



eCommerce: The next frontier for OTC

NielsenIQ

July 2021

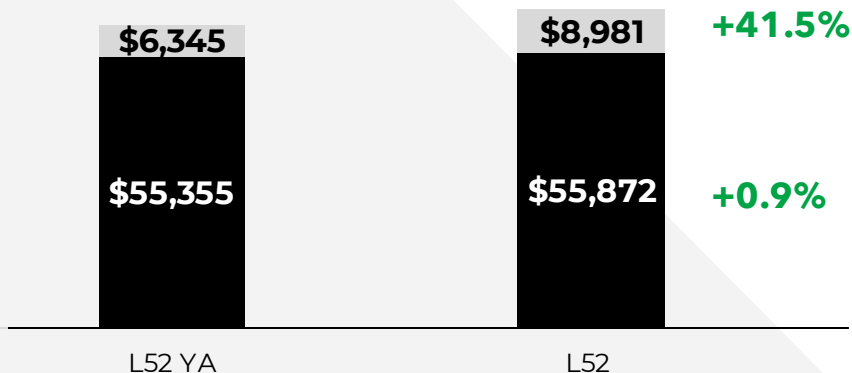


14% of OTC sales now online, and growing

OTC sales (MM)

+5.1%

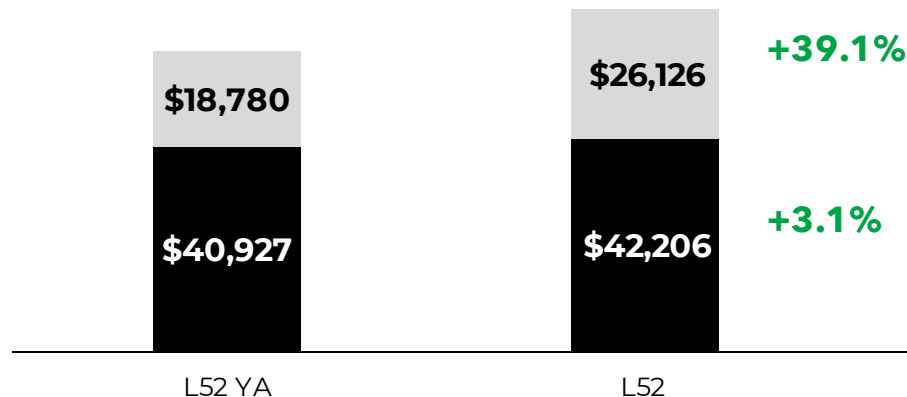
Total online + in-store



Beauty & Personal care sales (MM)

+14.4%

Total online + in-store



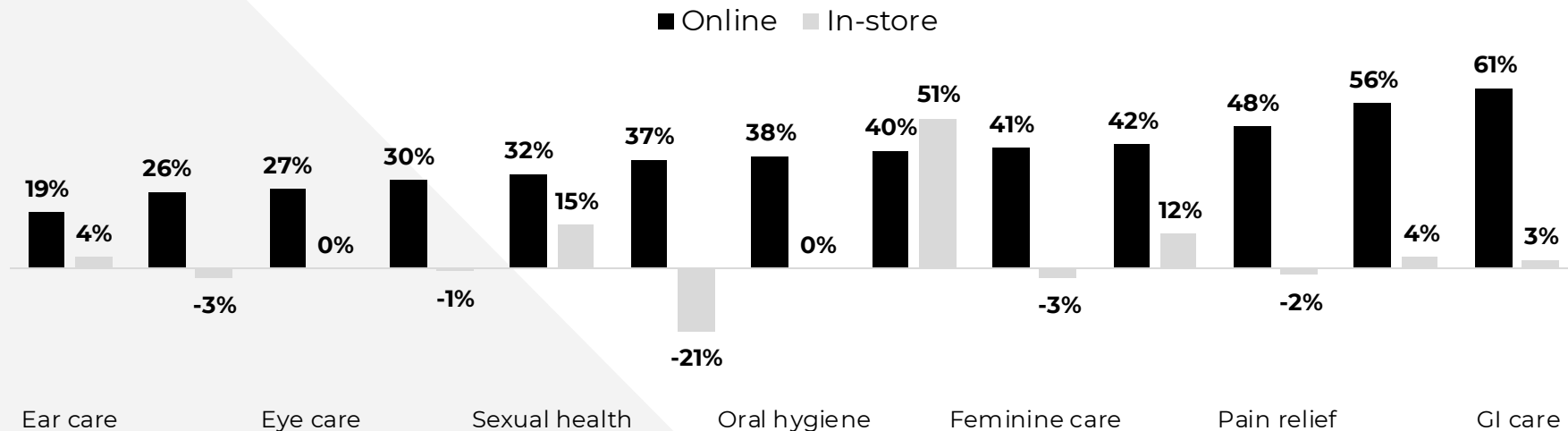
Online

In-store

Source: Nielsen Retail Measurement Services, Total U.S. All Outlets Combined (xAOC), Category: Health + Personal Care, Period: Latest 52 Weeks WE 4/24/21; Nielsen Total US E-Commerce Measurement powered by Rakuten Intelligence

