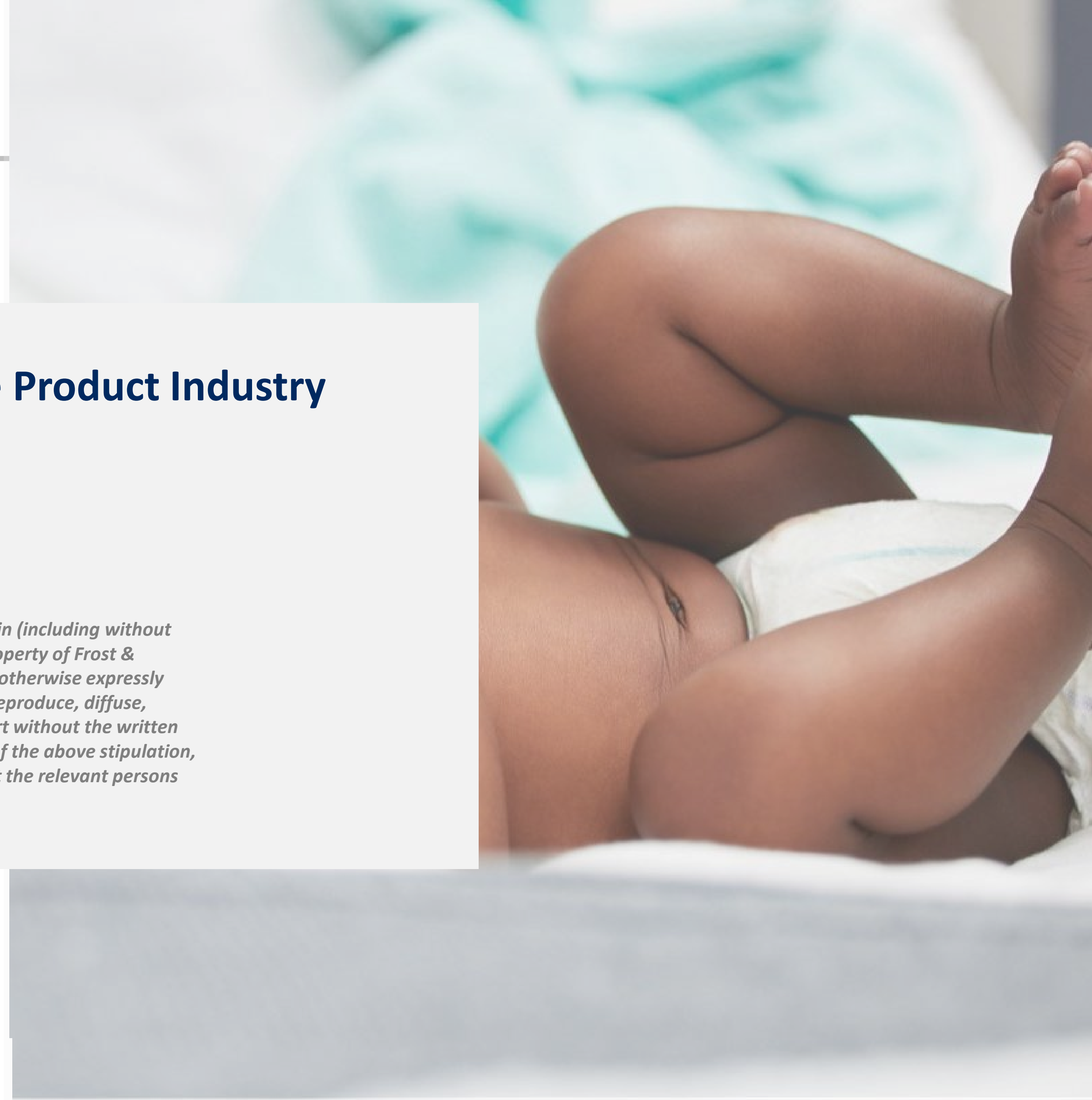

*Confidential*

# Emerging Market Hygiene Product Industry

## Independent Market Research



**2025.10**

—1961-2021—
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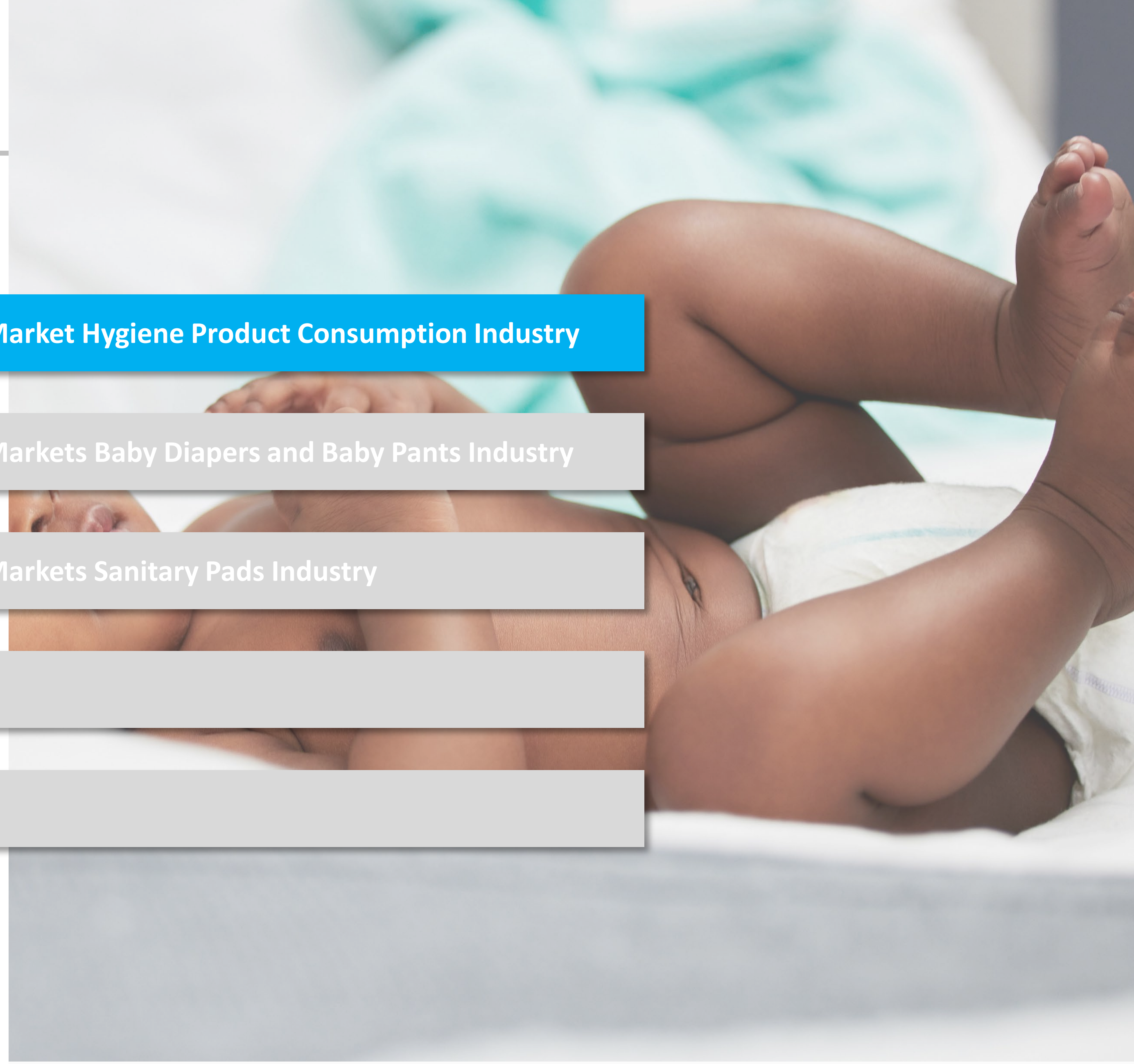
# Scope

## The project scope is defined as follows:

| | |
|---|---|
| **Research Period** | • Historical Year: 2020-2024<br>• Base Year: 2024<br>• Forecast Year: 2025E-2029E |
| **Research Coverage** | • Emerging Market<br>• Include both primary research and secondary research. |
| **Service Scope and Assumptions** | • Emerging Market Hygiene Product Industry, Emerging Markets Baby Diapers Industry， Emerging Markets Sanitary Pads Industry<br>• Frost & Sullivan's projection on the size of each of the related markets is based on the assumption that (i) the overall global social, economic and political environment is expected to maintain a stable trend over the next decade; (ii) during the forecast period, related key industry drivers are likely to continue driving growth in global, and (iii) there are no extreme force major event or industry regulations by which the market situation may be affected either dramatically or fundamentally. |

# Agenda





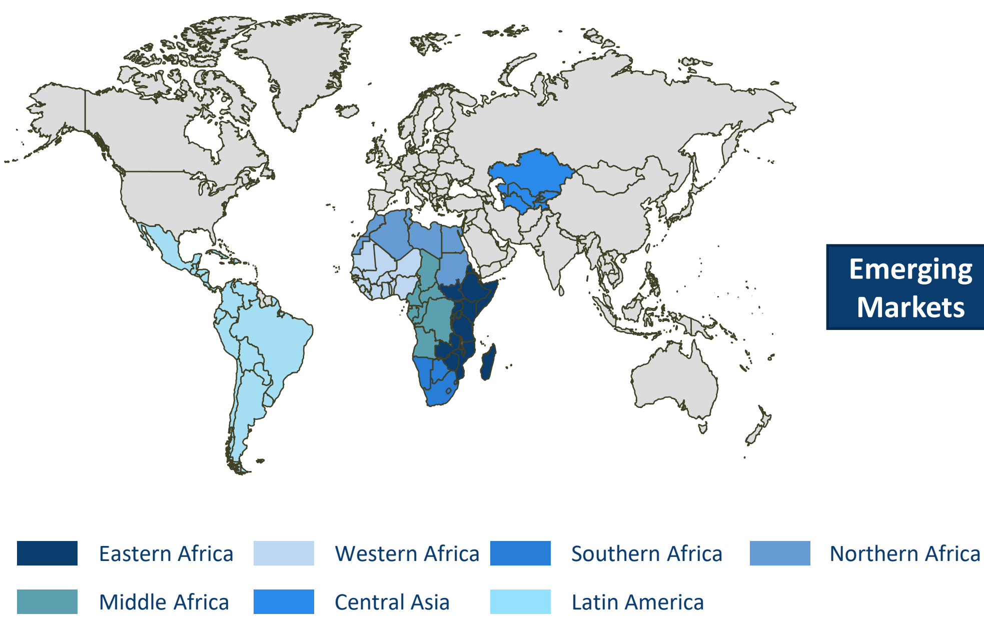
# Overview of Emerging Markets Hygiene Product Industry

## Definition and Classification of Emerging Markets

### Definition*

- Emerging markets are countries or regions with a significant industrial base and standardized commercial market mechanisms, in contrast to the "mature markets" of developed nations. According to the International Monetary Fund's World Economic Outlook, 39 economies are classified as "developed" based on their high per capita incomes, diversified exports of goods and services, and deeper integration into the global financial system. The remaining nations are categorized as "emerging and developing economies." Among these, the IMF's Fiscal Monitoring Report identifies 40 countries as "emerging market and middle-income economies" primarily located in Africa, Latin America, and Central Asia. Most emerging markets experience sustained robust growth, and are capable of producing high-value-added products. They resemble developed economies not only in terms of income but also in their participation in global trade and financial markets.

### Classification




**Emerging Markets**

| | |
|---|---|
| Eastern Africa | Burundi, Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, etc. |
| Western Africa | Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo. |
| Southern Africa | Botswana, Lesotho, Namibia, South Africa, Eswatini, Zambia. |
| Northern Africa | Algeria, Egypt, Libya, Mauritania, Morocco, Sudan, Tunisia. |
| Middle Africa | Angola, Cameroon, Central African Republic, Chad, Republic of the Congo, Equatorial Guinea, etc. |
| Central Asia | Kazakhstan, Uzbekistan, Turkmenistan, etc. |
| Latin America | Peru, Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica, etc. |

* Although Southeast Asia is generally considered part of emerging markets, in specific cases, countries like Singapore, which have reached high levels of development with mature financial markets and stable economic foundations, provide reasons to not categorize Southeast Asia solely as an emerging market.

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Characteristics of Emerging Markets

### Young Demographic Structure

- The population structure of emerging markets is relatively young, and the population pyramid is expansive (wide bottom and narrow top). A large number of young labor forces make the labor cost low, which provide strong human resources for economic development.

### Relatively Dispersed Market

- Particularly in Africa, emerging markets feature a dispersed population, leading to a market that is **generally spread out and grid-like**. This necessitates targeted marketing strategies tailored to the local population.

### Rapid Economic Growth

- Overall, the market scale of various industries is generally small, and there **are abundant investment opportunities,** including infrastructure construction, manufacturing upgrading, service industry expansion, etc. Furthermore, the growth rate of these industries is fast, which is an important driving force for global economic growth.

