

AFH Tissue: Global Business Dynamic and Demand

September 2021

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MARKET OVERVIEW

Asia Pacific and North America lead AFH tissue's path to recovery

Uneven global recovery in 2021, with China outpacing the rest

Speed of economic recovery shapes spending potential and value growth

Asia Pacific to become the largest regional market in 2026

Emerging markets see slowing growth in consumer spending

Developing markets offer significant growth potential

Toilet paper drives consumption, while paper towels lead recovery

Cleaning and waste efficiency at the centre of product improvements

Wipers forecast more moderate growth following pandemic surge

Disinfecting efficacy dominates wet wipes innovations

OPPORTUNITIES AND CHALLENGES

Opportunities and challenges through the lens of institutional channels

AFH tissue's recovery largely hinges on horeca channel spending

Hotels and catering will be the fastest growing area of spending

Asian consumers to increase their already high savings ratio

Emerging middle class and digital-enabled elderly generate new spending

Young consumers have notable spending strength

Population aged 65+ years dominates the top income band

Safety, ease and authenticity remain highly favoured travel features

Longing for travel brightens long-term spending prospects

Widespread travel bans and restrictions dim near-term outlook

Global travel and migration remain heavily disrupted by COVID-19

Pace of recovery for inbound trips and travel spending varies by country

Remote work practice saps business travel...

...but energises the "workcation" boom

Space reconfiguration caters to new mobile workers

Long road back for global foodservice

Full-service restaurant traffic faces a difficult climb

Proliferating "delivery-first" models replace many AFH meal occasions

Delivery usage reinforces grocers' and restaurants' "meal solution" role

"Kitchen as a service" a reality as ghost kitchens, virtual brands expand

Opt-in and anti-waste policies foster a circular food economy

Workplaces and stores reopening aids business and public recovery

In-store traffic decline demands space rethinking

E-learning and health wariness reduce physical school attendance

China and US continue to dominate global education industry

Healthcare channel gains via returning visits and ageing trend

Pandemic era ushers in accelerated adoption of automation

E-commerce growth fuels automated fulfilment infrastructure

UV-C disinfecting robots and self-cleaning gadgets cut costs and labour

Automation evolution increases need for specialised wipes

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Northern Europe and Canada lead global sustainability ranking

Environmental Sustainability Index: Developed/developing divergence

The circular economy is key to making sustainability affordable

Circularity is strongly evident in packaging preferences

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