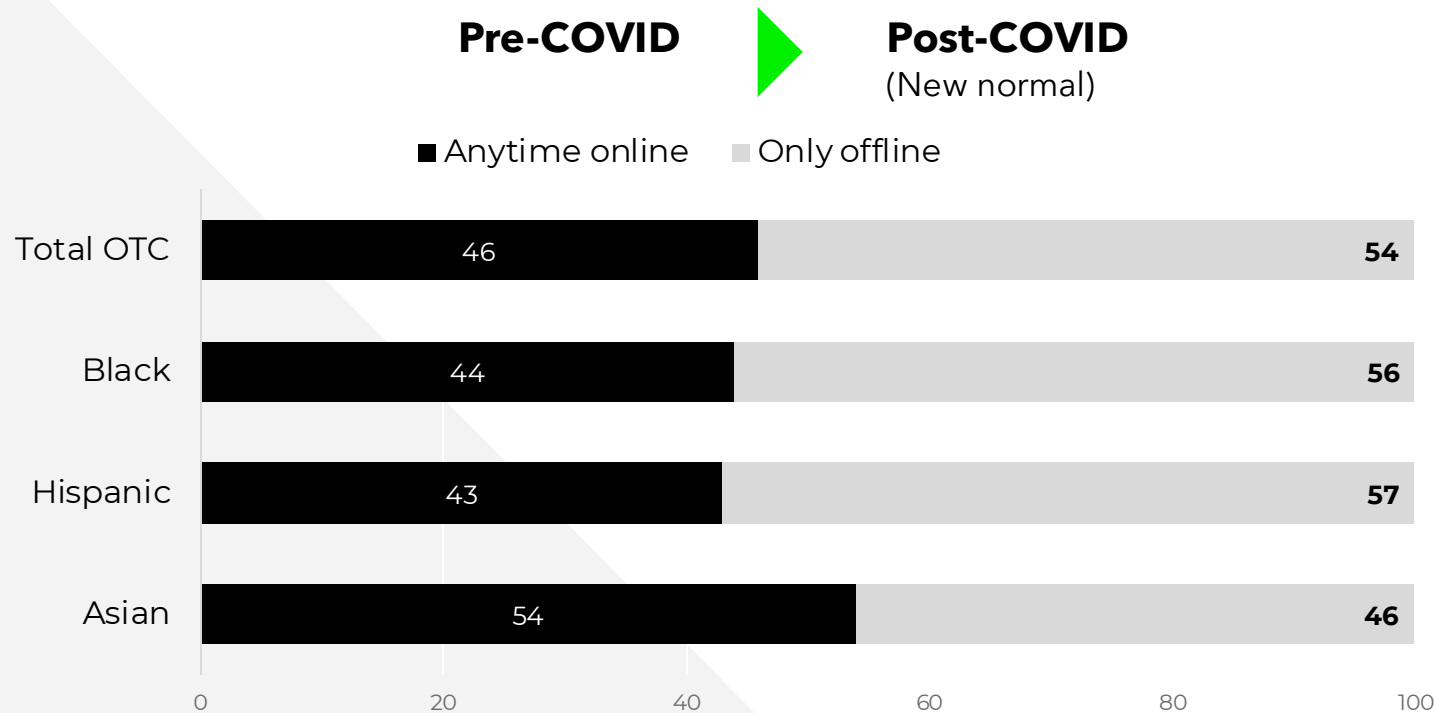
Health categories see strong growth online, but essentials are still purchased in store

\$ % change vs YA



Source: Nielsen Retail Measurement Services, Total U.S. All Outlets Combined (xAOC), Category: Health Care, Period: 52 we 052921
Nielsen Total US E-Commerce Measurement powered by Rakuten Intelligence, 52 we 053121