### Vast Potential in Consumer Market

- Emerging markets are generally characterized by a **scarcity of materials**, as most countries have a low level of indigenous industrialization, necessitating the import of various essential goods through trade.
- For instance, Africa has a **high demand for products** from large items such as steel and machinery to small goods such as smartphones and handicrafts, including daily essentials such as baby diapers and plastic items

### Integration Acceleration

- Emerging markets are actively advancing regional economic integration processes, **strengthening economic cooperation with other countries**, and enhancing the level of trade liberalization, which will provide more market opportunities and investment space for businesses

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Definition and Classification of Hygiene Product in Emerging Markets

### Definition of Hygiene Products

- The hygiene product industry in emerging markets involves a range of production and sales activities for hygiene products. Hygiene products refer to various technologically advanced chemical products used in daily life that come into direct or indirect contact with the human body, and are used for physiological and hygiene health care purposes, such as antibacterial or antimicrobial effects.

### Definition of Absorbent Hygiene Products

- Absorbent hygiene products are designed for direct contact with the human body and are primarily made from highly absorbent materials. They are one-time disposable hygiene products used to collect human excretions. The categories mainly include baby hygiene products, female hygiene products and other products.

### Classification

**Hygiene Products**

**Absorbent Hygiene Products**

- **Baby Hygiene Products**: Designed for infants and newborns for their hygiene needs, being suitable for the sensitive skin. Products include baby diapers, baby pants, etc.
- **Female Hygiene Products**: Female personal care products used during mensuration, vaginal discharge, and other bodily functions. Products include Sanitary pads, tampons, pantyliners, and other cleansing products.
- **Other Products**: Adult incontinence products manage urine leakage for incontinent adults, offering dryness, comfort, and dignity through diapers, pads, and pull-on underwear.

**Non-absorbent Hygiene Products**

- **Wet Wipes**: Small disposable cloth treated with a cleansing agent, used especially for personal hygiene. Products are also known as wet towels, moist towelettes, or disposable wipes.
- **Cleaning Products**

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Industry Value Chain Analysis of Hygiene Product in Emerging Markets (1/7)

| Upstream | Midstream | Downstream | |
|---|---|---|---|
| **Raw Material Suppliers** | **Hygiene Products Manufacturers and Providers** | **Sales Channels** | |
| | **Classification by player types:** | | |
| Nonwoven fabric suppliers | OEM manufacturers | Distributors | |
| Super absorbent polymer (SAP) suppliers | Proprietary brand manufacturers and providers | Wholesalers | |
| Fluff pulp supplier | Proprietary brand manufacturers and providers with OEM services | Supermarkets | **End Consumers** |
| Adhesive suppliers | | E-commerce | |
| Film suppliers | | Other channels | |
| Other raw material suppliers | | | |

*Source: Frost & Sullivan*

## Industry Value Chain Analysis of Hygiene Product in Emerging Markets (2/7)

**Upstream**

### Raw Material Suppliers

| | | |
|---|---|---|
| Nonwoven fabric suppliers | Polymeric superabsorbent resin suppliers | Fluff pulp suppliers |
| Adhesive suppliers | Film suppliers | Other raw material suppliers |

- With technological advancements, nonwoven fabric and polymeric superabsorbent resin have become mainstream raw materials. Suppliers of nonwoven fabric and super absorbent polymer are concentrated in East Asian countries such as China, Japan and German, while fluff pulp suppliers are concentrated in the United States. The importance of supply chain stability has been increasingly emphasized, and localized supply of raw materials such as non-woven fabric and polymeric superabsorbent resin plays a key role in improving supply chain stability.
- The economies of scale and cost advantages of upstream raw material production have a crucial impact on reducing production costs for midstream companies.
- Supply chain stability is an essential factor in ensuring stable production for midstream companies. Midstream companies that have stable upstream raw material supply, especially during global emergencies, possess a competitive advantage.
- **Key success factor:** Timely adjustment of raw material supply based on local market demand for product quantity and quality is crucial for midstream companies to maintain their competitive strength.

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

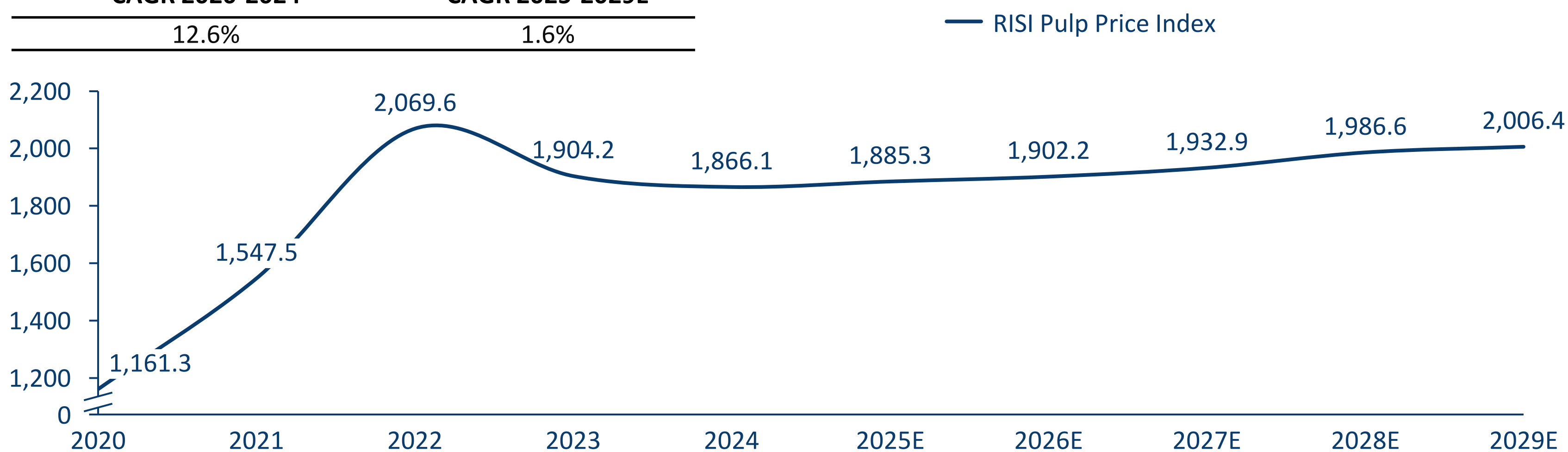
## Industry Value Chain Analysis of Hygiene Product in Emerging Markets (3/7)

**Upstream**

**RISI Pulp Price Index***

2020-2029E

| CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|
| 12.6% | 1.6% |




### Key Findings

- The RISI pulp price index have historically been volatile. 2022 saw volatility rise to a peak of approximately 2,069.6; then fell back to 1,904.2 in 2023, and is contiouning to fall in 2024. For the global fluff pulp market supply and demand balance to improve as well as the domestic market control policies etc., it is expected that in the next 5 years the price of fluff pulp will be stabilized, and may grow slowly at a CAGR of 1.6% from 2025 to 2029, with an average index of 2,006.4 by 2029.
- The rise of fluff pulp price to a peak in 2022 was mainly caused by multiple factors such as supply chain bottlenecks, the Russia - Ukraine conflict leading to increased energy costs, restricted production in major producing countries, and a rebound in global demand. In addition, the pandemic was nearing its end in 2022, and the Chinese economy recovered. The demand for e - commerce and express delivery surged, which in turn drove up the demand for cardboard packaging and increased the demand for fluff pulp, becoming an important factor in the price increase.

*The RISI Pulp Price Index is a pulp price index published by RISI (Resource Information Systems, Inc.), used to measure price changes in the global pulp market. RISI is a company specializing in market information related to wood and pulp, providing market data, price trends, and analysis on wood, paper, and related products. This index is widely used to track fluctuations in pulp prices (particularly paper pulp), helping industry participants understand market dynamics.

*Source: RISI, Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

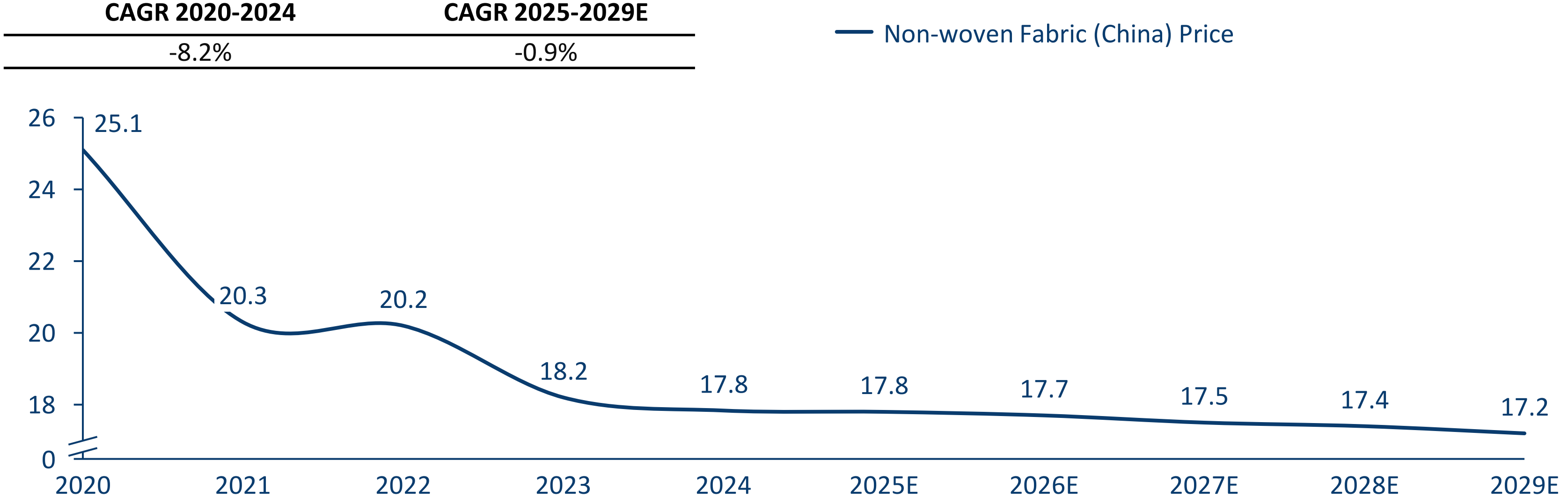
## Industry Value Chain Analysis of Hygiene Product in Emerging Markets (4/7)

**Upstream**

**Non-woven Fabric (China) Price**

RMB/Kg, 2020-2029E

| CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|
| -8.2% | -0.9% |




### Key Findings

- Non-woven fabric is a key raw material for making hygiene products such as sanitary pads and baby diapers. It has excellent hygiene, comfort, moisture absorption, and breathability properties, which help hygiene products effectively absorb liquids such as urine and menstrual blood.
- From 2020 to 2024, the price of non-woven fabric in China experienced significant fluctuations. The outbreak of the COVID-19 pandemic in early 2020 led to a surge in demand for masks, resulting in a supply shortage of non-woven fabric. As production capacity expanded in 2021, non-woven price declined. And with the end of the pandemic and a sharp decline in non-woven exports in 2023, China's domestic nonwoven price showed a sharp decrease. Currently, the supply of non-woven fabric exceeds demand, and it is expected that the price will continue to decrease at a CAGR of -0.9% from 2025 to 2029.

*Source: China Technical Textiles Industry Association, Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

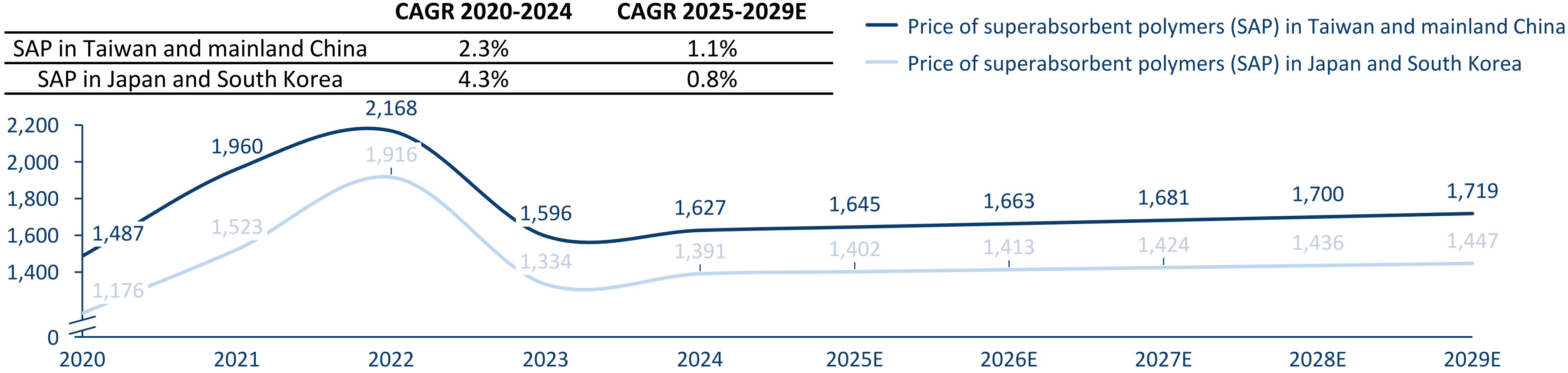
## Industry Value Chain Analysis of Hygiene Product in Emerging Markets (5/7)

**Upstream**

**Price fluctuations of Super Absorbent Polymer (FOB Price)***

USD/Ton, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| SAP in Taiwan and mainland China | 2.3% | 1.1% |
| SAP in Japan and South Korea | 4.3% | 0.8% |




**Key Findings**

- The average market price of super absorbent polymers (SAP) fluctuates significantly due to downstream purchasing demand and the upstream acrylic acid market, with prices rising sharply across the board in 2022 and then falling back quickly to a lower point in 2023, with an average market price of USD1,596 per ton in 2023 in Taiwan and China, and an average SAP market price of USD1,334 per ton in Japan and South Korea. SAP prices are expected to grow relatively steadily over the next five years.

