

# Global Baby Nappies/Diapers/Pants Update: Balancing Affordability and Premium Innovation

October 2021

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## INTRODUCTION

Scope

Key findings

## STATE OF THE INDUSTRY

Developing world continues driving growth in nappies /diapers/pants

MEA and APAC developing markets offer long-term per-capita potential

Rise in couple-with-children household type drives developing needs

Lifestyle shifts cement China's leadership despite demographic headwind

Impact of China's three-child policy on its population structure unclear

Recovery speed influences spending potential and category value growth

China: focus shifts from sustaining recovery to dealing with rising risks

US: recovery seems to have peaked, as Delta variant spreads

Low-income cohort to power the next wave of spending

Affordability makes open tape nappies/diapers popular targets...

...while pants drive future category growth, albeit from a small base

Comfort, ease and versatility continue driving innovation in pants

Cloth diapers: the challenger that offers cost and eco advantages

E-commerce was already poised for growth pre-pandemic...

...and, buoyed by the pandemic, has gained new momentum

US in focus: brands diverge on digital engagement and satisfaction

Low cost and ease form pinnacle of online diaper shopping preference

Personalised ordering and delivery features gain popularity

Empathetic marketing addresses babyhood reality and diaper poverty

Gradual rebound, with demographic trends back in the driver's seat

## AFFORDABILITY REINFORCED

As pandemic dampens income and widens inequality...

...consumers place an increased emphasis on value-centric offerings

Name recognition alone does not justify high prices

Where quality and value meet strikes a sweet spot

Manufacturers strive for resilience and cost efficiency via localisation ...

...while retailers democratise sought-after features via private label

## PATH TO VALUE CREATION

Value creation through enhanced benefits and elevated messaging

Ethical and health claims gather pace on the digital shelf

Western Europe claims highest shares of top claims combined

Income and awareness shape claim-making and pricing

Segmented pricing and targeted innovation assist gain in poorer markets

A diversified approach helps develop localised competitive edge

Smart tech further brings autonomy and holistic wellness to baby care

US in focus: the segmented journey to premiumisation

US in focus: clean claims associated with higher prices

US in focus: leading brands ramp up volume but lag in portfolio breadth

## SUSTAINABILITY IN THE SPOTLIGHT

France, Germany and UK lead in environmental sustainability

Four largest markets rank in the lower tiers of sustainable behaviour

Quest for sustainable innovations is set to accelerate post-crisis

Growing trust in green claims mirrors industry-led awareness building

Insurgents lead the way while multinationals see room for more actions

Path to sustainability: begin with clean, plastic-free sourcing

Path to sustainability: sustainable shopping guided by retailers  
Path to sustainability: social equality and environmental awareness  
Path to sustainability: systemised post-use recycling and composting

## STRATEGIC RECOMMENDATIONS

Strategic recommendations

## APPENDIX

Learn more on how Via data can improve your business options

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