



# What we learned from the local market

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Webinar TFWA 365

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Hamburg, 14 June 2022

# As if nothing ever happened – online again on the rise

Category Development P&C – Worldwide

Beauty worldwide  
already  
on the rise again  
**+7% YTD**

Local **US & Chinese** market as  
main driver

Online Beauty  
Sales again to  
soar  
**24% in 1. HY  
2021**



# P&C Category in Travel Retail is recovering!

Category Development P&C – Travel Retail

Different picture  
TR Europe  
**+14% vs. 2020** but  
still below 2019

**Chinese &  
US PAX** with little  
impact for Europe

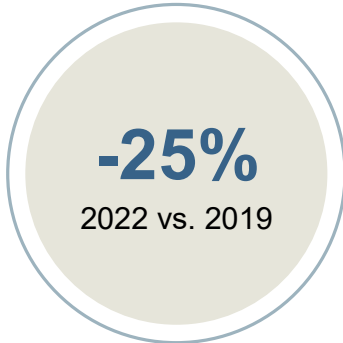
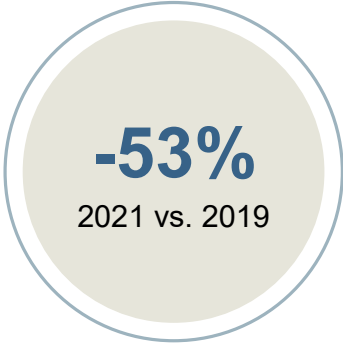
**Downtown DF**  
(China)  
strongest recovery -  
**Cruises &  
Airlines** with most  
challenges

**Fragrance**  
strongest growing  
category except in  
Asia / Skin Care



# Satisfying results in 2021 & ambitious goals for 2022 despite the current war

Turnover Development (total GH & PC Trend)



# The diverse customer & PAX portfolio has a strong impact for GH

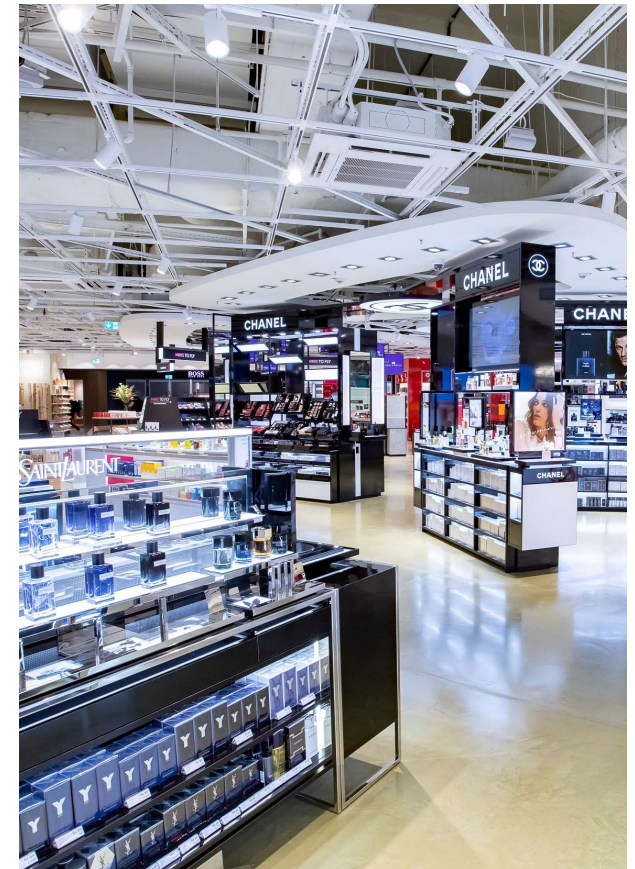
## Category Development P&C – Travel Retail