* The price of superabsorbent polymers (SAP) in China is relatively higher compared to Japan and South Korea, influenced by various factors such as: 1.Demand from the agricultural and pharmaceutical industries: China, being an agricultural powerhouse, has a large demand for SAP for purposes such as soil improvement and water retention, driving up the price of SAP. Additionally, the expanding pharmaceutical market in China has increased the demand for raw materials such as SAP, further contributing to the higher prices of SAP in China. 2. Disparities in production capacity: While China's production capacity for superabsorbent polymers is continuously improving, there still exists a gap when compared to countries like Japan and South Korea. Japan and South Korea have more mature production technologies and processes for SAP, enabling them to mass-produce high-quality SAP products. China, having developed in this area relatively later, lags behind in production efficiency and cost control compared to Japan and South Korea, resulting in higher SAP prices.

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Industry Value Chain Analysis of Hygiene Product in Emerging Markets (6/7)

**Midstream**

**Hygiene Products Manufacturers and Providers**

### Classification by player types

**1) Single player in the personal hygiene product industry**

| | |
|---|---|
| Proprietary brand providers | • **Main responsibilities:** product design and development, understanding consumer needs, and establishing brand positioning. (No manufacture) |
| OEM manufacturers | • **Main responsibilities:** product manufacturing. |

**2) Integrated player in the personal hygiene product industry**

| | |
|---|---|
| Proprietary brand manufacturers and providers with OEM services | • Comprehensive enterprise that integrates research and development, production, and marketing. |

### Classification by Business Model

| | |
|---|---|
| International Company | • Operates on a global scale with presence in multiple continents.<br>• Large-scale production and sales networks globally. |
| Local Company | • Operates primarily within the country or region of origin.<br>• Small to medium-scale production, catering to local markets. |
| Multinational Company | • Operates in multiple countries with a strong focus on a specific region, often tailoring to the unique demands of the market |

# Overview of Emerging Markets Hygiene Product Industry

## Industry Value Chain Analysis of Hygiene Product in Emerging Markets (7/7)

**Downstream**

**Sales Channels**

| | |
|---|---|
| Wholesalers | • A wholesaler refers to an intermediary who engages in simple buying and selling to earn the price difference of products. Wholesalers are primarily concentrated in wholesale markets in urban areas, catering to downstream customers mainly consisting of second and third-tier wholesalers or nearby retailers. They generally lack sales and delivery capabilities.<br>• Wholesalers are the main sales channels of baby and feminine hygiene products in the emerging markets. |
| Distributors | • A distributor refers to a customer who purchases goods from the middle segment of the supply chain and possesses marketing capabilities, professional sales teams, and delivery vehicles to sell products. They are usually equipped with their own distribution vehicles or fleet of vehicles and have independent sales teams as a way to achieve proactive distribution of their products. These distributors are able to follow the manufacturer's guidelines and are responsible for managing and servicing the end-user retail shops within their designated geographic area, ensuring effective product rollout and market coverage. |

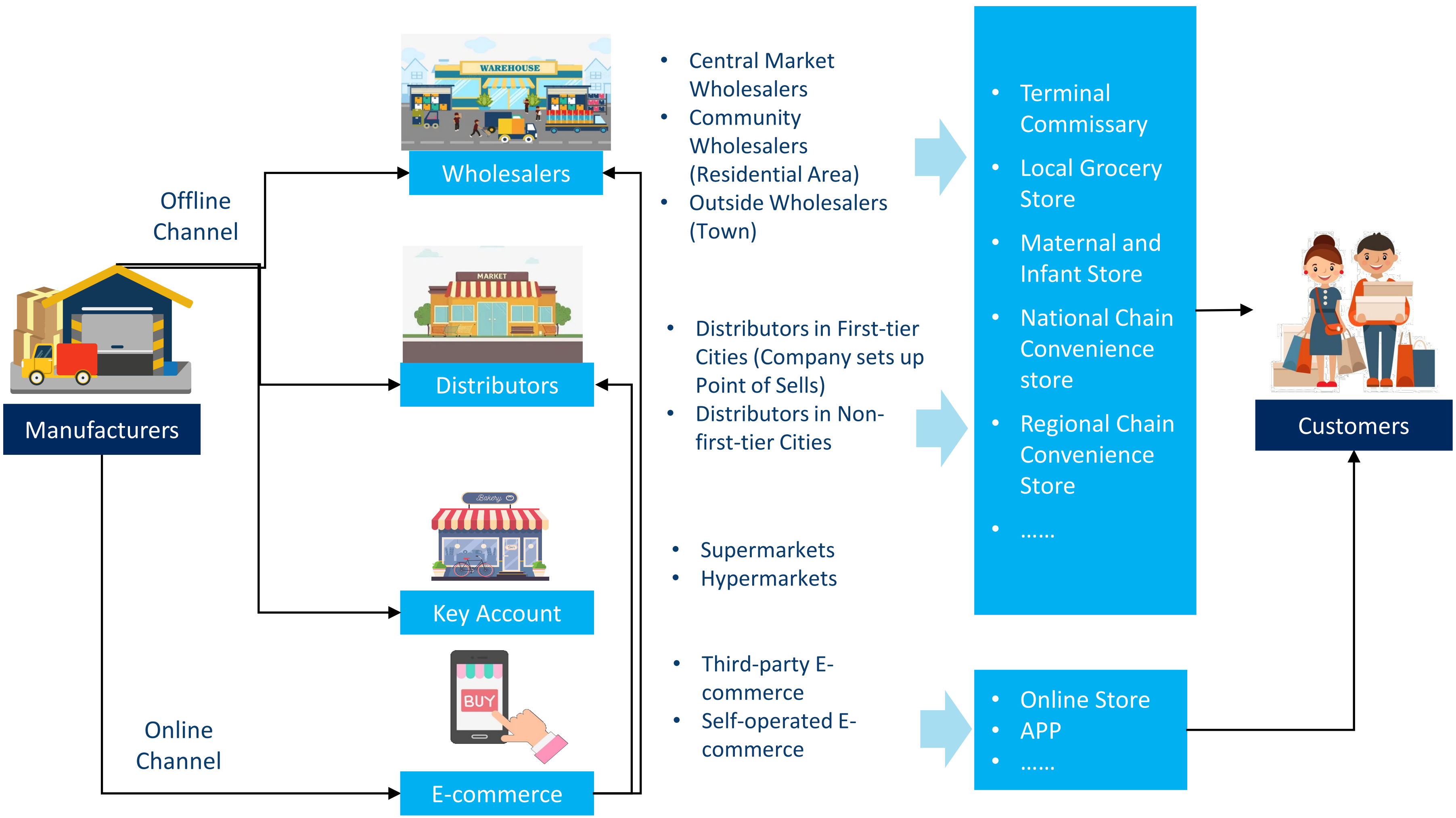
**Wholesalers VS. Distributors**

- Number of staff: Wholesalers usually have fewer staff who mainly focus on procurement and warehousing. Distributors may have more staff including sales, marketing, delivery, and customer service team.
- Warehouse scale: Wholesalers usually have centralized storage and management. Distributors are smaller on scale who will focus more on turnover rate and timeliness.
- Delivery vehicles: Wholesalers usually have large-scale fleet that focus on efficiency and cost, and distributors focus more on flexibility with smaller fleet.
- Financial position: Wholesalers have stable financial position relying on large-scale procurement and sales. While distributors usually have flexible financial position focusing more on market promotion and customer relationships.

| | |
|---|---|
| Key Account: Supermarkets | • Supermarkets or hypermarkets are customers responsible for covering the supermarket channel. They can be the supermarket system itself or channel partners involved in supplying and distributing to supermarket stores. |
| E-commerce | • This category includes third-party e-commerce platforms and brand-owned e-commerce platforms. |
| Other channels | • This category includes direct sales customers such as government procurement direct sales customers and corporate procurement direct sales customers, and other retailer such as drugstore, gas station. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry
## Introduction of Sales Models in Emerging Market Hygiene Industry



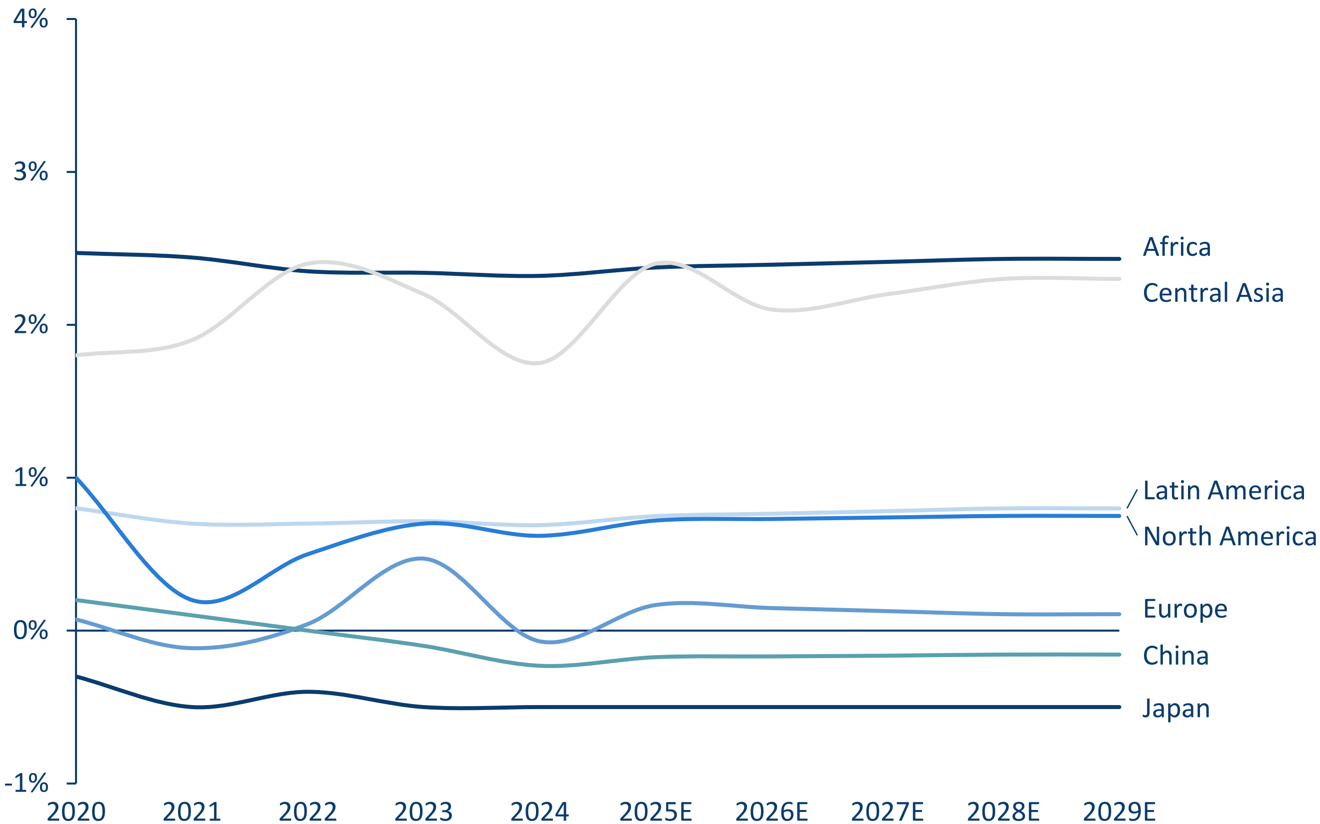

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Population Growth Rate, by Different Regions, 2020-2029E

**Population Growth Rate, by Different Regions**

%, 2020-2029E




**Key Findings**

- The population growth rates of Africa, Latin America, and Central Asia all remained relatively steady from 2020 to 2024, with figures at about 2.3%, 0.7%, and 1.8% respectively, and are expected to maintain this pattern from 2025 to 2029.
- Africa has the highest population growth rates, whereas Japan has the lowest. The main reasons for the population growth in Africa are the high birth rate, improved medical conditions, a young population structure, and the combined effects of social and cultural factors.

