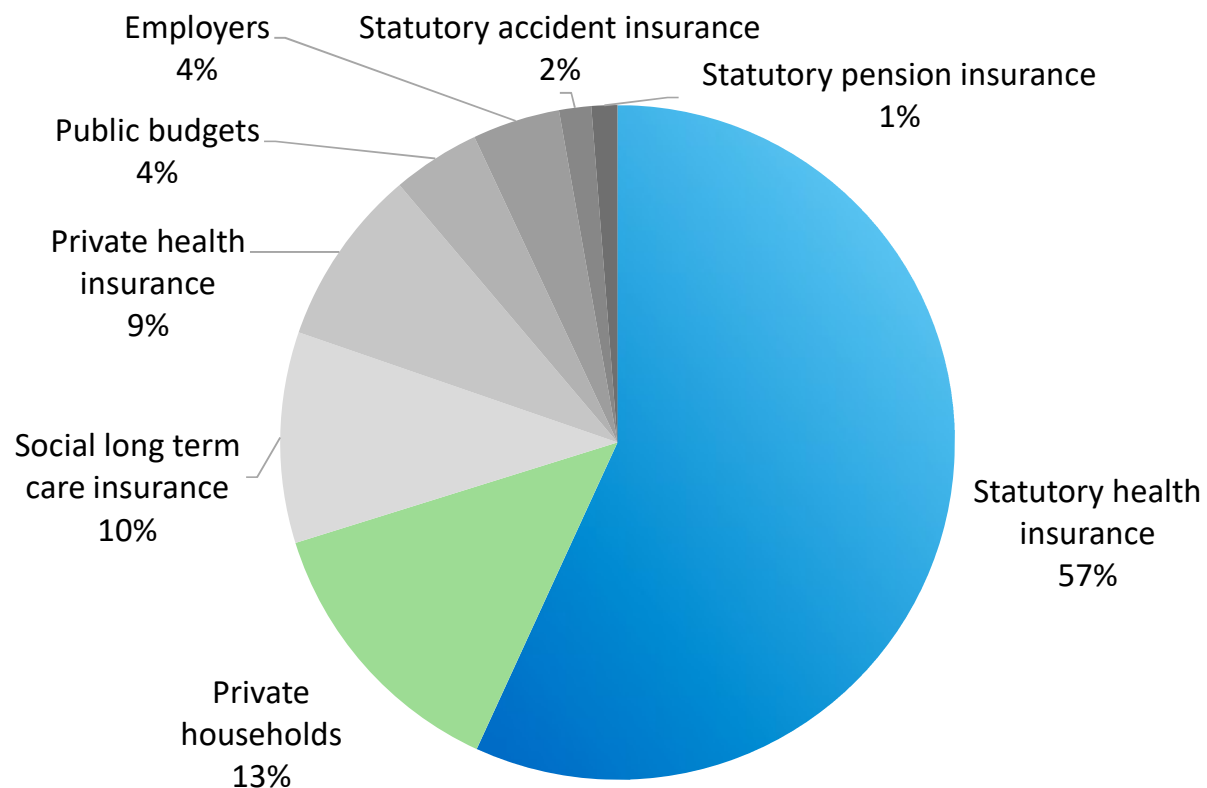


■ Prescription-only medicines ■ Non-prescription medicines

Note: Revenues are based on ex-pharmacy prices. The pharmacy market includes sales by brick-and-mortar as well as mail-order pharmacies.

Source: IQVIA / German Medicines Manufacturers' Association (BAH) 2020

The German Healthcare Market



Sources of financing
covering health
expenditure 2018

Note: The item private households includes non-profit institutions serving households.