**P&C turnover development**  
71% of 2019

**Fragrances**  
already 80% of  
2019  
strongest category

**Skin Care**  
slow recovery with  
different PAX

**Make-Up** above  
expectations



# Price & brand loyalty amongst the main purchase drivers

Local Market topics that have an impact on TR



## Price!

Promotions & price offs drove 2020 - now we see more premium / up-selling again



## Brand Loyalty

Strengthen global heroes



## Sustainability

„Is this product free from..?“



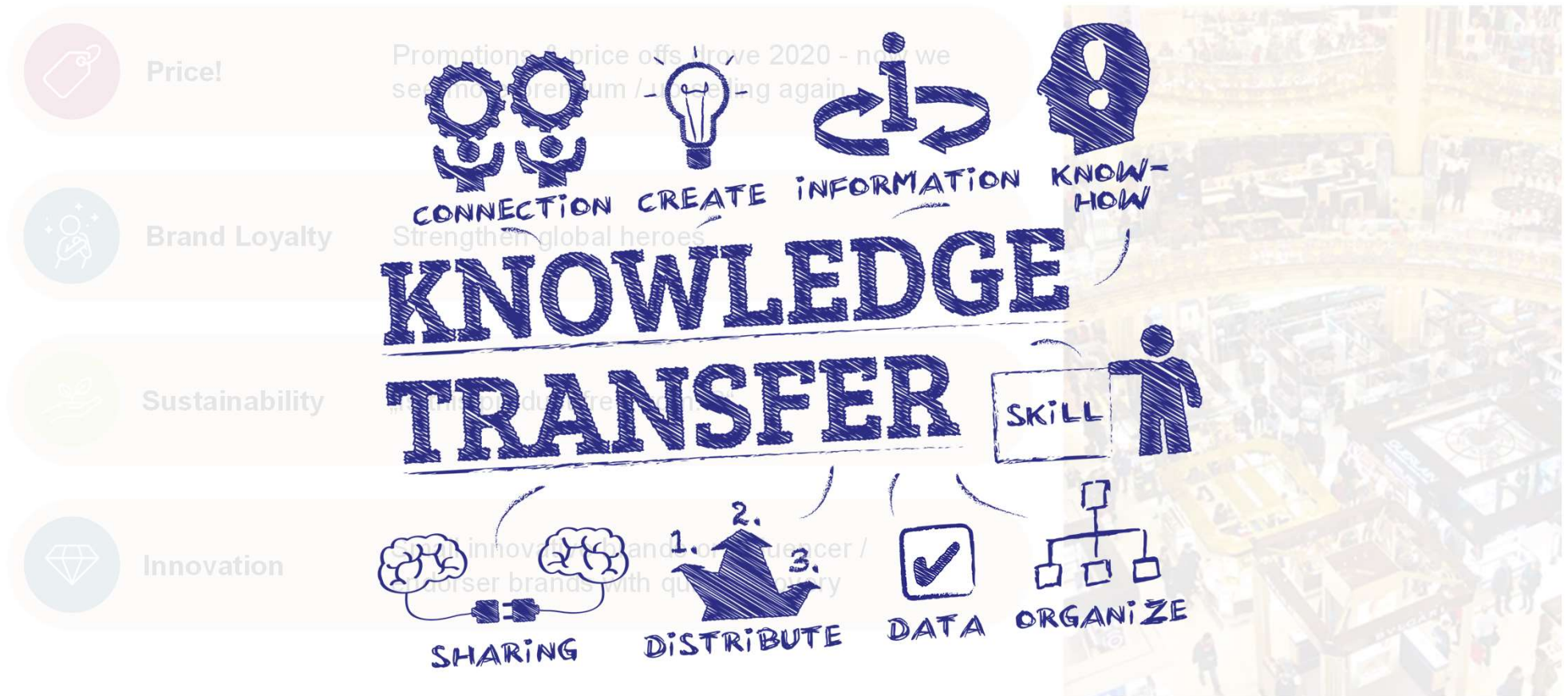
## Innovation

Small innovative brands or influencer / endorser brands with quick recovery



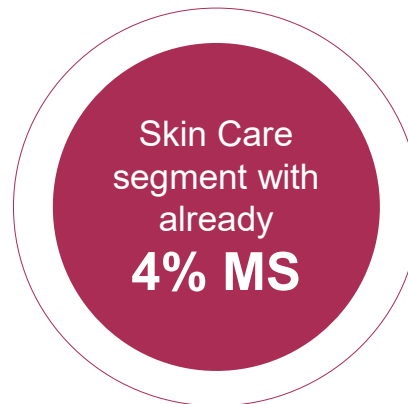
# So... how can we manage to capitalize on local topics?

