



**Euromonitor
International**

Navigating Geopolitical Risks: Strategies for FMCGs

October 2025

EXECUTIVE SUMMARY

Navigating Geopolitical Risks: Strategies for FMCGs

Key findings

INTRODUCTION

Geopolitical risks redefine FMCG strategies worldwide

INTRODUCTION

Rising geopolitical risks affect FMCG companies across the value chain

INTRODUCTION

The risk of taking no action is high as uncertainty rises

FMCG strategies amid rising geopolitical risks

SMART NEARSHORING AND RESHORING

Nearshoring was driven by diversification beyond China over 2019-2024

Zara diversifies risks and shortens lead times by nearshoring

Rising trade volatility in 2025 accelerates near- and re-shoring strategies

Newell scales down production in China amidst tariff concerns

Companies will be investing in flexible solutions to mitigate future risks

DIVERSIFYING INTO GROWTH EMERGING MARKETS

Growth emerging markets offer opportunity for diversifying beyond China

Growing urban middle class opens new markets for a range of consumer goods

L'Oréal captures growing premium beauty segment while also maintaining mass

Demand for low-cost essentials remains high as the consumer base expands

Unilever secures low-income reach while addressing environmental concerns

Dual strategy for penetrating diverse consumer groups in emerging markets

SHARPENING CHINA STRATEGY

FMCG companies relocate from China due to increasing risks and challenges...

... while relocation is limited by lack of supporting industries

Shein adjusts its business model to mitigate tariff impact

China's diverse consumer segments require tailored, fast and digital strategies

Proya gaining ground with affordable premium skin care offer

Mitigating supply chain risks while precisely targeting consumer markets

CONCLUSION

Key strategies form FMCG strategies to navigate geopolitical risks

Questions we are asking

About Euromonitor International

Euromonitor International is an independent market intelligence provider. Data, insight and analysis stem from in-the-field research spanning 210 national markets.

Content ranges from the in-depth and country-specific, to key strategic themes with a global range and significance. Products cover a comprehensive range of insights and market data, but can be broadly categorised as:

- **Strategy Briefings:** Global or regional in scope, and focussing on the most important themes shaping consumer demand, the key markets, competitive environment and future outlook across a range of industries.
- **Company Profiles:** Analysis dedicated to the world's most significant companies, with detailed insight into their activities, focus of operations, their competitors, their geographic presence and performance.

- **Country Reports:** For an in-depth understanding of specific countries, whether by industry, economic metrics or consumer trends and lifestyles. These reports cover current trends, consumer demand, market potential and future prospects, with country-specific local insight and comprehensive data, unavailable elsewhere.

For more information on this report, further enquiries can be directed via this link www.euromonitor.com/navigating-geopolitical-risks-strategies-for-fmcgs/report.