Source: German Federal Statistical Office 2020



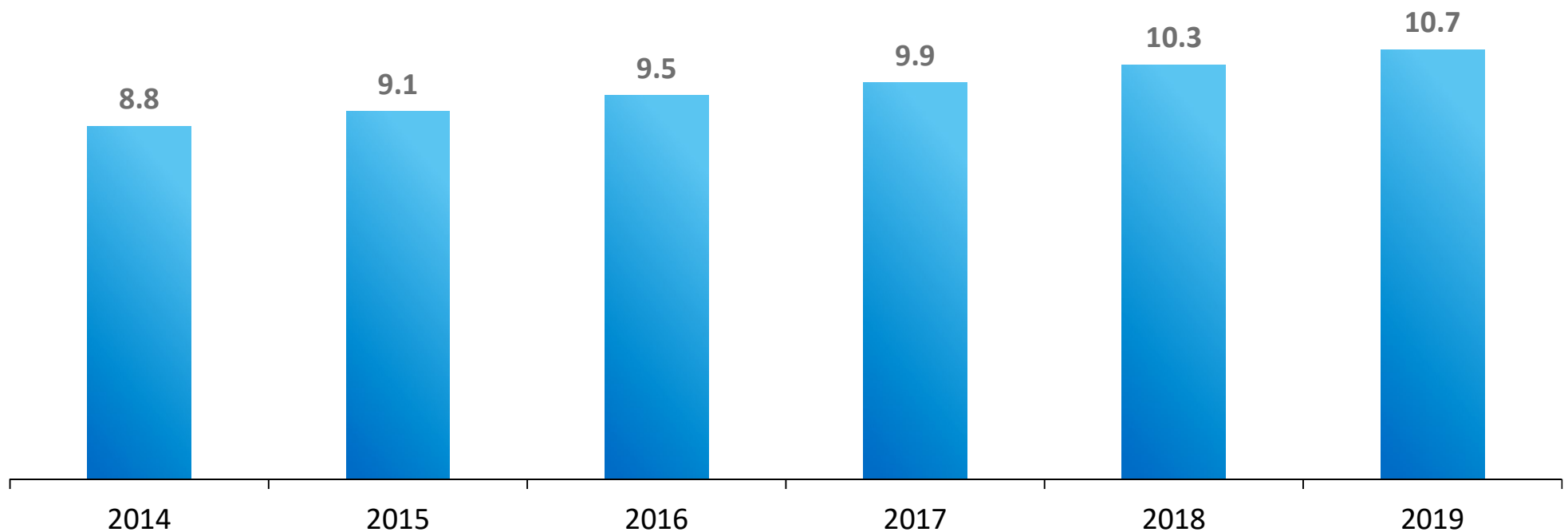
Health Consciousness

- **Healthy** and active **life style**
- Willingness to **invest in** and spend money on one's **health** “out-of-pocket”
- **Prevention** and **self-medication**

Source: Germany Trade & Invest 2020

Over-the-Counter (OTC) Market

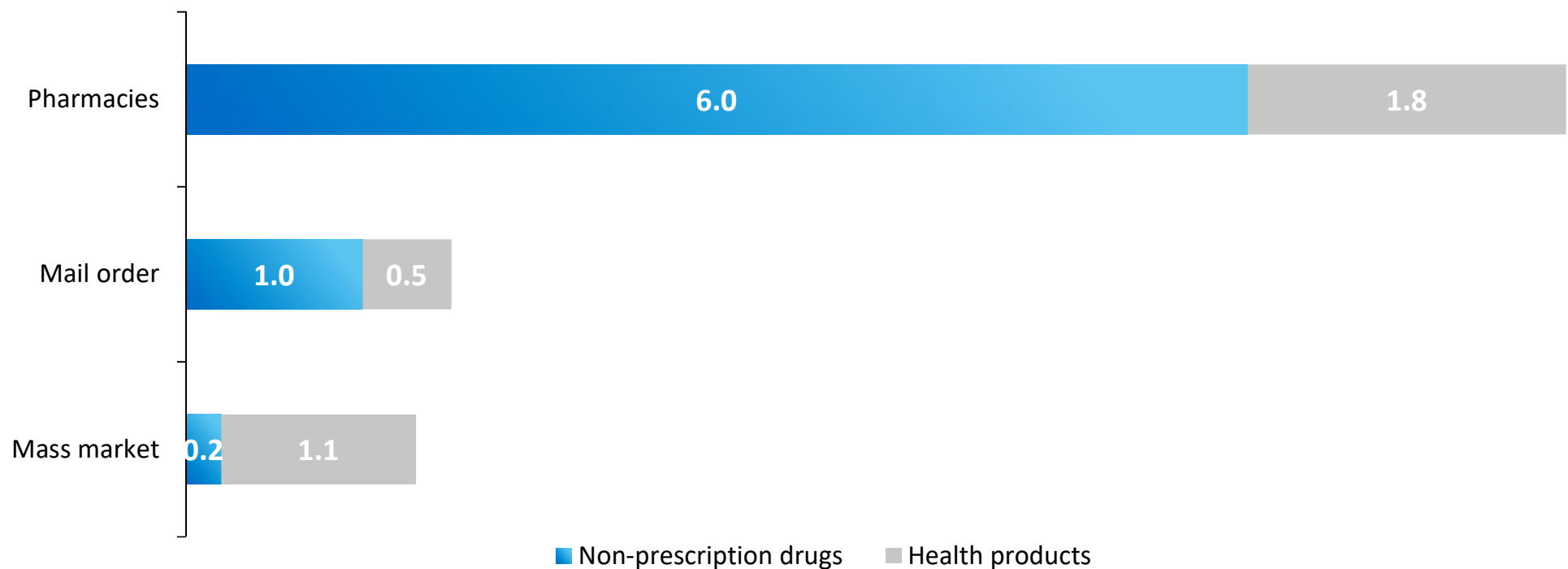
Revenues in the German OTC market 2014 – 2019 (in EUR billion)



