

Market Overview

Market factors shaping our business



Positive demographics

Overview

Developed markets, primarily North America and Western Europe, continue to account for the majority of retail sales for consumer health. These countries benefit from stable populations and economies. However emerging countries are expected to experience strong growth given consumers' increasing ability and desire to purchase well-known multinational products with higher perceived quality and purpose. Consequently, well-established international brands can leverage long-standing brand equity by entering new geographies.

Response

- Alliance has well established brands in developed markets.
- Our strategy is to identify opportunities to take these brands into new territories.
- Our distributor model means we are able to access new geographies in a relatively low-risk way, with minimal investment in marketing and advertising.

Increased focus on wellness and prioritisation on health in times of economic uncertainty

Overview

There is a greater desire for consumers to maintain health for longer periods amidst challenging and uncertain times. This stems from the need to spend quality time doing what matters to them, including the ability to work, earn and connect with loved ones. Wellness categories are more valuable and growing faster than healthcare categories in the top ten consumer healthcare markets. Consumers are also prepared to pay a premium for something that delivers tangible benefits.



Response

- Alliance operates in the more defensive consumer healthcare categories such as scar care, scalp care and menopause relief, which often require repeat purchases over a number of years and are therefore well insulated from economic cycles.
- With clinical difference supported by scientific evidence, our brands typically command a price premium over competitor brands.



Proactive consumers seeking omni-channel retail

Overview

Whilst there has been a rapid increase in the purchase of health products and services online, this is not the only way that consumers want to transact. A purchasing journey may include multiple routes or channels such as first seeking advice from a healthcare professional, a website review, or social media influencers before making a purchase online or in a physical retail store. Each channel must be optimised so that the consumer is able to find what they want, when they want it, and can complete their purchase easily.

Response

- Alliance, through its distributor partners, is present across many channels including ecommerce platforms, pharmacies and retail stores.
- We work with third-party sales organisations to optimise our presence in each channel.
- We continue to refine and improve our in-house capabilities, particularly in insights and commerce. We expect to increase our sales and marketing investment in 2025.

Innovation important to support growth

Overview

Innovation is an essential growth driver in consumer healthcare, particularly in categories with lower barriers to entry such as Vitamin and Mineral Supplements ("VMS"). A constant flow of new products and line extensions allows us to increase our presence on shelf and maintain the brand narrative to sustain consumer interest. Innovation, particularly new launches with strong clinical differentiation, also allows us to maintain premium pricing and support price rises.



Response

- 4.9% of consumer healthcare sales in 2024 came from new products launched within the last three years.
- We are aiming to increase this proportion to 10% in 5 years through increased investment in our innovation and development capabilities.
- In early 2025 we introduced a new role to our executive team, appointing Angela Brady as Chief Innovation and Scientific Affairs Officer.