What Gebr. Heinemann is doing



# Price – a strong driver for impulse purchases

BASE PRICES – A key pillar of Gebr. Heinemann's selling strategy





# Price – upselling & demand for niche perfumes is unbroken

NICHE BEAUTY – higher ATV's indicate a growing interest in premium fragrances



11% T/O share  
in Fragrances  
in 2021

Commercial Niche  
with stronger interest  
in Europe

High luxury Niche  
still in selective doors

Assortment  
enlargement in  
2022



# Brand Loyalty – In 20/21 customers bought more brand image

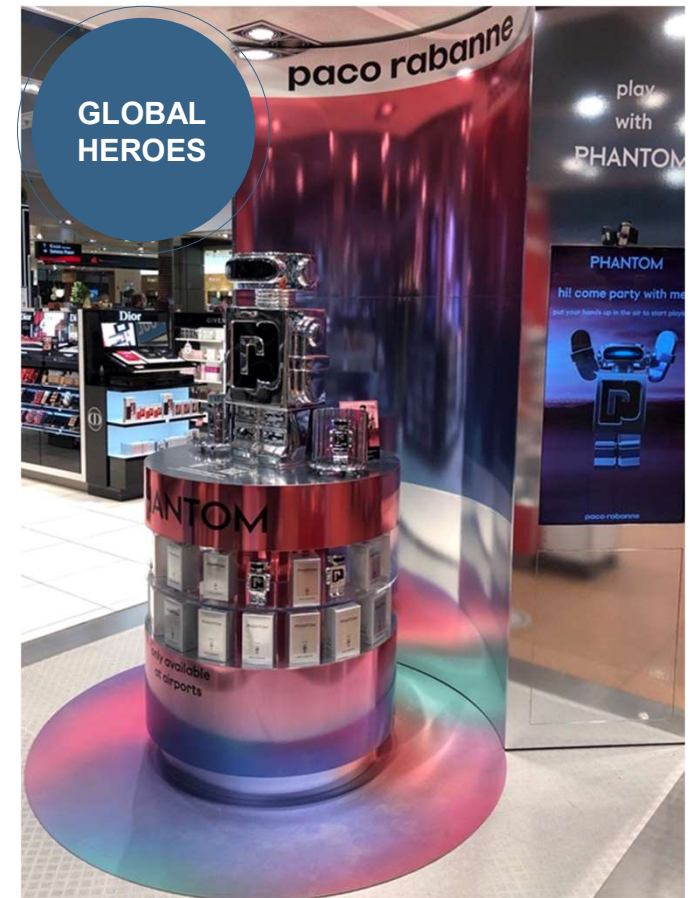
GLOBAL HEROES – were strengthened in times of crisis



Top 15  
SKU's make  
**10%** of total  
B2C Turnover

**+7.8%** pts  
increase in MS  
of Top 8  
brands vs.  
2019

More  
meaningful  
launches in  
**2022** from  
key suppliers



# Sustainability - is a lifestyle choice, rather than a trend

CLEAN BEAUTY – a Gebr. Heinemann-own concept targeting a different customer



Concept to target mainly GEN Y & Z travellers

Enlargement with e.g. Make-Up in 2022

+37 POS with up to 3% market share with few SKU's



## But.... How to differentiate ourselves from the local market?

### TRAVEL RETAIL EXCLUSIVES



High global relevance of TR-Exclusive products



4% of the GH assortment are “TRESX”