Source: IQVIA / German Medicines Manufacturers' Association (BAH) 2020

Over-the-Counter (OTC) Market

OTC sales in Germany by distribution channel 2019 (in EUR billion)

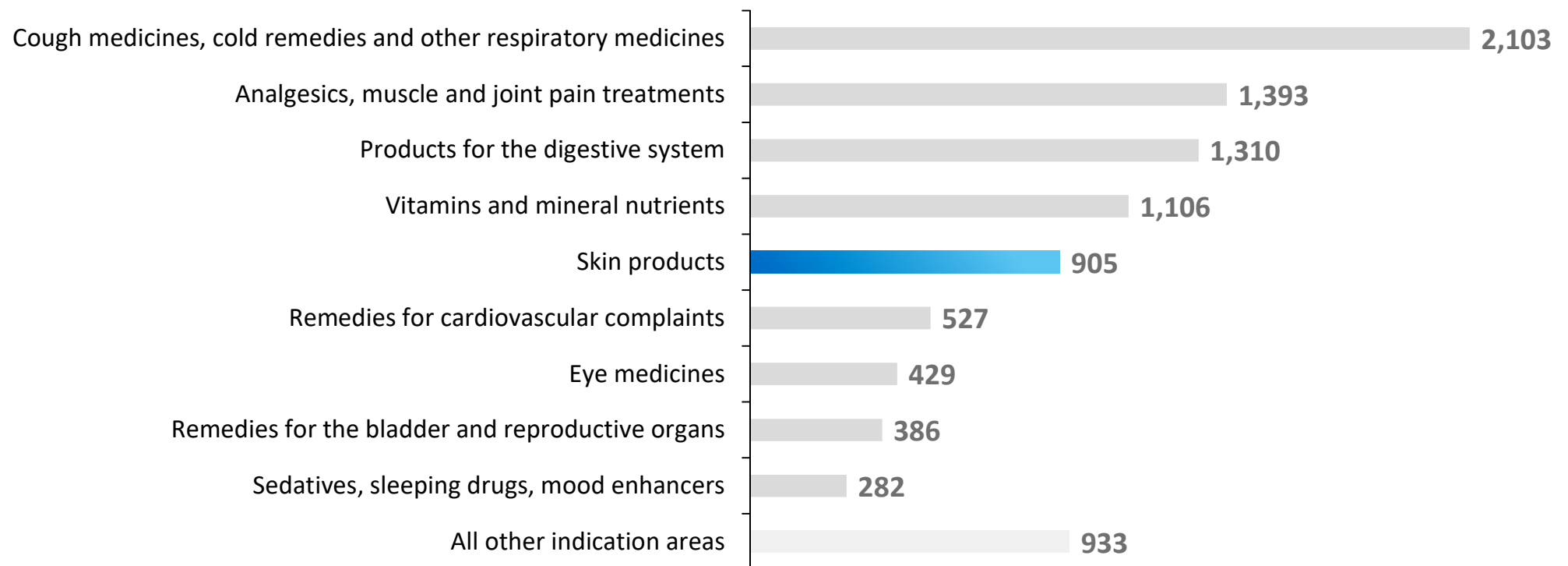


Note: Mass market sales include sales by drugstores and supermarkets, among others.

Source: IQVIA / German Medicines Manufacturers' Association (BAH) 2020

Over-the-Counter (OTC) Market

OTC sales in the German pharmacy market by indication area 2019 (in EUR million)



Note: Revenues are based on ex-pharmacy prices. The pharmacy market includes sales by brick-and-mortar as well as mail-order pharmacies.
Source: IQVIA 2020



Skin Products

- **EUR 905.3 million** revenue in 2019
- **93.6 million packages** sold
- Almost **10%** of overall OTC sales in the German pharmacy market

*Note: Data refer to over-the-counter (OTC) sales in the German pharmacy market.
Source: IQVIA 2020*



Trends in the Pharmacy Market

Segments with high demand

- Products against **dry skin**
- Products for **sensitive skin**
- Products for **neurodermatitis** patients
- **Anti-aging** products
- Products against **redness**