*Source: Frost & Sullivan*

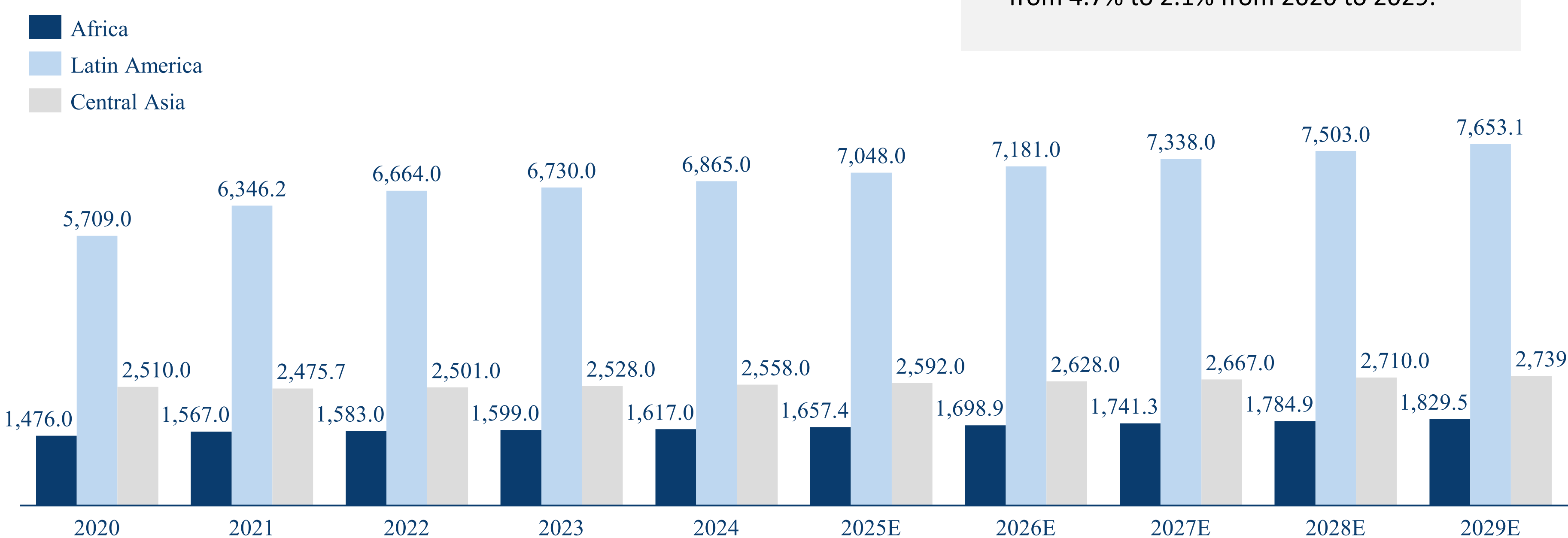
# Overview of Emerging Markets Hygiene Product Industry

## Net Per Capita Income, by Different Regions, 2020-2029E

### Net Per Capita Income, by Different Regions

USD, 2020-2029E

| | CARG 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 2.3% | 2.5% |
| **Latin America** | 4.7% | 2.1% |
| **Central Asia** | 0.5% | 1.4% |




*Source: Frost & Sullivan*

### Key Findings

- Central Asia is set for growth with a projected CAGR of 1.4% from 2025 to 2029, after a slow growth from 2020 to 2024.
- Africa shows steady growth, with net per capita income CAGR increasing from 2.3% to 2.5% between the two periods.
- Latin America expects a decline in CAGR from 4.7% to 2.1% from 2020 to 2029.

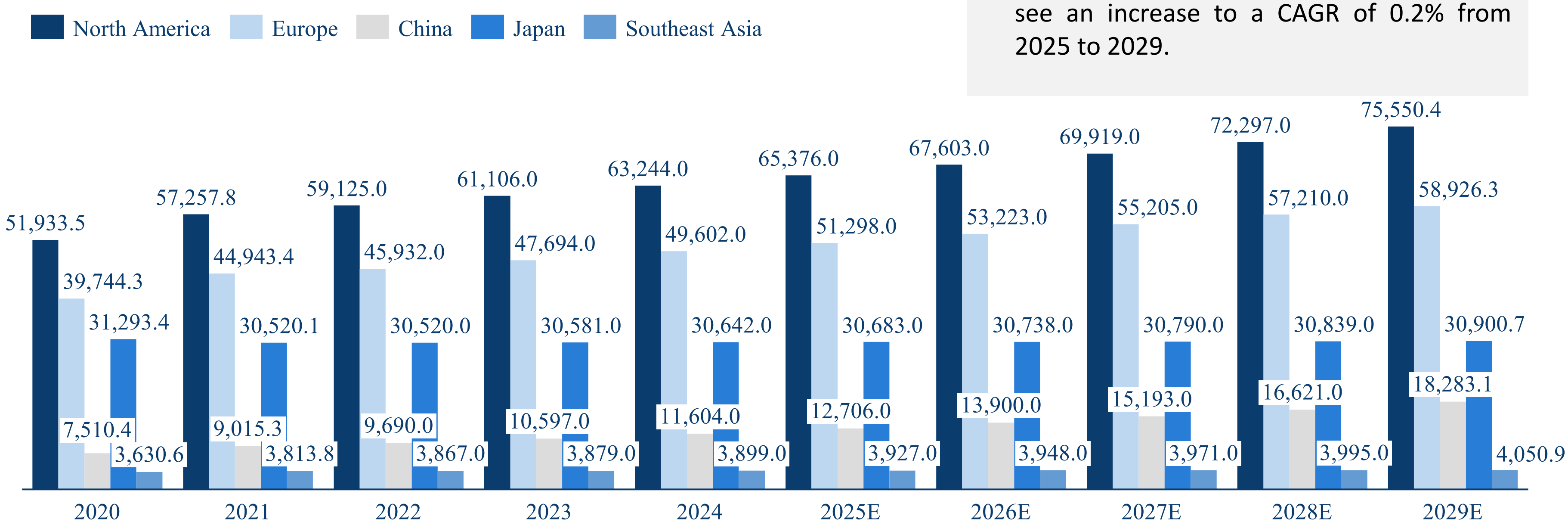
# Overview of Emerging Markets Hygiene Product Industry

## Net Per Capita Income, by Different Regions, 2020-2029E

**Net Per Capita Income, by Different Regions**

USD, 2020-2029E

| | CARG 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **North America** | 5.0% | 3.7% |
| **Europe** | 5.7% | 3.5% |
| **China** | 11.5% | 9.5% |
| **Japan** | -0.5% | 0.2% |
| **Southeast Asia** | 1.8% | 0.8% |




*Source: Frost & Sullivan*

### Key Findings

- North America, Europe and SEA are seeing an acceleration in net per capita income growth, with CAGRs increasing from 5.0%, 5.7% and 1.8% respectively to 3.7%, 3.5% and 0.8%.
- China is expected to maintain strong growth with CAGRs of 11.5% and 9.5%.
- Japan, despite initial decrease, is also set to see an increase to a CAGR of 0.2% from 2025 to 2029.

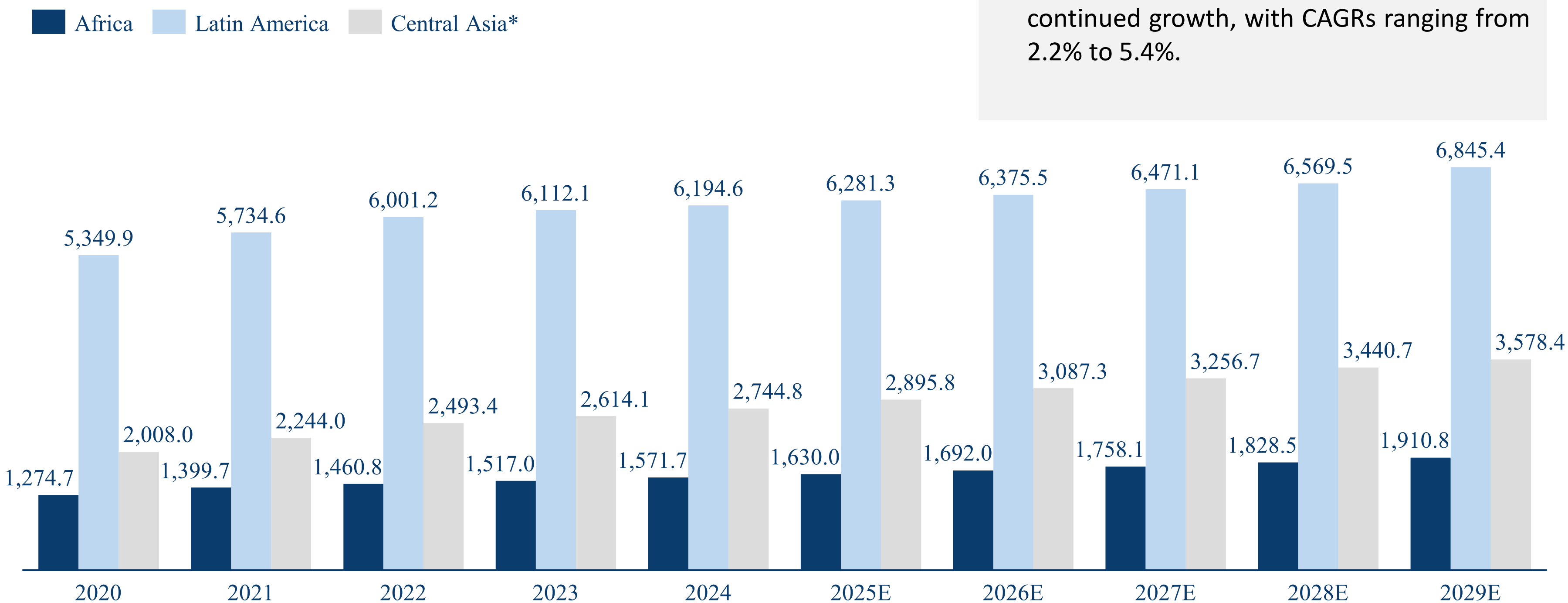
# Overview of Emerging Markets Hygiene Product Industry

## Per Capita Consumption Expenditure, by Different Regions, 2020-2029E

**Per Capita Consumption Expenditure, by Different Regions**

USD, 2020-2029E

| | CARG 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 5.4% | 4.1% |
| **Latin America** | 3.7% | 2.2% |
| **Central Asia** | 8.1% | 5.4% |




*Source: Frost & Sullivan*

### Key Findings

- Latin America has higher levels of per capita disposable income, whereas Africa and Central Asia are at a lower level.
- From 2025 to 2029, the figures for these three regions are projected to show continued growth, with CAGRs ranging from 2.2% to 5.4%.

*Including Tajikistan, Kazakhstan, Kyrgyzstan and Uzbekistan

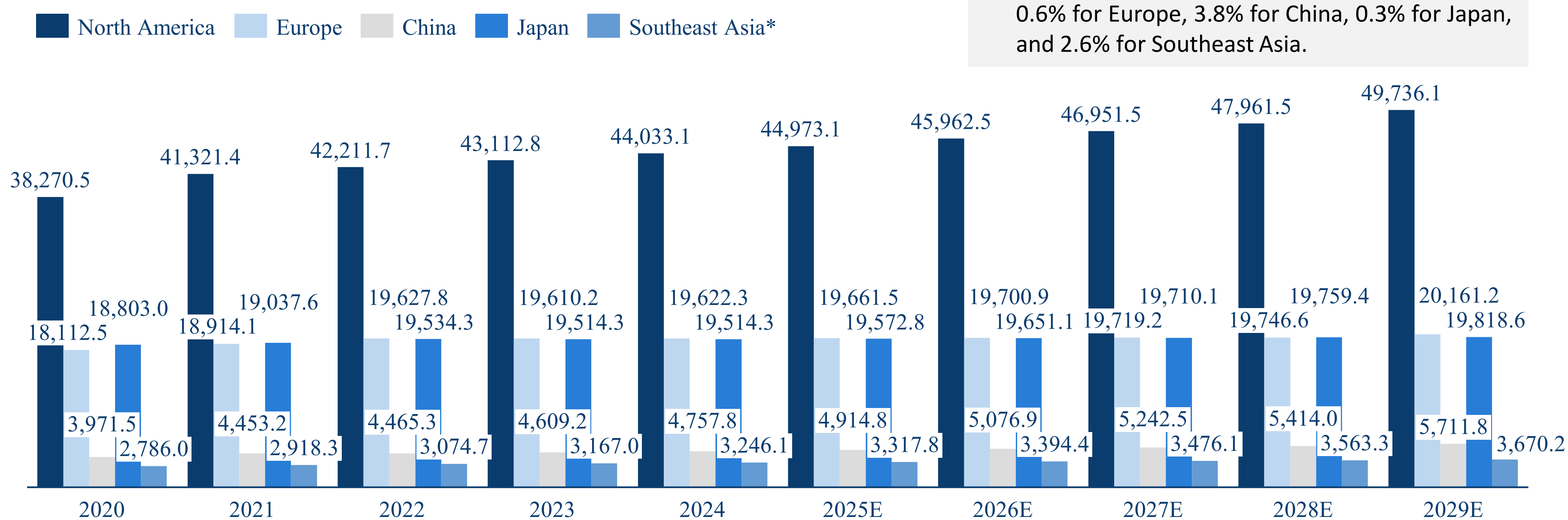
# Overview of Emerging Markets Hygiene Product Industry

