EARLY DATA

2022

Health Supplements Year in Review

Important Ecommerce Trends for 2023

Early Data Marketing Intelligence

January 2023

Introduction

Background

Since 2022, Early Data has been generating a monthly report on the VMS industry through data analysis from the self-developed e-commerce data analysis product DSA every month.

This annual report integrates, analyzes and summarizes the data of the past 6 years, aiming to provide a more comprehensive data report to help you understand the latest developments in the e-commerce channel.

Data

- Platform coverage: Taobao, Tmall, JD.com, Pinduoduo, Douyin, Suning, Kaola, xiaohongshu etc.
- Data: Monthly sales dataTime
- Period: Jan. 2018~Dec. 2022

Note: All data is preliminary public information without audit. There may be gaps between the obtained results and the actual situation, and it is only for sharing, learning and communication. In case of discrepancy, the official list of each platform shall prevail.

About Early Data

Early Data is a leading data intelligence provider. It provides timely and accurate business data insights through top-notch AI intelligence and machine learning capabilities, maximizes the value of data, and assists in brand upgrading.

Our e-commerce data covers dozens of mainstream e-commerce platforms, focusing on medicine, health products, dietary supplements, traditional tonics, blue hat and OTC products

Executive Summary

In 2022, China's health care products e-commerce market continued to grow strongly, with sales reaching ¥83.5 billion, a year-on-year increase of 34%. Probiotics have the largest market share and the ranked first for year-on-year growth. Domestic channels accounted for 58% of the sales market share, with the largest share coming from JD.com and Tmall, and the fastest growing channel was Pinduoduo. Local health care product brands have greatly surpassed overseas brands and stood firm in the market.

Rookie brands in the top 10 of 2022 include Nordland, WonderLab, Life-Space and Esmond. Chinese mainland contributed the largest sales, accounting for 35% of the market, followed by the United States with 19% of the market share. Market competition intensified, with 6 brands falling out of the TOP20. The hot-selling store is Ali Health Pharmacy in China, and Tmall International Import Supermarket across the border.

In terms of target users, generic and adult positioning products have the highest sales of products. Gastrointestinal health is the best-selling subcategory and the fastest growing subcategory is eye health. Among the different forms of health products, capsules are the sales champion. Tablet candy has the fastest growth rate, and vegetable capsules are in second place. Slimming, weight loss and anti-aging are one of the most concerned issues for consumers.

In general, in 2022, the competition in China's health care products e-commerce market intensified and consumers will be less loyal to brands. Brands need to pay more attention to product quality and effect and invest in research and development.

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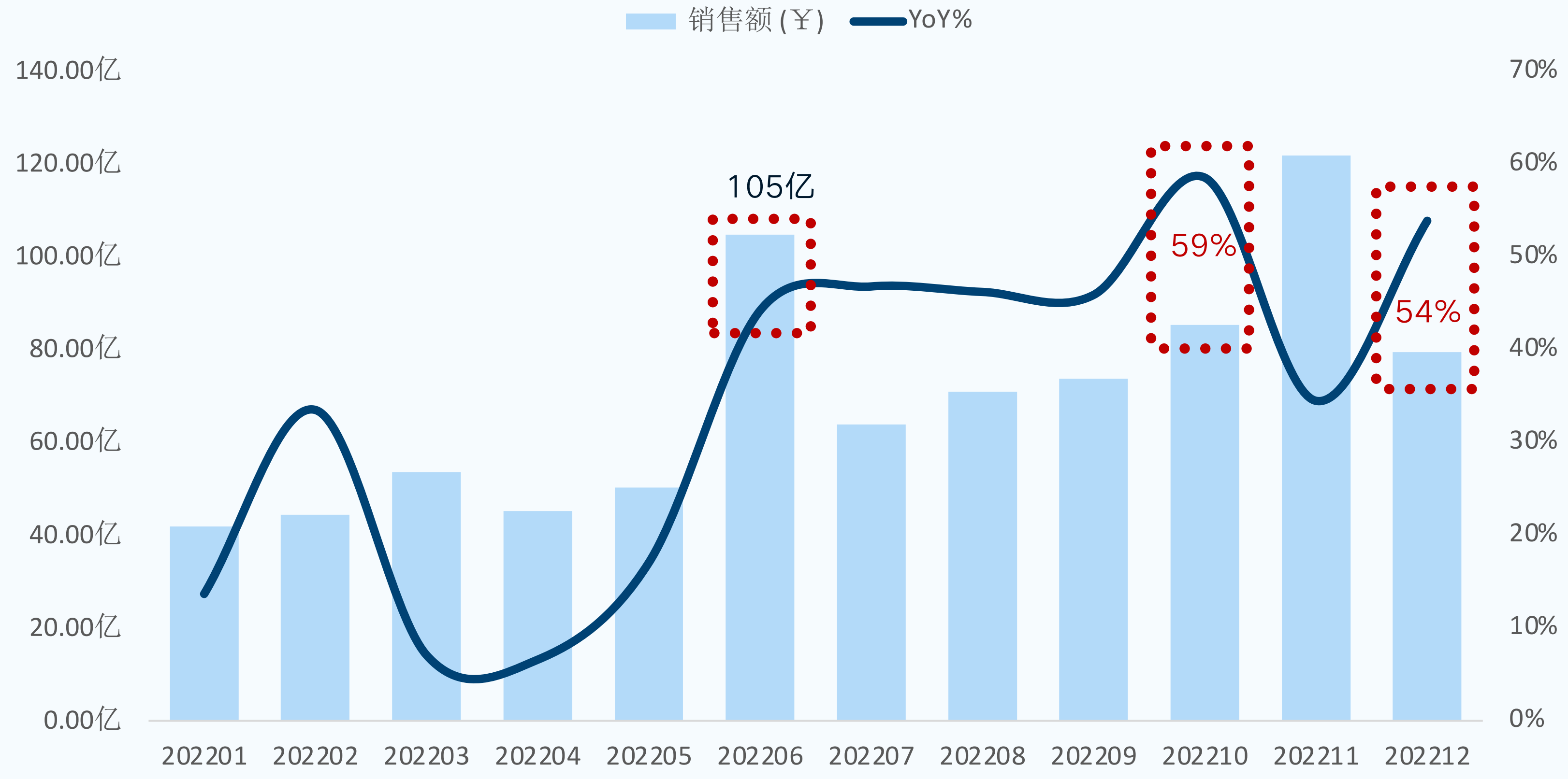
Market Overview

