## **Table of Contents**

1.	So What's the Big Idea?	13
	The global CHC market	14
	10 Steps to Heaven	16
	1. CBD, a long-distance race!	17
	2. Mental Wellness: Problems highlighted by the pandemic	18
	3. Sexual Health & Fertility	18
	4. Women's Health, Ageing	19
	5. Sustainability	20
	6. Natural & Organic Products	21
	7. Food Intolerance	22
	8. E-commerce	22
	9. AI	24
	10. Emerging Markets	24
	The Big Ideas addressed in this report	25
	The 2024 Strategic Narrative	30
2.	Covid & Its Aftermath	31
	How Covid-19 accelerated the shift to Self-Care	32
	Historical impact of recession on Consumer Healthcare	34
	The shifting landscape of consumer behaviour	37
	Growth categories during the pandemic	39
	Rethinking supply chains: how the pandemic exposed vulnerabilities	41
3.	Classic Categories	43
	Analgesics: Few major opportunities so marketers filling in gaps	43
	Cough, Cold & Allergy: Heavily dependent on seasonal illness trends	45
	Gastrointestinals: New consumer benefits drive expansion	47
	Vitamins, Minerals & Supplements: Trusted science key to growth	49
	Dermatologicals: Resistant to growth	51
	Lifestyle CHC: A full spectrum of herbals to Rx-to-OTC switches	53



4. H	low to Innovate	55
	Why does the ratio of high-quality (3 and 4 star) innovations remain persistently low?	55
	Future microbiome and probiotics innovation will be driven by investment in clinical research	56
	Improved diagnostics will support VMS innovation and Rx-to-OTC switch	58
	Demand for diabetes prevention and management is giving fuel to supplement and diagnostic innovation	59
	Quality science and consumer trust key to successful weight loss innovation	60
	Demand for products promoting mental health and sleep growing post-pandemic	61
	Ageing demographic underpins supplement and plant-based protein innovation	62
	Focus on analgesics: New formats, switch and ingredient combinations drive innovation	64
	Focus on CCA: Natural-based formulations and allergy switches power NPD activity	65
	Focus on dermatologicals: Sustainable packaging and cutting-edge apps fuel NPD	66
	Focus on GIs / probiotics: Hangover cures, prebiotics and switch are key	68
	What does the future hold? Evolving NPD trends, personalisation, emerging niches	69
5. R	x-to-OTC Switch	71
	Rx-to-OTC switch in the healthcare ecosystem	71
	Why Switch?	72
	The uptake in telehealth & telemedicine	73
	Switch in Europe	74
	Can Switch be successful only in the USA?	75
	Voltaren Arthritis Pain: USA Switch journey	76
	US FDA's Additional Condition for Nonprescription Use (ACNU)	79
	Innovation hot spots in Switch	80
	Switch case studies	83
	On the horizon?	87



6. Demographic Timebomb	88
A rapidly Growing Middle Class in expanding urban areas	88
Generation cohorts: different attitudes & behaviours to health	91
What is Middle Class?	93
The three most important demographic groups	94
What about men?	98
Is there a Gender Gap?	101
7. Women's Healthcare: Listening to the Female Voice	103
Women vs men	103
Women's leading CHC role	106
Menstrual pain and PMS	108
Are the OTC contraception floodgates about to open?	109
Menopause – are there new growth opportunities?	111
Overactive bladder – OTC growth category or destined for failure?	112
New thinking on endometriosis	114
Women's brands and companies	115
8. Health Through Digestion	119
The importance of the gut microbiome	119
Mental health is a growth segment for probiotics	121
Custom probiotics have the potential to disrupt	122
The "biotics" family	122
The "Gut-Muscle Axis"; a new dimension for probiotics?	124
Food allergies: the focus of much research	125
Food intolerance	126
Unhealthy lifestyles are driving demand for digestive remedies and other GIs	128
Hangover cures form a new segment	129
ORTs repositioning as lifestyle products	130



9.	Mental Wellness	131
	Mental health problems soared during Covid-19, while economic worries are a continuing contributor to stress	131
	Spending on mental health & wellbeing remains a priority for consumers	132
	WHO declares a sleep pandemic	133
	Sleep quality is a top health priority for consumers	133
	ZzzQuil: Highly successful sleep aid, with 3 key development stages	134
	Is the sales boost in sedatives & sleep aids sustainable?	136
	New indications and ingredients in mental wellness	138
	CBD for sleep & anxiety?	140
10	. Cannabis	141
	A note on defining the market	141
	North America	144
	Europe	149
	Asia-Pacific	155
11	Sexual Health & Fertility	159
	Huge potential for daily OCs worldwide	159
	Education is central to expanding the reach of EHC	160
	Is a male contraceptive pill viable and is there demand?	162
	Condoms: Little NPD potential, so other ways to swell sales needed	163
	Menstrual pain / PMS market expands via launch activity	164
	Intimate care shows plenty of scope for expansion	166
	Menopause: UK sees the first over-the-counter HRT, while a new Rx drug may revolutionise treatment	167
	How big can the OTC ED market become?	168
	Do topicals represent a viable ED alternative?	170
	Can premature ejaculation treatments find a wider audience?	172
	Prenatal vitamins prove fertile ground for NPD	174