## Per Capita Consumption Expenditure, by Different Regions, 2020-2029E

### Per Capita Consumption Expenditure, by Different Regions

USD, 2020-2029E

| | CARG 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **North America** | 3.6% | 2.5% |
| **Europe** | 2.0% | 0.6% |
| **China** | 4.6% | 3.8% |
| **Japan** | 0.9% | 0.3% |
| **Southeast Asia** | 3.9% | 2.6% |




*Source: Frost & Sullivan*

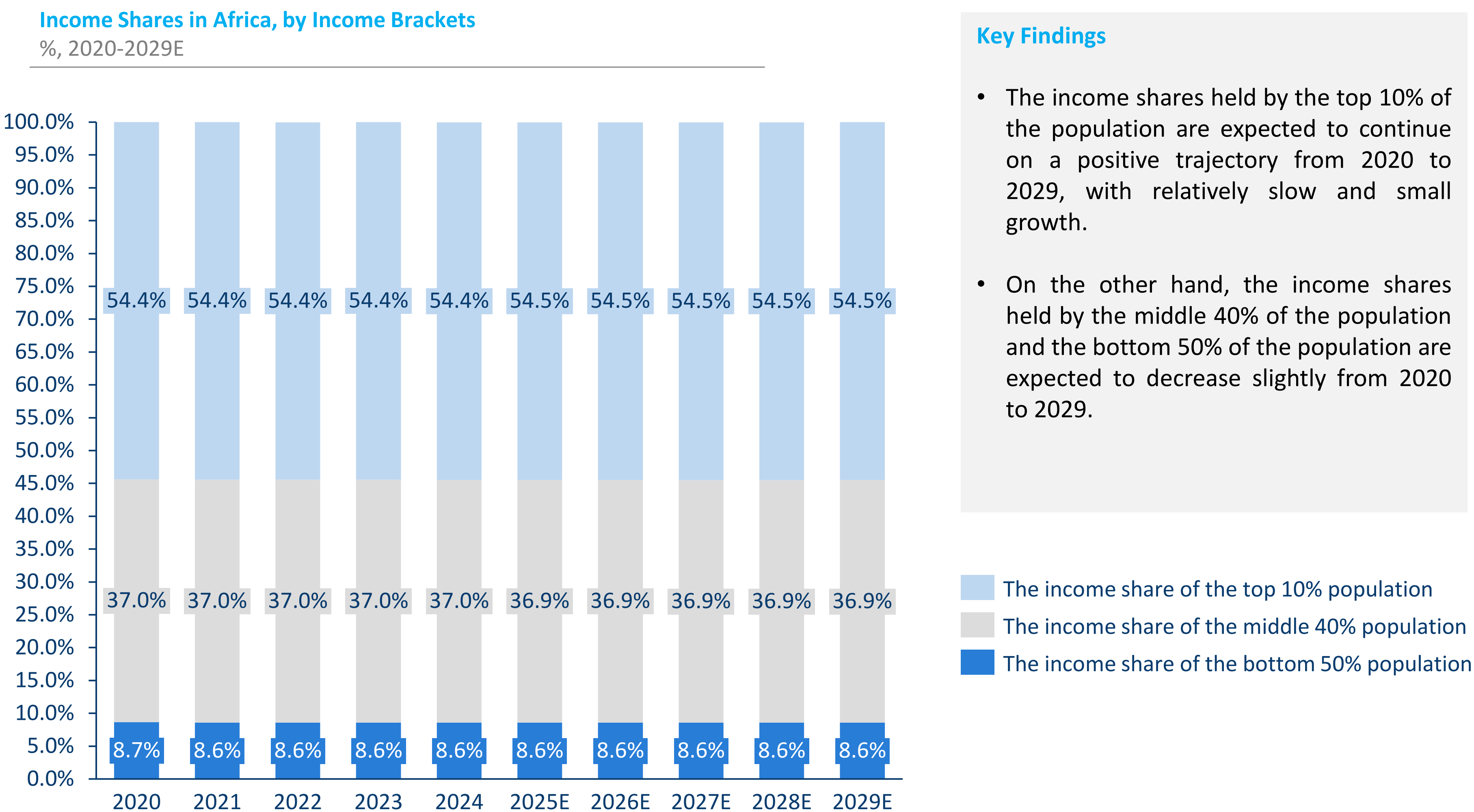
### Key Findings

- From 2020 to 2024, Europe and Japan experienced slower arising trends, with CAGRs of 2.0% and 0.9%, while North America, China and SEA exhibited growth, with CAGRs of 3.6%, 4.6%, and 3.9% respectively.
- From 2025 to 2029, the figures for North America, Europe, China, Japan, and Southeast Asia are projected to show growth. The projected CAGRs are 2.5% for North America, 0.6% for Europe, 3.8% for China, 0.3% for Japan, and 2.6% for Southeast Asia.

*Including Cambodia, Brunei, Singapore, Vietnam, Thailand, Philippines, Malaysia and Indonesia

# Overview of Emerging Markets Hygiene Product Industry

## Income Shares Held by Different Income Brackets in Different Regions, 2020-2029E




**Key Findings**

- The income shares held by the top 10% of the population are expected to continue on a positive trajectory from 2020 to 2029, with relatively slow and small growth.
- On the other hand, the income shares held by the middle 40% of the population and the bottom 50% of the population are expected to decrease slightly from 2020 to 2029.

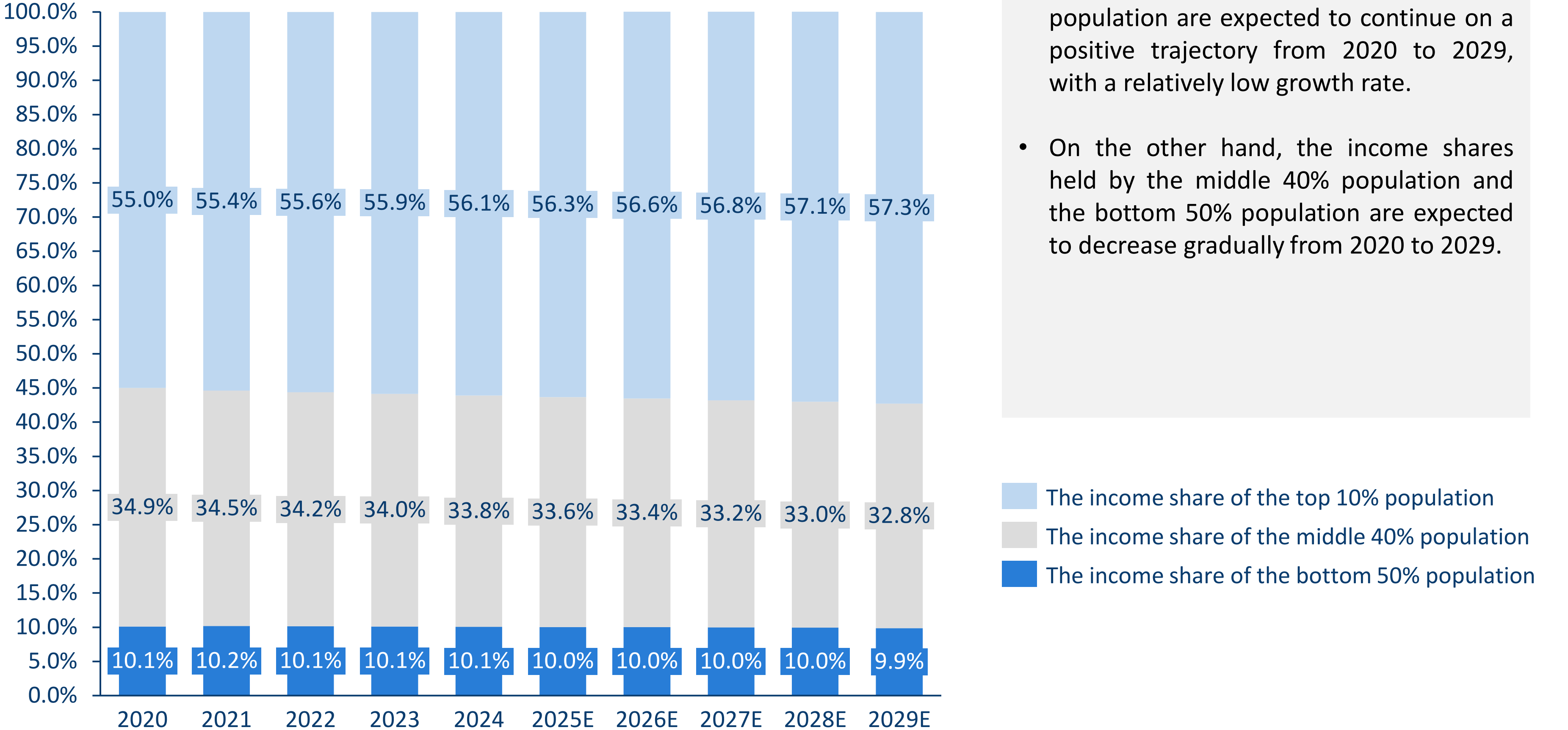
*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Income Shares Held by Different Income Brackets in Different Regions, 2020-2029E

**Income Shares in Latin America, by Income Brackets**

%, 2020-2029E




**Key Findings**

- The income shares held by the top 10% population are expected to continue on a positive trajectory from 2020 to 2029, with a relatively low growth rate.
- On the other hand, the income shares held by the middle 40% population and the bottom 50% population are expected to decrease gradually from 2020 to 2029.

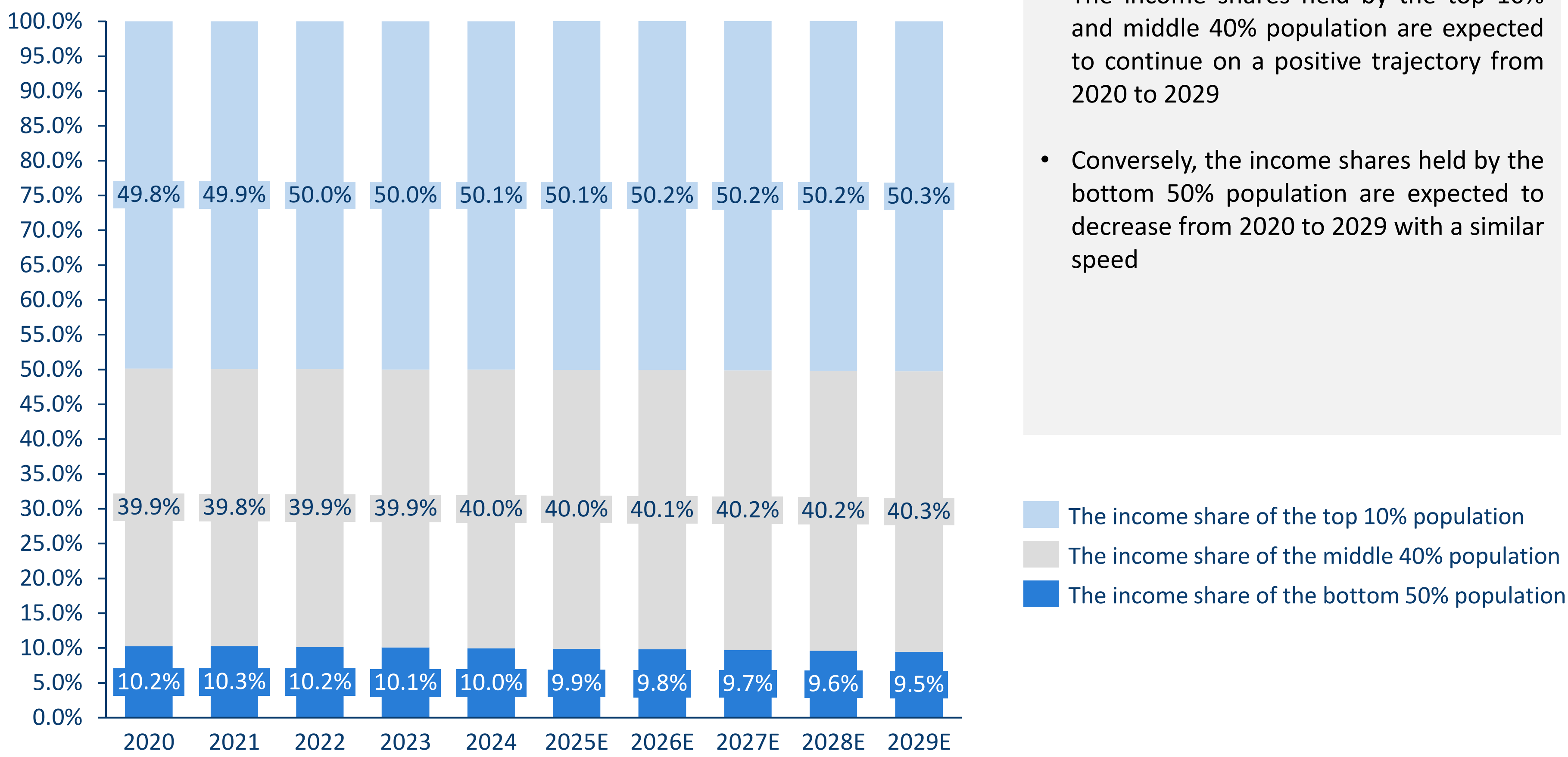
*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Income Shares Held by Different Income Brackets in Different Regions, 2020-2029E

