



## ***Brafton | Landmark Global: E-commerce sector spotlight: Vitamins and wellness***

The market for vitamins and wellness solutions is changing quickly. While demand remains high across the sectors, consumers are increasingly moving away from brick-and-mortar retail locations and turning to e-commerce to meet their their needs.

This trend is disrupting everything from supply chains to shipping and fulfillment. As a result, brands are facing considerable pressure to innovate quickly so they can offer personalized e-commerce experiences while maintaining safety standards and complying with industry regulations.

### **The growing market**

In general, healthy lifestyles are being promoted in a variety of sectors, with many people embracing wellness and sustainability in how they live. This is leading to rapid growth in a variety of related sectors.

The vitamin industry, for example, is set to expand at a compound annual growth rate of [6.6 percent](#) for the 2017-25 period, Persistence Market Research found. This represents rapid growth, with the multi-vitamin segment growing the fastest.

The rapid rise of the vitamin sector stems from a combination of an aging population and a general move to embrace dietary supplements, especially for small children. In fact, the market for gummy vitamins has doubled since 2013.

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Vitamins are becoming so popular that Grand View Research estimates that the global market for tablet-based dietary supplements will be worth [\\$100 billion](#) by the time 2025 has run its course.

Wellness products are also gain momentum in the marketplace. Revenues in the global health and wellness industry will expand at a rate of nearly [6 percent](#) from 2018-22, TechNavio found. Demand for these solutions come as consumers consider their full well-being, not just isolated aspects of health.

With markets expanding quickly, organizations need to rethink how they operate to better keep up with demand and maintain their positions of strength in an increasingly competitive sector.

### **Dealing with heightened competition**

As the vitamin and wellness product markets grow, new entries continue to emerge. From small online boutiques to longstanding players who are starting to lean more heavily on e-commerce, consumers are finding themselves with more options than ever. What's more, Amazon is now getting into the health and wellness game. According to a One Click Retail report, Amazon is still in the fairly early stages of using its white-label products to gain a foothold in health and wellness, but it is [already finding success](#) along the way.

The news source identified five segments in which Amazon is proving particularly disruptive - nutrition and wellness, baby car, household consumables, health care and medical supplies and equipment. The smallest of these segments - medical supplies and equipment - grew by 27 percent year over year for Amazon in the first quarter of 2018, bringing in revenues of more than \$130 million. The largest sector - nutrition and wellness - rose 29 percent year over year to create revenues of \$580 million in Q1 2018.

Amazon's success highlights just how much consumers are embracing e-commerce for their health and wellness needs. This shift to e-commerce comes at a time when wellness is being emphasized in many households.



## **Responding to a growing sector**

Global wellness products need to be handled with care. Organizations can't afford to let operational challenges limit their ability to keep pace with customer demands. Key challenges brands must be prepared to address include:

- Complying with varied regulatory strategies across national borders
- Maintaining proper environmental controls for all items as they are produced, shipped and stored
- Providing branded, personalized experiences that engage consumers as they receive packages
- Building trust that customers know exactly what to expect and can be safe receiving a health-related item online

Addressing these issues requires a careful combination of strategies that cross departmental and organizational boundaries. Landmark Global can help your organization keep up with these trends and enact the kind of advanced shipping, fulfillment and returns processes you need to keep pace in the market.