12. Obesity & Related Conditions	175
Obesity is a huge determinant of health – and the data is frightening	175
Obesity crisis represents huge opportunity for CHC	176
Where are the opportunities?	179
Evidence-backed brands can be lost among the plethora of weight loss supplements & meal replacements	179
Supporting consumers on their weight loss journey	180
Apps & wearables for weight loss	180
Semaglutide: Is the excitement justified?	182
Obesity's link to other health conditions brings possibilities	183
13. Digital Revolution	186
Al and chatbots	186
Accessibility of data	188
Medtech & wearables	190
Apps	194
Telehealth	197
Digital communication	199
14. Sustainability	204
Frameworks become regulations	204
The Triple Bottom Line: People, Planet, Profit	206
Environmental, Social & Governance (ESG) Reporting	206
Collaborate to make progress	207
Innovation, packaging & recycling – drafting a roadmap to a circular economy	209
Engineering, beauty & performance with environmental credentials	211
Communicating sustainability	212
Being in the Wellheing Business	217



15.	Emerging Markets	219
	Emerging Markets: attractive markets with some degree of uncertainty	220
	Emerging Markets forecasts	222
	Emerging Markets: What's holding back growth?	223
	CHC performance in selected Emerging Markets	225
	Nicholas Hall's 20 ways to succeed in the Emerging Markets	227
16.	China	228
	China plans an economic reset	228
	Should I stay, or should I go?	229
	Lockdown easing brings a more positive outlook for CHC	230
	Despite a weakened economy, China's CHC market rebounded well	230
	Population imbalance: the issues & opportunities of an ageing population	232
	Gen X goes green and young women lead online shopping trends	233
	"Sang culture" and "Me mentality" prevalent as consumers focus on health & wellness	234
	Covid-19 changes consumer preferences from overseas supplements to TCM	234
	China's fragmented pharma market starting to consolidate	236
	The NMPA seeks to incentivise innovation	236
	Technological advances: AI and R&D	237
	How to get ahead online	238
	Competition for e-commerce giants amid regulatory clampdown	239
	CHC product trends & opportunities	240
	Summary: What does all this mean for CHC players in China?	242



17	. Distribution	243
	Overview	243
	Retail Category Management	245
	Pharmacy Point-of-Care	246
	In-store clinic model	247
	Leading pharmacy chains	247
	Private label	249
	General Sales List and self-selection	249
	Mass market	250
	E-commerce	251
	Thorne: Digitally-native personalised supplement brand with diagnostics presence	255
	Subscription model	256
	Shopper insights	257
	Patient / consumer journey	257
18	. Competition	260
	Cluster Analysis 1: MNCs + True Pharma	262
	Cluster Analysis 2: MNCs + FMCG	268
	Cluster Analysis 3: Regional Players + True Pharma	274
	Cluster Analysis 4: Regional Players + FMCG	275
19	. M&A	277
	Why M&A?	279
	Type of M&A models	282
	High acquisition multiples	285
	Ten Golden Rules of M&A	287



20. Managing Brands for Long-Term Growth		288	
	Building trust in a brand beyond its science	288	
	Managing price increases	291	
	Tactics that could drive brand share in a static market	292	
	How to compete in an industry dominated by generics	293	
	How to leverage the New Paradigm	295	
	WOW! Brands case studies: Innovation & scale	296	
	Olly: Dynamic US brand, with supplements portfolio targeting female Millennials	297	
	Lumify: Rx-to-OTC Switch eye care brand with heavy focus on cosmetic red eye benefits, backed by professional recommendation	300	

With special thanks to the following heroes, without whose contributions this report would not have been possible:

Catherine Blood, Charlotte Goodwin, Chirag Sharma, Chris Allan, Chris Walkerley, Cynthia MacLean, Damilola Olatunji, David Redford, Fiona Cooper, Heather Hurst, Ines Berreta, Jen Jones, Kamelia Rodriguez, Kayleigh Griffin-Hooper, Kirsty McWilliams, Laura Werling, Liz Cummings, Marta Babits, Matthew Woodroff, Megha Khandelwal, Nathalie Corbett, Nicholas Micallef, Nicola Allan, Raymond Webster, Sarah Carter, Syed Hossain & Victoria Blake; and to the whole NHC team, all of whom have contributed directly or indirectly to the extensive NHC archives and databases from which I've drawn so many facts and conclusions.

And a particularly special thank you to these invaluable people:

Claudia Schramm, Ian Crook, Mark Aldridge, Nina Stimson & Viktoria Bogdanova.

It goes without saying that in a Signature Report, ultimate responsibility for statements and conclusions, and indeed any mistakes, remains with me!

Nicholdo Han.



