

Health & Beauty



Tell me what you buy, and I'll tell you who you are!

Measured in terms of our disposable income, we are spending relatively more and more on products to improve our well-being and less and less on “essential” products.

So it comes as no surprise that whilst food sales have stagnated in real terms over the last ten years – or are even relatively lower – sales of beauty products have shown excellent growth.

Greater competition

At the same time, competition has grown stiffer between specialists and generalists. Food retail was quick to catch on to the fact that, if handled correctly, this segment could generate more money if the range available offered more than just soap, shampoo and toothpaste.

Supermarkets worldwide started to install wooden flooring and additional shelf lighting in the battle for consumers' health and beauty budgets. And of course, they started to offer a wider range of products.

But the specialist retailers have not just stood back and watched. Some, such as Hong Kong-based group AS Watson, have bought up and consolidated European drugstore chains. Others, such as the Body Shop, are working hard to develop their own concepts. And somewhere in the background there are the hard discounters with their own phi-



losophy.

However, the hard discounters and the food retailers with their own-brand products have struggled to realise the same market shares as in other areas. In most countries, private label account for around 10% of sales, compared with chilled and frozen foods where private label enjoy shares of over 40%.

There are of course exceptions, but the winners have been those chains such as Boots and the Body Shop which, like Hennes & Mauritz, have made their name their brand.

Lifestyle products

We can therefore see that the brand suppliers are successful in this category. Consciously or subconsciously, the products we buy form part of the picture of ourselves that we want to present. It is, perhaps, a little ironic that we care more about what we put on ourselves than what we put in ourselves.

And what was once a typically female domain has now started to appeal to



Birger Nilsson,
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men, too. Hygiene products aimed at men are currently showing considerably faster growth than their female counterparts, which belong to a more mature sector.

In-store profitability

Many of the products we buy command a relatively high price, and therefore offer the store the potential to create sales growth. But that's not to say that this is an easy category to sell. For the specialist retailer – or the retailer trying to woo the specialist retailer's customers – a broad range is essential. But a wide range also means capital being tied up on the shelves, since these products are not purchased as frequently as many food products.

The category is also characterised by the frequent arrival of new products, as the brand suppliers constantly try to create improved products and new niches. If they succeed, they create growth. But if they fail, the shelves can easily become a jumble of products.

The HL Display range

HL Display aims to satisfy the needs of both the store owner and the supplier. We offer general solutions to chain stores:

- Dividers which help to keep the products neat and tidy.
- Auto-feed solutions to ensure that the products are always at the front of the shelf.
- Various types of label holder to make the offer "easier to read" using colour coding or written messages.

We offer solutions which are more client-specific to brand suppliers:

- Solutions to promote a specific product launch.
- Shelftalkers to explain the product.
- Displays to make better use of the sales area.

Sometimes the chains and the suppliers come together. When this happens, we work together to devise category solutions which will boost sales. We have worked on a number of category projects which have resulted in win-win situations:

- Increased sales
- Better identification of new products
- Satisfied consumers

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