Annual sales reached RMB 83.5 billion, YOY +34%

November won the sales championship without suspense, but the highest year-on-year sales growth months were October and December, mainly due to the lengthening of last year's Double 11 promotion, the early pre-sale of many brands, and the end of the epidemic which together increase consumers' active demand for health care products. The mid-year promotion in June performed well, closely following November. On the one hand, the repeated epidemic makes consumer pay more attention to ; on the other hand, brands increased marketing efforts.

Monthly Health Supplements Sales Value and YOY, 2022



Total sales of 2022

¥83.5 billion

Sales Values of November 2022

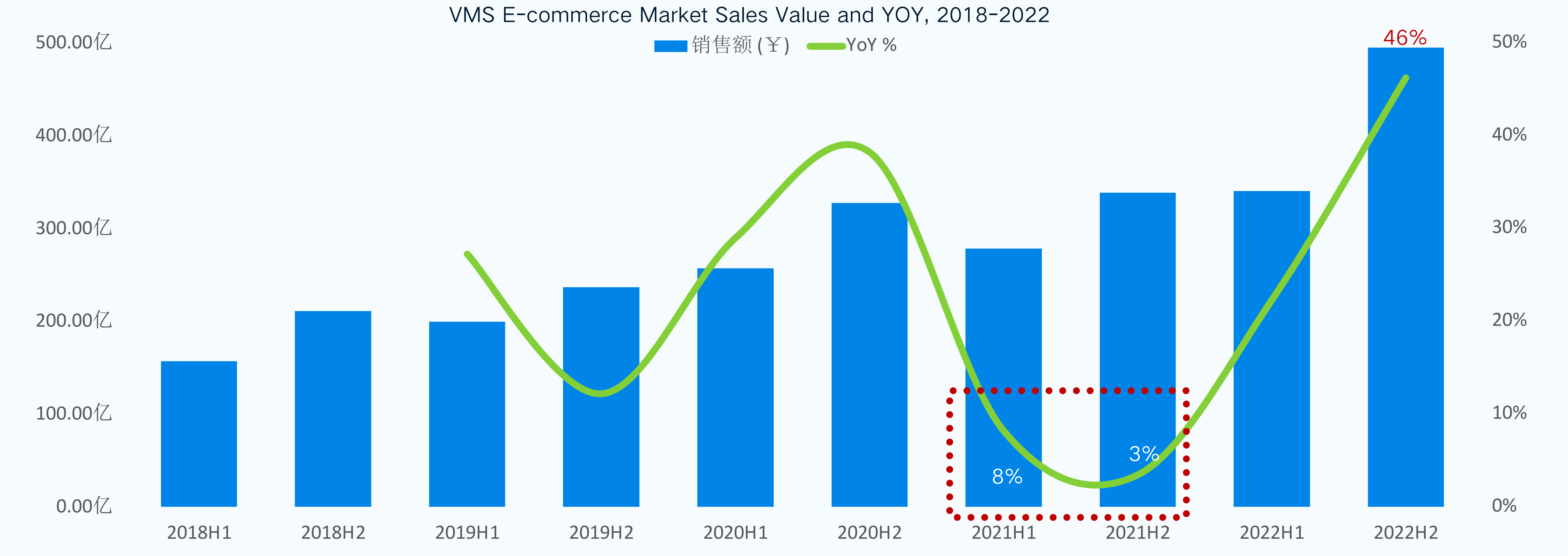
¥12.2 billion

YOY growth of November 2022

+34%

VMS EC market sales keeps growing for 5 years

Sales are rising year by year. For year-on-year growth , the consumer market is weak in 2021 due to global economic recession. This is also reflected in the overall market sales: year 2021 has the lowest growth rate in three years; In the second half of 2022, the economic recovery brings significant growth.



Gastrointestinal health has the largest market, and eye health is the fastest growing category

Gastrointestinal health and vitamins, which have the largest audience, are the categories with the largest market share, with ¥13.5 billion and ¥9.7 billion respectively. The fastest-growing sub-categories in 2022 were eye health (+125%) and stress relief (+83%).