Source: APOSCOPE 2018

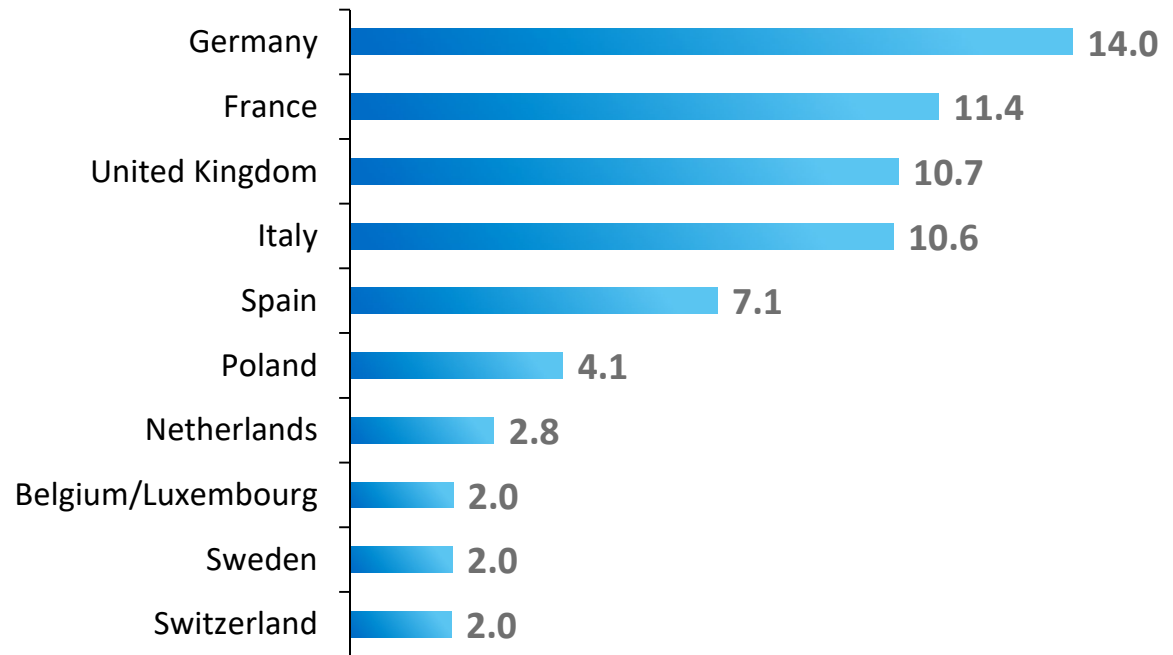


3. THE GERMAN COSMETICS MARKET



European Cosmetics Market

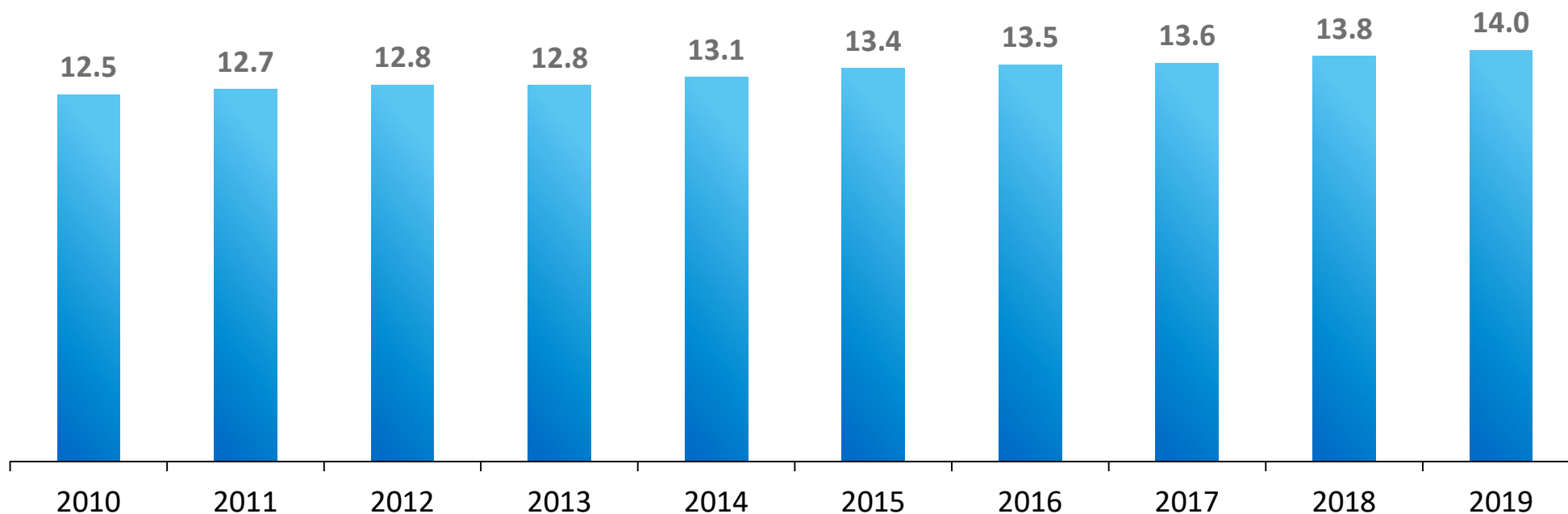
The Top 10 cosmetics and personal care products markets in Europe by revenue 2019 (in EUR billion)



Note: Revenues are based on retail prices.
Source: Cosmetics Europe / Cosmetica Italia 2020

The German Cosmetics Market

Revenues in the German cosmetics and personal care products market 2010 – 2019 (in EUR billion)