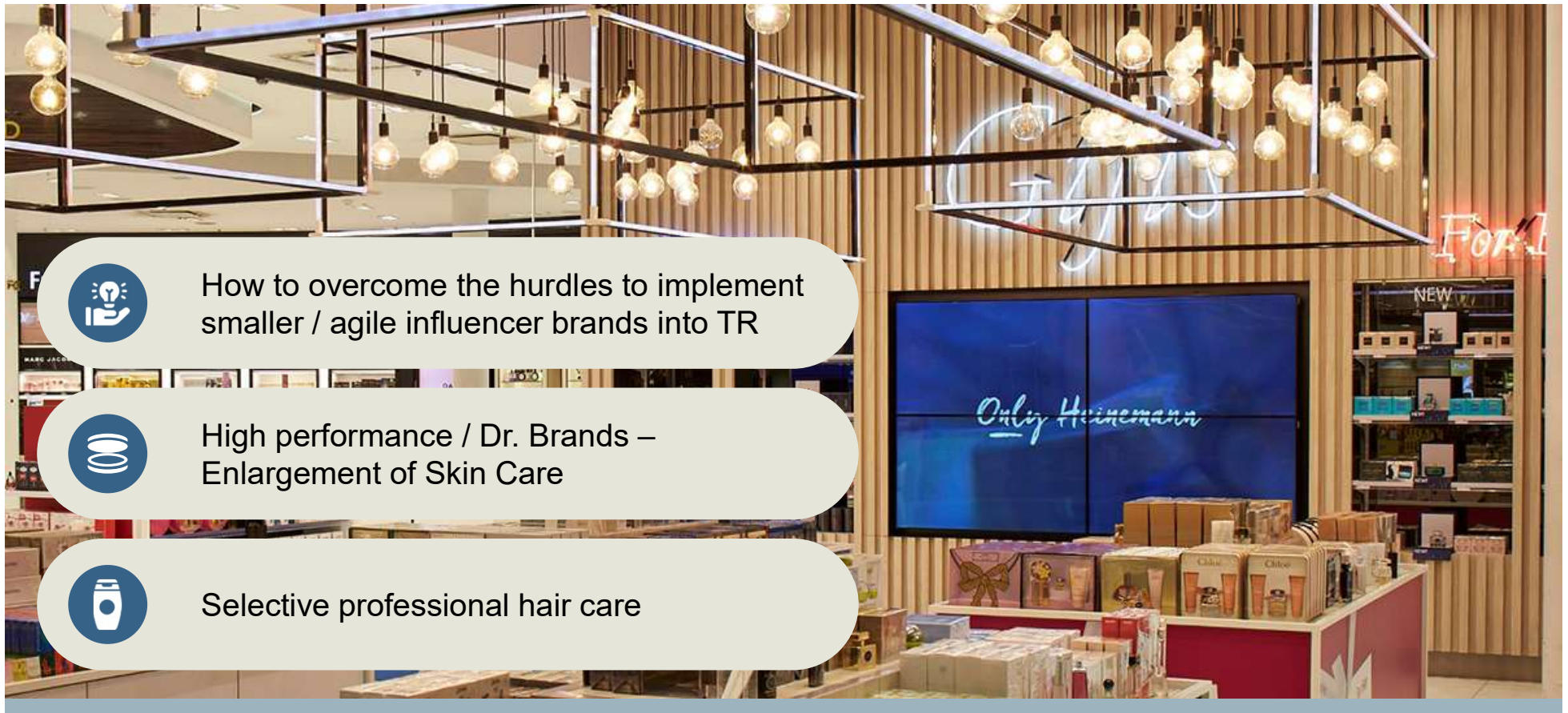


Ambitious goals to increase the portfolio



## In 2022 Gebr. Heinemann is looking into these topics in depth

Enlargement of profiling & add-on assortment





**Gebr. Heinemann**  
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# THANK YOU

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All the best and stay healthy