COVID pushed over 50% of health care shoppers online

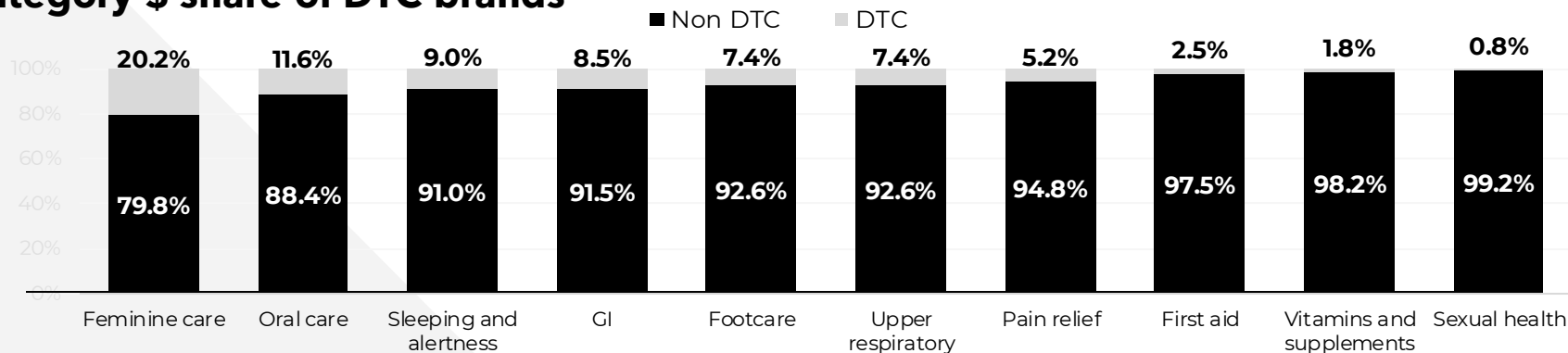


Source: NielsenIQ Omnichannel Shopping Fundamentals, OTC, Sept 2019 and April 2021

Direct to consumer (DTC) OTC is just getting started

Categories with blurred lines between personal care are the early entrants

Category \$ share of DTC brands



#1 brand based \$ share

LOLA

quip

OLLY

basic@care

SUPERfeet

NAVAGE

basic@care

welly

SOLMO

LOLA



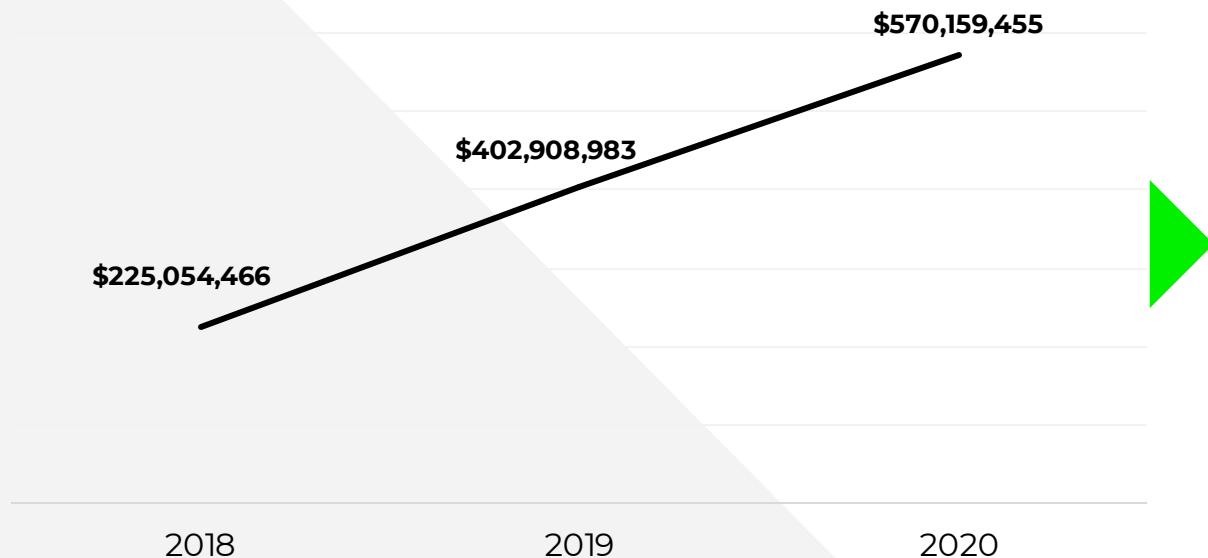
No DTC brands currently in eye care or ear care

Source: NielsenIQ ecommerce Data powered by Rakuten, 52 we 05012020

Direct to consumer (DTC) OTC is just getting started

DTC OTC is already a \$570M segment with sustained growth across categories

Total DTC OTC \$ sales



DTC category	3 year CAGR
First aid	191%
Sleep aids	85%
Pain relief	48%
Upper respiratory	45%
Vitamins & supplements	43%
GI	36%
Oral care	34%
Feminine care	33%
Foot care	8%
Sexual health	-3%
Total	36%

The COVID pandemic has caused shoppers to rethink how they shop for OTC



Stocking up

Shoppers are **25% more** likely to stock up on OTC products than they were pre-COVID, and **12% less** likely to rely on quick in and out trips



Boosting immunity

Vitamins sales grew **+19.6%** in 2020, with **immunity supplements** as the fastest growing segment of the category



One stop shopping

OTC sales grew **+10.8%** in the grocery channel in 2020, outpacing the rest of brick & mortar

The future of health is digital

Lock in your ecommerce strategy

Shoppers are moving to ecommerce at faster rates, ensure you are ready to capture them wherever and whenever they choose to shop

Think wellness first

Consumers are increasingly more concerned with maintaining their health and overall wellness, ensure your product selections align with these needs

Keep up with DTC brands

DTC brands represent innovation and are reaching younger consumers

Diversity should be paramount

Demographics are changing and consumers expect more from brand and retailers, how will you adapt to meet this growing need





Thank you.

We hope you enjoyed a sample of our insights.

Looking to learn more on this topic?
Request a consultation on our

[Beauty & Healthcare Hub](#)