**Income Shares in Central Asia, by Income Brackets**

%, 2020-2029E



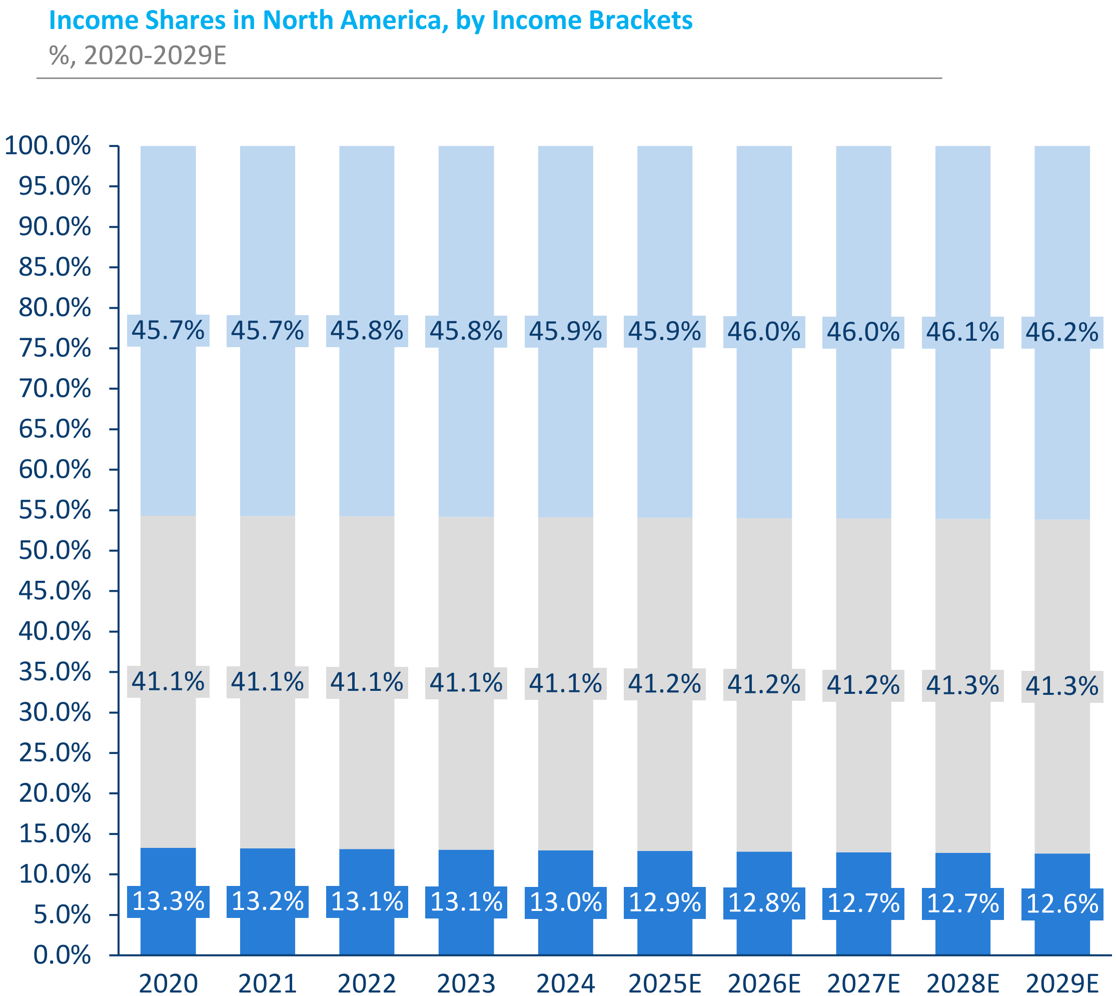

**Key Findings**

- The income shares held by the top 10% and middle 40% population are expected to continue on a positive trajectory from 2020 to 2029
- Conversely, the income shares held by the bottom 50% population are expected to decrease from 2020 to 2029 with a similar speed

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Income Shares Held by Different Income Brackets in Different Regions, 2020-2029E



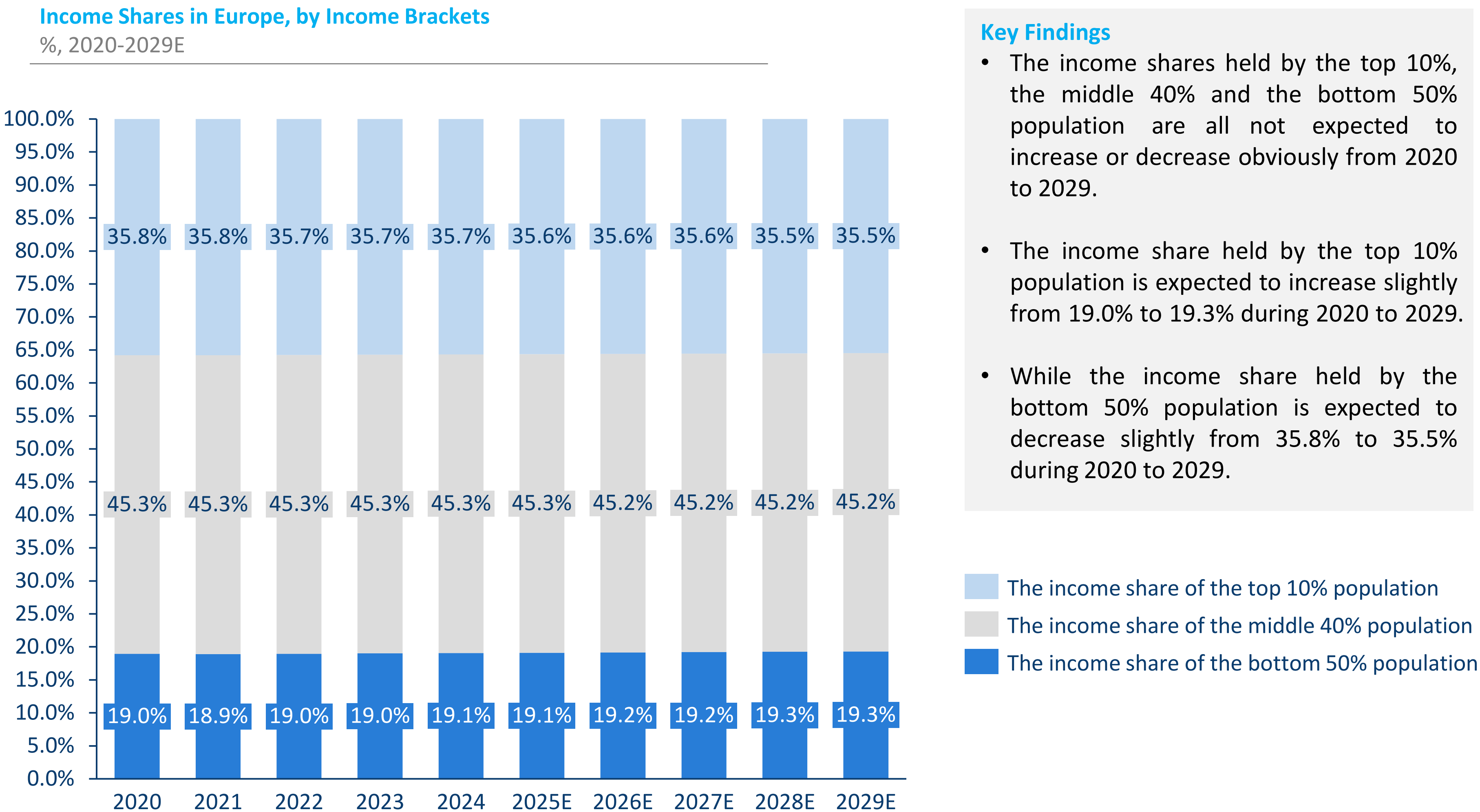

### Key Findings

- The top 10% of the population takes the largest share of income, amounting to nearly half of the income in North America, while the bottom 50% of the population takes the smallest share.
- The income shares held by the top 10% and middle 40% population are expected to continue on a positive trajectory from 2020 to 2029. Conversely, the income shares held by the bottom 50% population are expected to decrease from 2020 to 2029 with a similar speed.

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Income Shares Held by Different Income Brackets in Different Regions, 2020-2029E




**Key Findings**

- The income shares held by the top 10%, the middle 40% and the bottom 50% population are all not expected to increase or decrease obviously from 2020 to 2029.
- The income share held by the top 10% population is expected to increase slightly from 19.0% to 19.3% during 2020 to 2029.
- While the income share held by the bottom 50% population is expected to decrease slightly from 35.8% to 35.5% during 2020 to 2029.

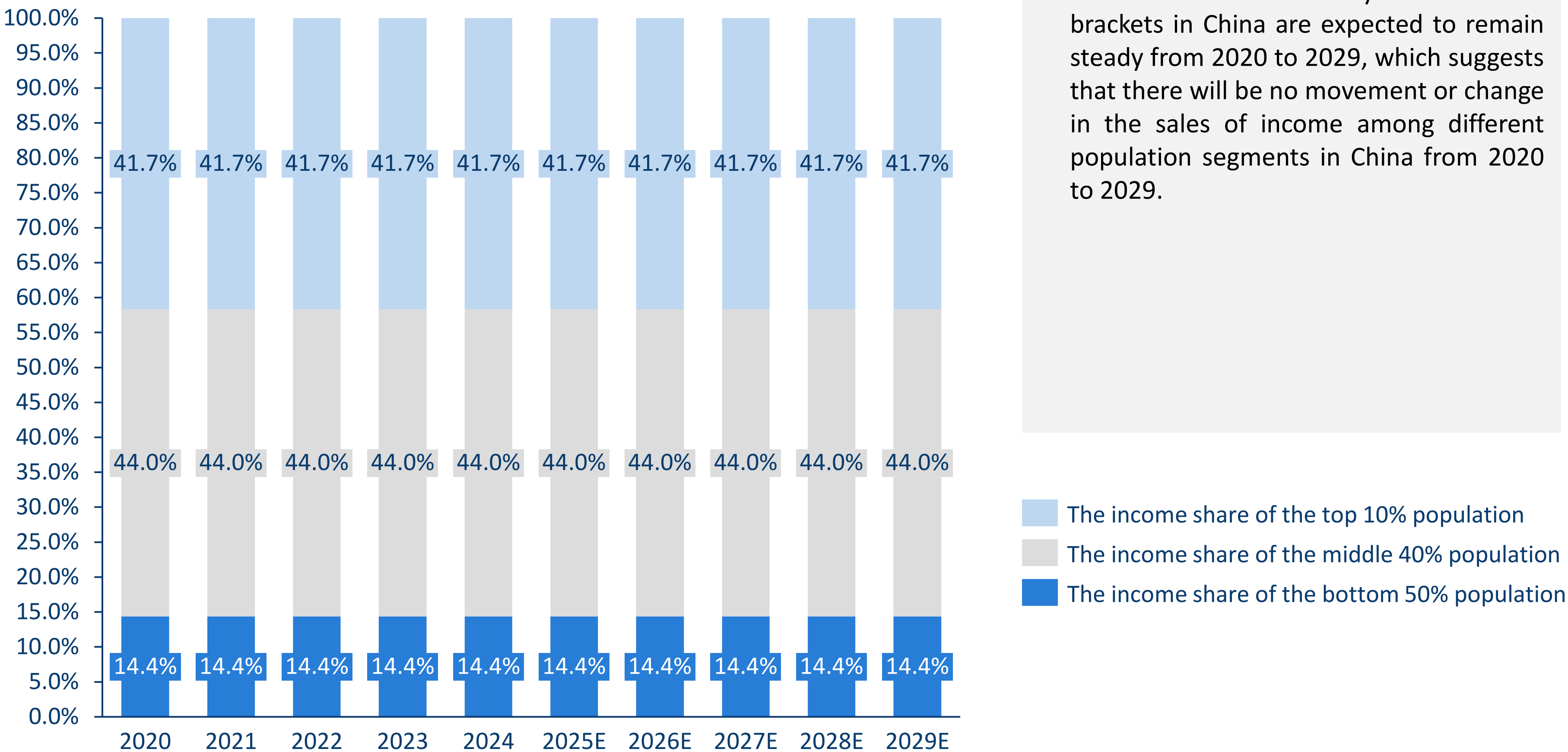
*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Income Shares Held by Different Income Brackets in Different Regions, 2020-2029E

**Income Shares in China, by Income Brackets**

%, 2020-2029E




**Key Findings**

- The income shares held by all the income brackets in China are expected to remain steady from 2020 to 2029, which suggests that there will be no movement or change in the sales of income among different population segments in China from 2020 to 2029.

