



3rd Edition

Natural OTCs:

Impact of Non-drug Products on the U.S. OTC Market

Published September 2018
Base Year: 2017
Forecasts to 2022

Regional Coverage: United States

A comprehensive market assessment of non-drug products competing with traditional OTCs, including an analysis of the market's size, consumer perceptions, and company profiles. This report focuses on major brands, companies, and consumer attitudes towards such products.

This Report Helps Subscribers to:

- Provide an understanding of the relative size of such products compared to traditional OTCs and how the size has changed over the last five years
- Learn about the companies that market these products and what new products or claims they are developing
- Learn about trends in the hard-to-track specialty, health food, and online channels
- Identify common attributes of consumers who purchase natural OTCs
- Understand why, where, and how much consumers spend on natural OTCs, and how these purchases affect their usage of traditional OTCs, if at all
- Analyze retail pricing, placement, and claims for natural OTCs
- Forecast sales and market share expectations for these products in five years



Report Contents

Introduction

Executive Summary

- Overview
- Market size and segmentation
- Market trends and shifts since 2015
- Competitive landscape
- Outlook and appraisal through 2022

Market Analysis

For each of the categories shown in Table 1, the following information is provided:

- Market and brand sales in 2016 and 2017
- Market trends and how they have shifted since 2011 and 2015
- Notable new products
- M&A activity
- Competitive landscape
- Ingredients and claims
- Retail distribution
- Marketing activity
- Outlook to 2022

Table 1: Product Categories Profiled

Analgesics (internal and topical)
Cough/cold/immunity products
Nutritional products (heart and brain health, energy/stress/mood support)
Sleeping aids
Topical products (first aid, eye care, diaper rash, oral care)

Table 2: Companies Profiled

Boiron	Nature's Way (Schwabe)
Carlyle Group (NBTY and Solgar)	New Chapter (division of Procter & Gamble)
Clorox Company (Burt's Bees, Renew Life, and Rainbow Light)	Now Foods
Gaia Herbs	Oily
Garden of Life (Nestlé)	Otsuka (Pharmavite, Nature Made)
Hyland's	Reckitt Benckiser (Schiff)
Irwin Natural	Similasan
Natrol	Zarbee's Naturals

Consumer Insights

A detailed consumer survey that provides a thorough understanding of the following:

- Demographics of natural OTC purchasers and users
- Retail locations, frequency of purchase/use
- Purchase/use of natural OTCs effects on purchase/use of traditional OTCs
- Average price points paid for natural OTCs
- Chronic versus acute usage of natural OTCs
- Adult versus children's usage of natural OTCs
- Views on safety of natural OTCs compared to traditional OTCs
- Views on efficacy of natural OTCs compared to traditional OTCs
- Comparison of the latest consumer insights to previous consumer surveys conducted in 2015 and 2011 to understand how trends are shifting over time

Company Profiles

For each of the companies listed in Table 2, the report provides the following information:

- Overview of business
- Corporate sales (if public)
- Merger/acquisition activity of note
- Sales of key natural OTC brands in 2016 and 2017
- Products in development
- Retail strategies
- Marketing strategies
- Forecasts of future sales

Appendix





Scope

Natural OTCs: Impact of Non-drug Products on the U.S. OTC Market represents the third edition of this report for Kline & Company. The last edition was published in June 2016. With this study, we aim to understand the impact of natural OTCs on traditional OTC brands and markets, the companies that manufacture and market these natural OTCs, and how consumers use these products. This report covers the U.S. market for natural OTCs and provide manufacturers' sales data for brands, markets, and companies in 2016 and 2017. Forecasts are provided through 2022. The term "natural OTCs" is used to refer to products that consumers use either to prevent or treat minor ailments that are frequently treated with traditional nonprescription (OTC) drugs. Natural OTCs generally are drug-free, may contain natural, plant, or herb-based ingredients or vitamins and minerals, and often make claims of prevention and/or treatment of minor ailments such as nasal congestion, the common cold, coughs, sore throat, headaches, sinus pain/pressure, insomnia, oral care, or eye care problems.

Key Benefits

This study provides subscribers with accurate and current information and insights on five categories of natural OTCs, 16 company profiles involved in the manufacture and/or marketing of these products. Specifically, this report is designed to provide subscribers with a comprehensive assessment of the following:

- Size of natural OTC markets and brands, and what their respective market share is versus traditional OTCs
- Shifts in the size and share of markets for natural OTCs in recent years
- Demographic groups that are heavier users of natural OTCs
- Consumers' perceptions of the efficacy, safety, and value of natural OTCs
- Shifts in consumers' perceptions of natural OTCs over time
- Prevalence of use among adults versus children for natural OTCs
- Companies that are established or new to this segment, and brands that could be acquisition targets
- Claims made by natural OTCs, and what regulations these products are subject to



Methodology

Kline’s approach places principal emphasis on primary research techniques to ensure that the foundation of business intelligence and insight is accurate, current, and reliable. Building on our 50-plus years in the business and leveraging our worldwide network of offices, our teams of seasoned professionals draw upon pragmatic industrial and commercial experience to understand and interpret global impacts and local perspectives.

Primary Research

We Know Who to Talk to. We Know How to Listen.



A high number of in-depth discussions are conducted by each analyst. All interviews are done with true industry insiders. Kline’s analysts draw upon pragmatic experience to understand global impacts and local perspectives. This study includes extensive research with approximately 500 U.S. adult consumers to understand who, where, why, and how often consumers use natural OTCs versus traditional OTCs. In addition to consumer surveys, our business to business interviews engage experts across all pertinent fields and sectors including:

- Natural OTC marketers
- Traditional OTC marketers
- Retailers
- Trade associations

Secondary Research

We Know Where to Look – Mining the Details.



Analysis is further supplemented by secondary research, consisting of constant tracking of annual company reports, national statistics bureaus, trade/ industrial/professional associations, and the like.

Relevant developments are diligently followed and their impact closely monitored. Reports also draw upon non-confidential data from Kline’s internal database, consisting of over half a century’s syndicated research.

Comprehensive Market Intelligence

We Know How to Verify.



Data are rigorously analyzed, cross-checked, distilled, and validated. Kline’s proven methodology allows exceptionally effective, precise, and reliable market

intelligence, giving subscribers a solid foundation on which to grow, refine, and expand their business with confidence.

Kline Credentials

Kline is a leading global management consulting and market research firm offering the complete spectrum of services. The firm has served the management consulting and market research needs of organizations in the chemicals, materials, energy, life sciences, and consumer products industries for over 50 years.

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