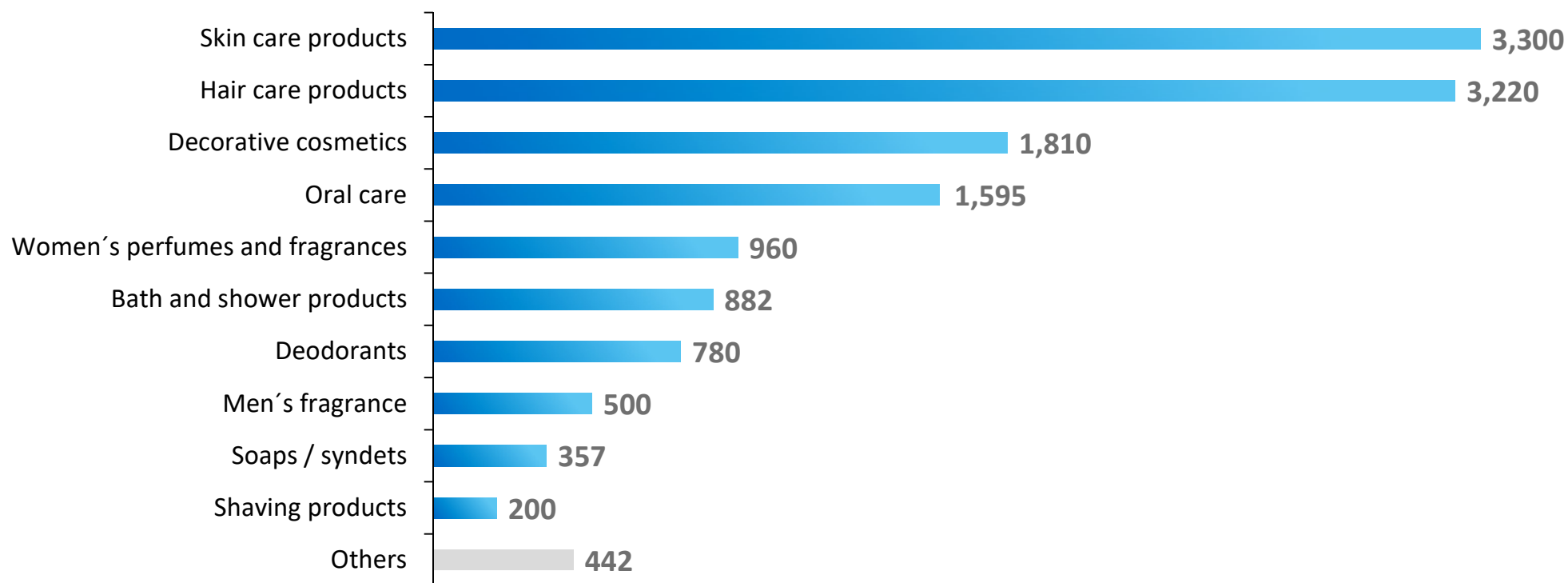


Note: Revenues are based on retail prices.

Source: IKW / IRI 2019

The German Cosmetics Market

Revenues in the cosmetics and personal care market by product segment 2019 (in EUR million)