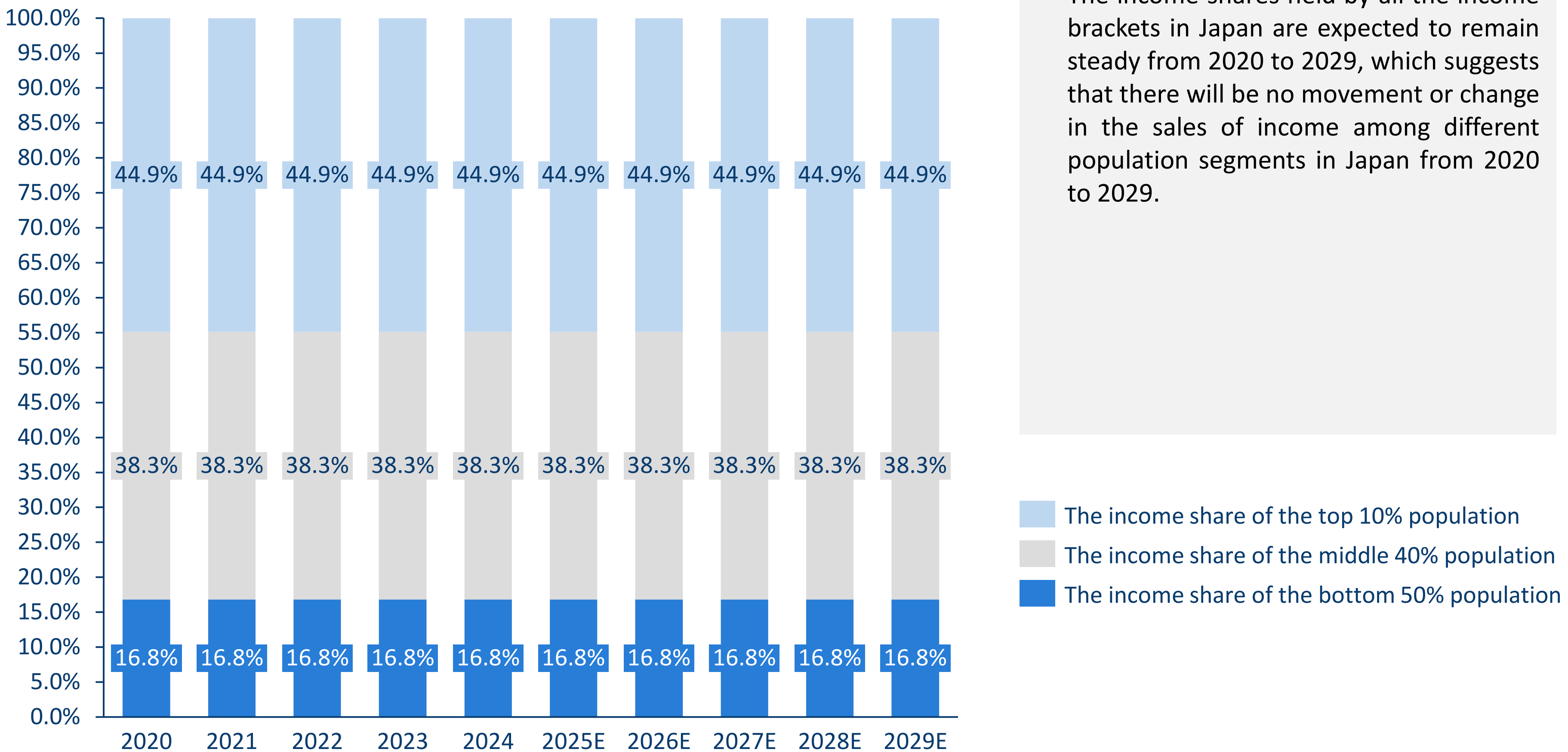
*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Income Shares Held by Different Income Brackets in Different Regions, 2020-2029E

**Income Shares in Japan, by Income Brackets**

%, 2020-2029E



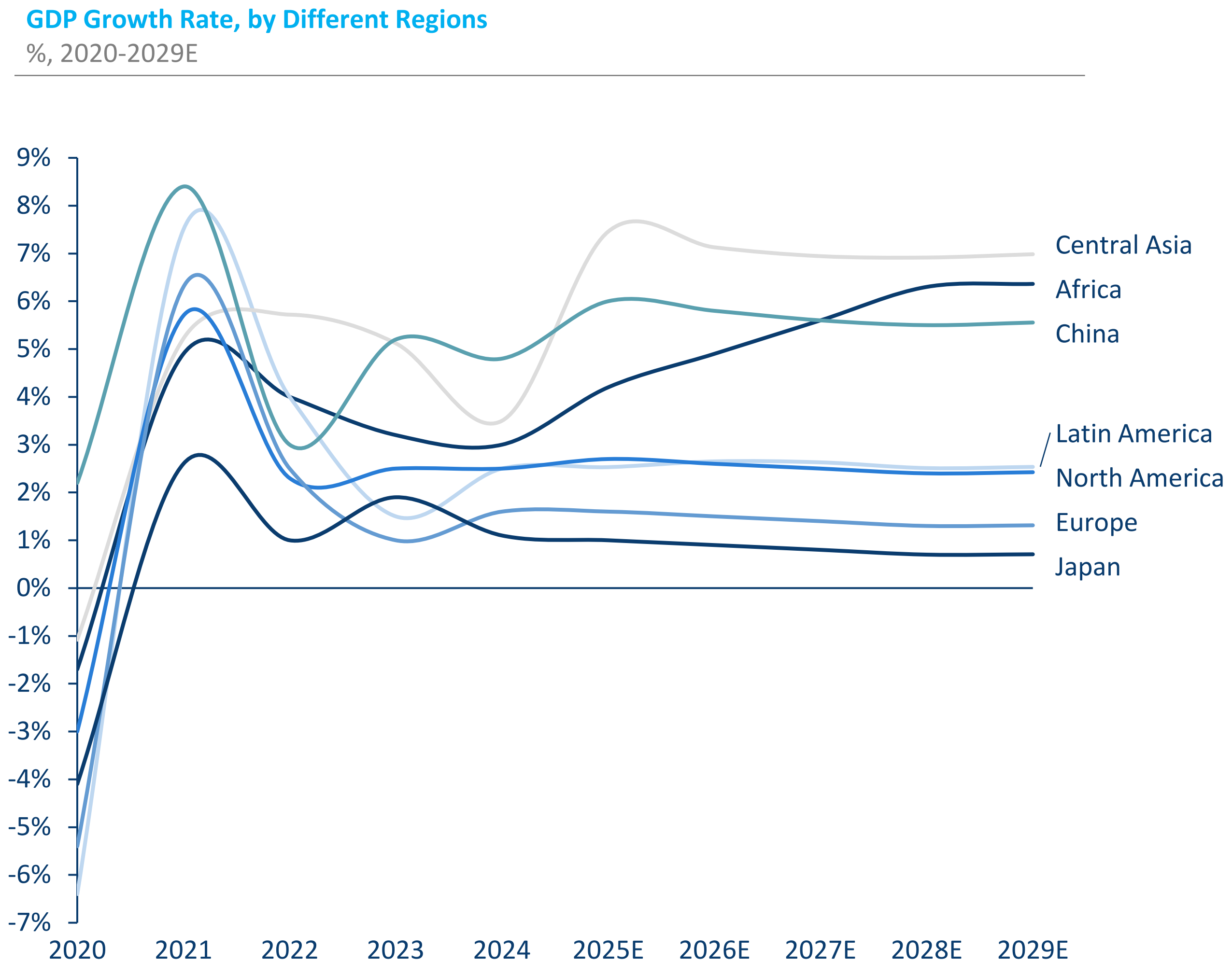

**Key Findings**

- The income shares held by all the income brackets in Japan are expected to remain steady from 2020 to 2029, which suggests that there will be no movement or change in the sales of income among different population segments in Japan from 2020 to 2029.

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## GDP Growth Rate, by Different Regions, 2020-2029E




### Key Findings

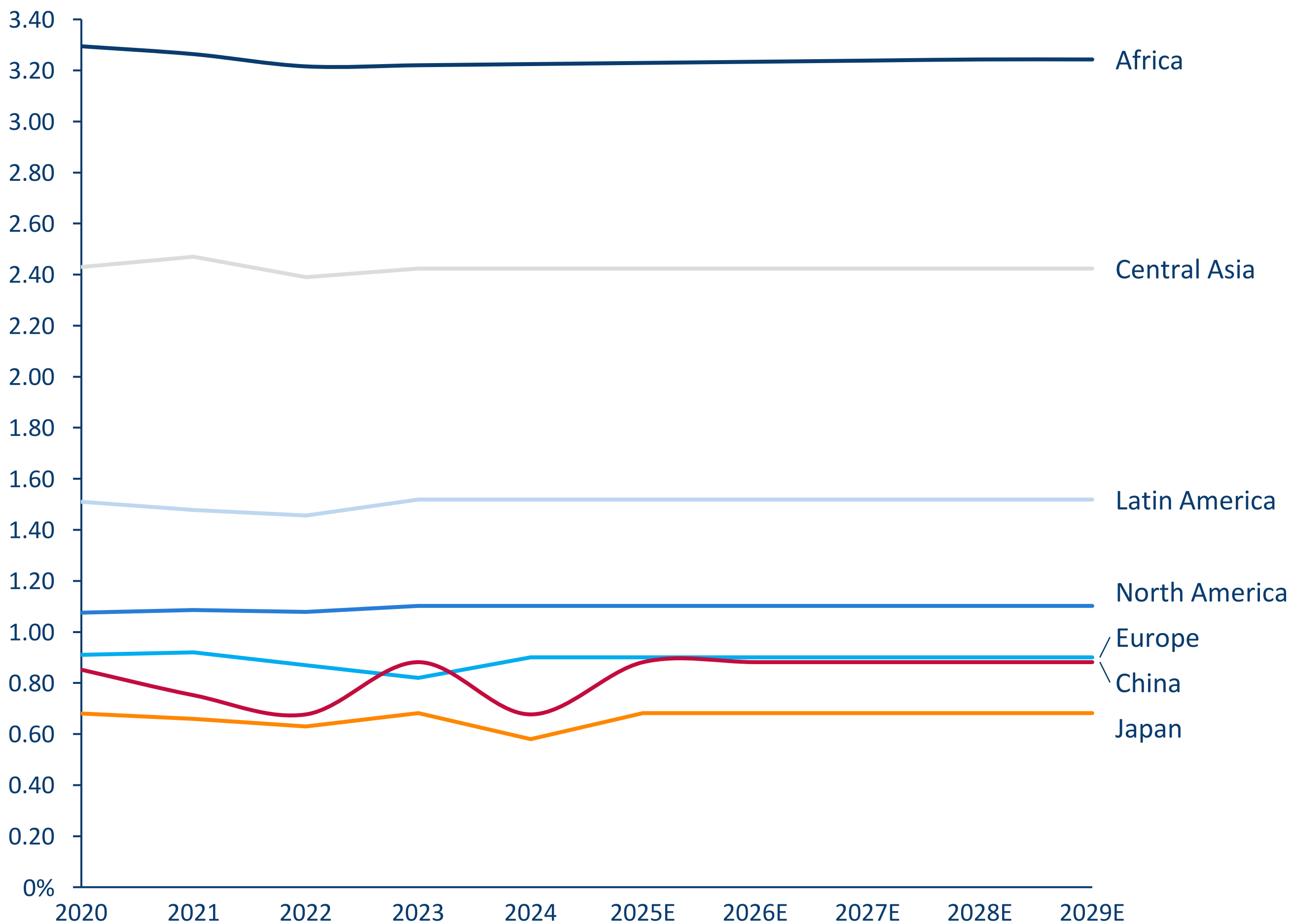
- From 2020 to 2024, the GDP growth rates of all regions fluctuated in similar patterns, ranging from -6.5% to 8.5%.
- In the subsequent period from 2025 to 2029, the GDP growth rates of all regions are projected to show growing trends, with figures ranging from 0.5% to 7%.
- It is noted that following 2020, the GDP growth rates for all regions experienced a significant increase, with most reaching their peak levels during this period.