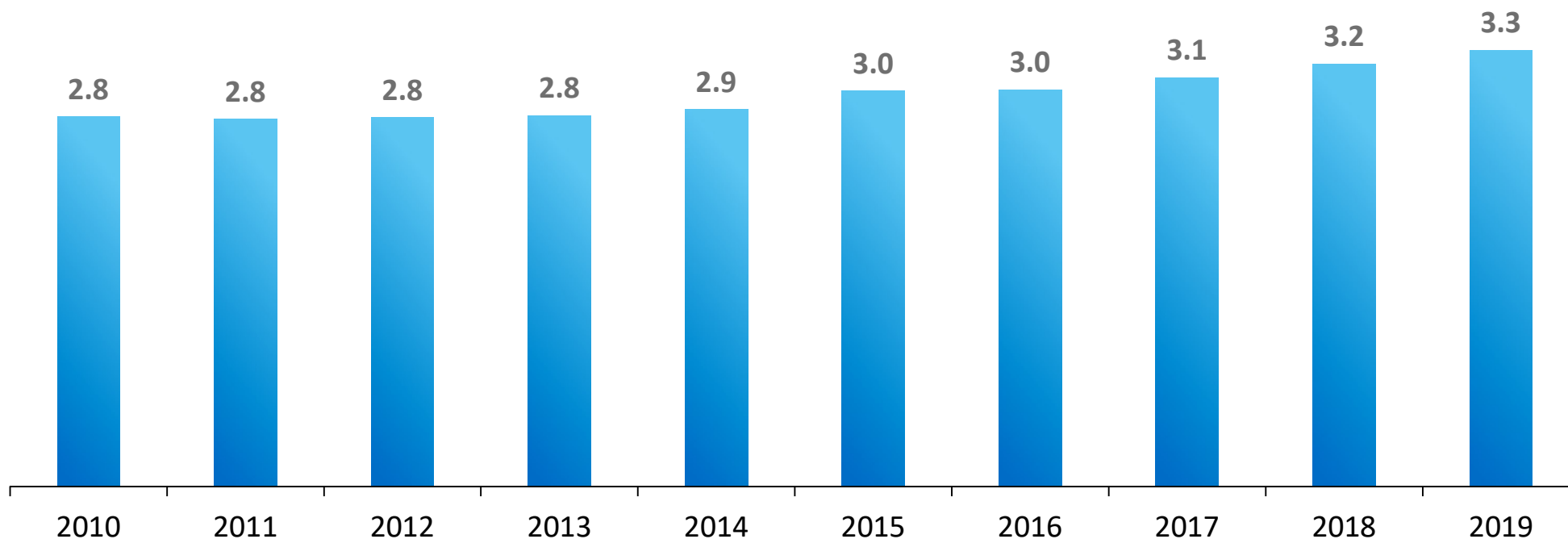


Note: Revenues are based on retail prices.

Source: IKW / IRI 2019

Skin Care Products

Revenues in the German skin care products segment 2010 – 2019 (in EUR billion)



Note: Revenues are based on retail prices.

Source: IKW / IRI 2019



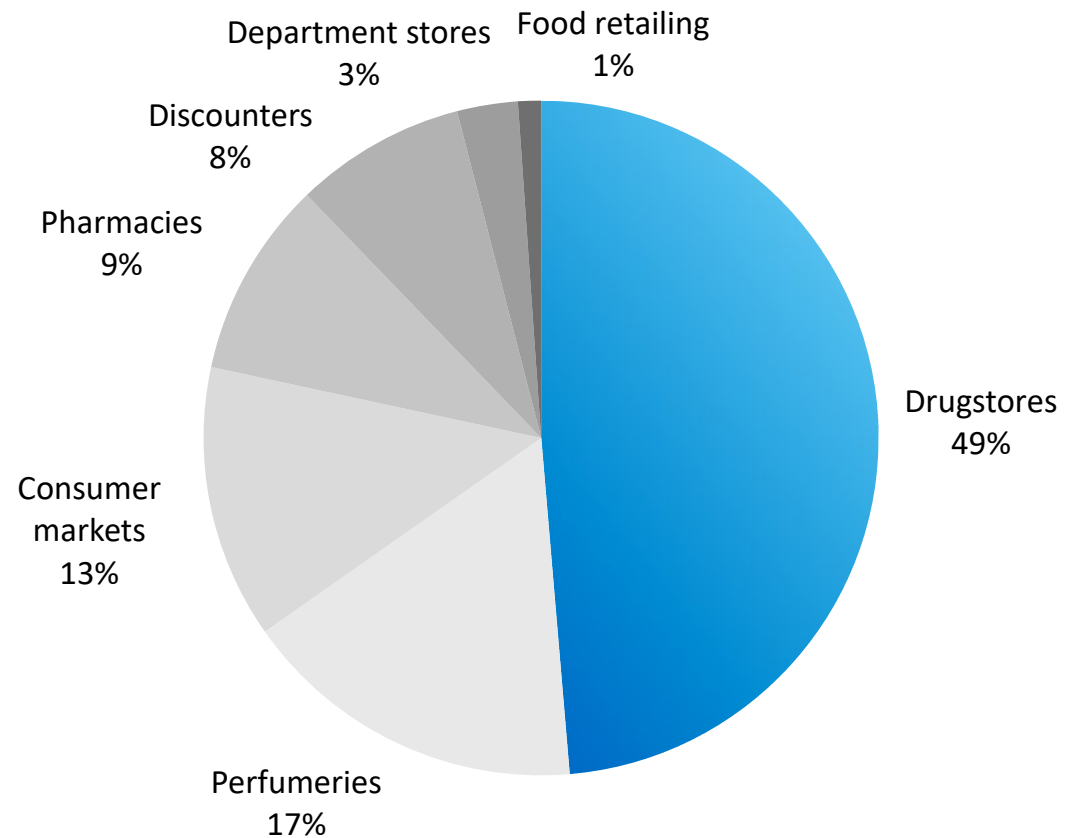
Market Trends

- **Natural products**
- Products with **essences of plants and herbs** as active ingredients
- Products **free of** potentially harmful chemicals and synthetics

Source: Mordor Intelligence 2020



Distribution Channels

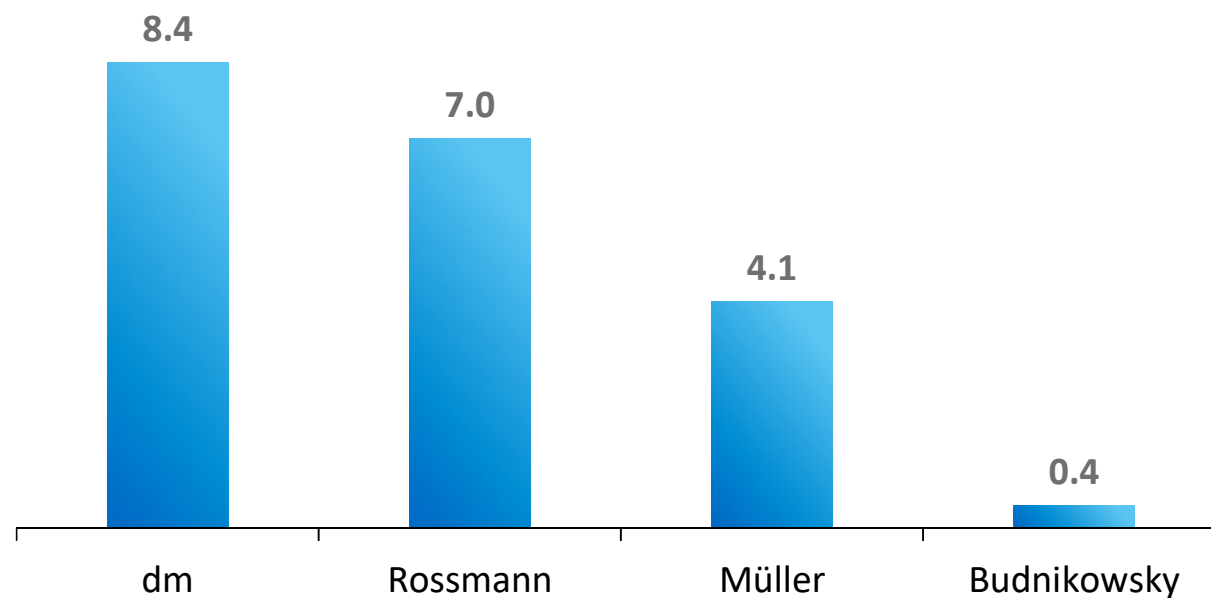


Note: Market share based on revenue in beauty & personal care products market 2019.
Source: IKW / IRI 2019



German Drugstore Chains

Revenue of German drugstore chains 2019 (in EUR billion)



Note: Revenues refer to overall turnover, and are not limited to personal care products.
Source: Statista 2020

4. MARKET ENTRY



Investor Consulting

- Information about key industries
- Legal information
- Tax information
- Incentives and financing information
- Introduction to local partners
- Site selection support

Contact Us

Germany Trade & Invest is the economic development agency of the Federal Republic of Germany. The company helps create and secure extra employment opportunities, strengthening Germany as a business location. With more than 50 offices in Germany and abroad and its network of partners throughout the world, Germany Trade & Invest supports German companies setting up in foreign markets, promotes Germany as a business location and assists foreign companies setting up in Germany.

Contact

Julia Albrecht
T +49 (0)30 200 099-608
julia.albrecht@gtai.com

Friedrichstrasse 60
10117 Berlin
www.gtai.com



SUPPORTED BY THE FEDERAL MINISTRY FOR ECONOMIC AFFAIRS AND ENERGY
ON THE BASIS OF A DECISION BY THE GERMAN BUNDESTAG.

© Germany Trade & Invest

All market data provided is based on the most current market information available at the time of publication.

Germany Trade & Invest accepts no liability for the actuality, accuracy, or completeness of the information provided.

**¡Muchas gracias
por su atención!**