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Birth Rate in Emerging Markets and Other Markets, 2020-2029E

**Birth Rate in Emerging Markets and Other Markets**
**(Africa, Latin America, Central Asia, North America, Europe, China, Japan)**
%, 2020-2029E




### Key Findings

- From 2020 to 2024, most regions experienced a decline in birth rates. China, Europe and Japan saw the most significant decreases and North America have experienced less pronounced declines. In contrast, Africa, Central Asia and Latin America are the regions that managed to maintain slight growth during the same period.
- Looking ahead, the birth rate forecasts paint a more stabilized picture. While Europe is projected to see a moderate recovery, most other regions are expected to remain relatively flat.

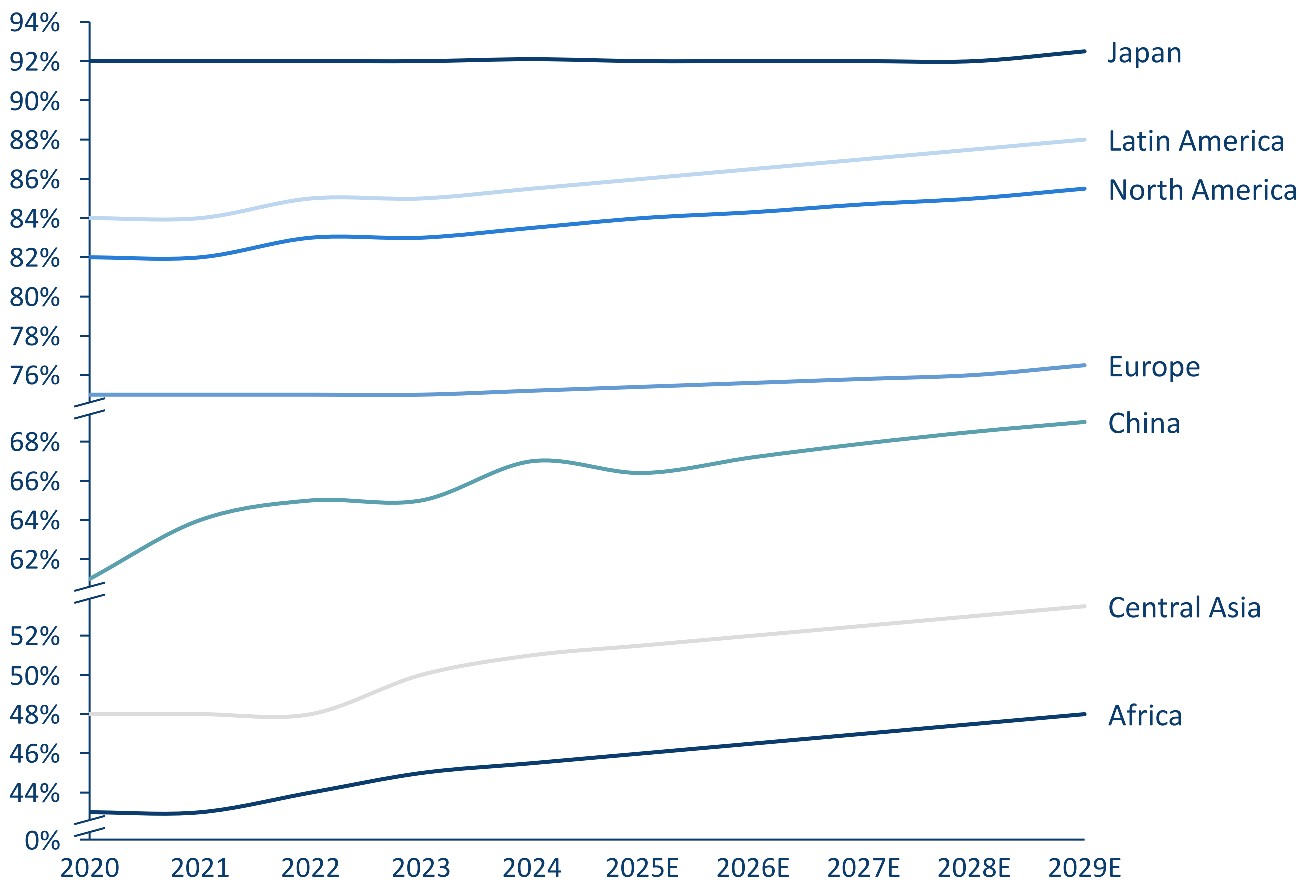
*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Urbanization Rate, by Different Regions, 2020-2029E

**Urbanization Rate, by Different Regions**

%, 2020-2029E




**Key Findings**

- Japan has the highest urbanization rates, whereas Africa has the lowest.
- The urbanization rates of Japan have remained unchanged from 2020 to 2024,
- Meanwhile, the urbanization rates of the other six regions all showed growing trends from 2020 to 2024. Emerging markets, in particular, have seen a significant increase in its urbanization rate, which is expected to continue to accelerate in emerging markets after 2025.

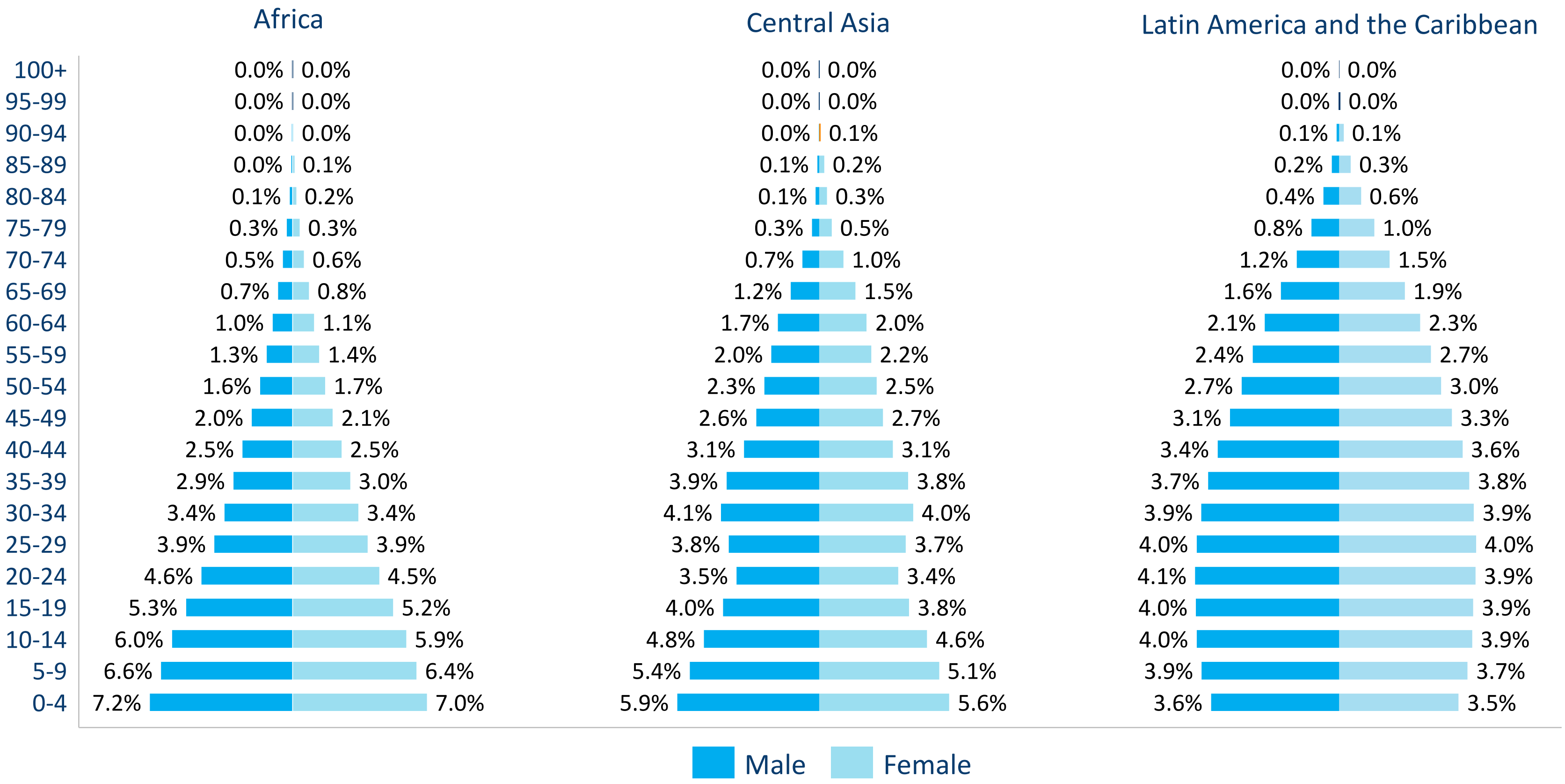
*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Demographics of Africa, Central Asia and Latin America, 2024

**Demographics of Africa, Central Asia and Latin America**

%, 2024



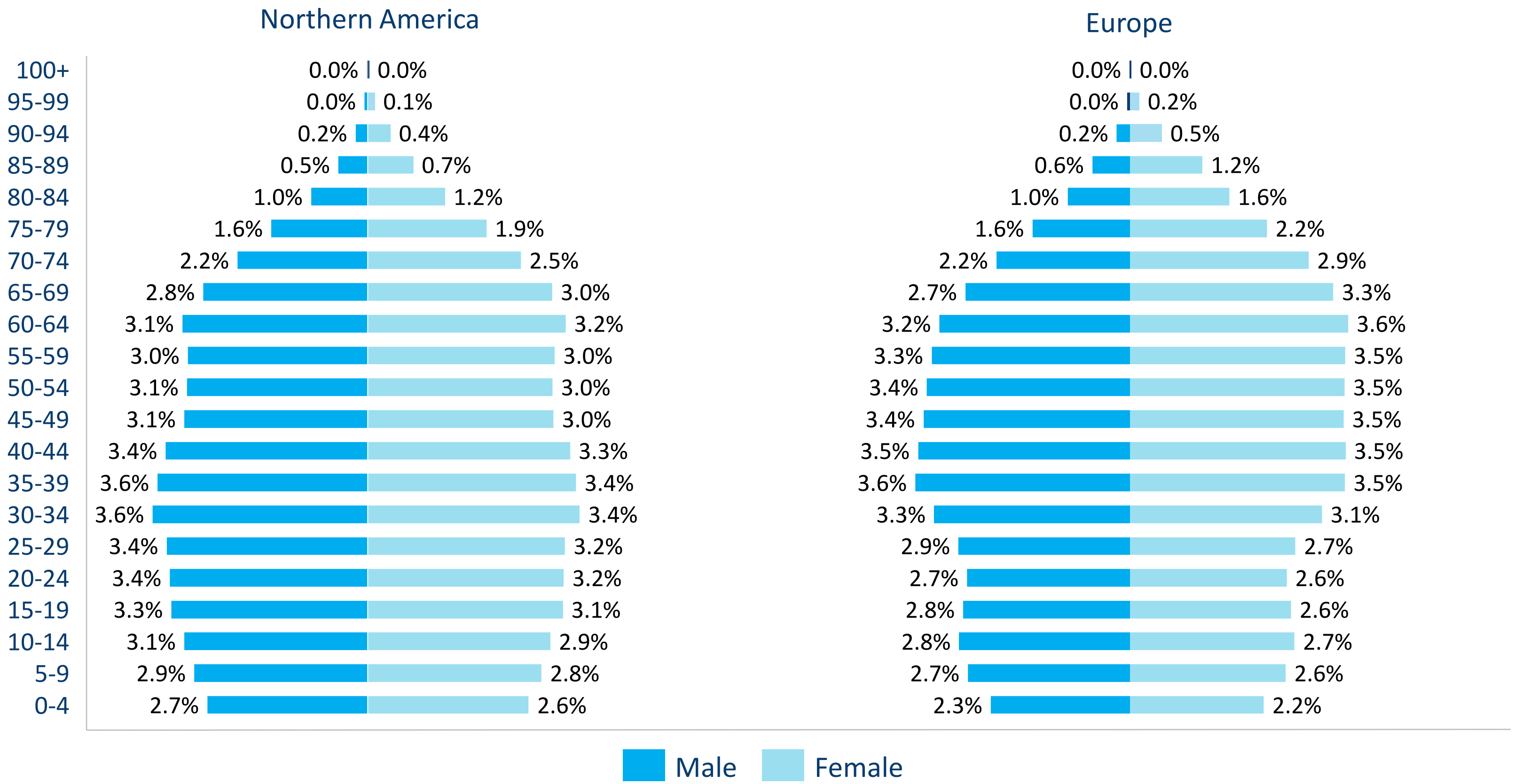

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Demographics of North America and Europe, 2024

**Demographics of North America and Europe**

%, 2024



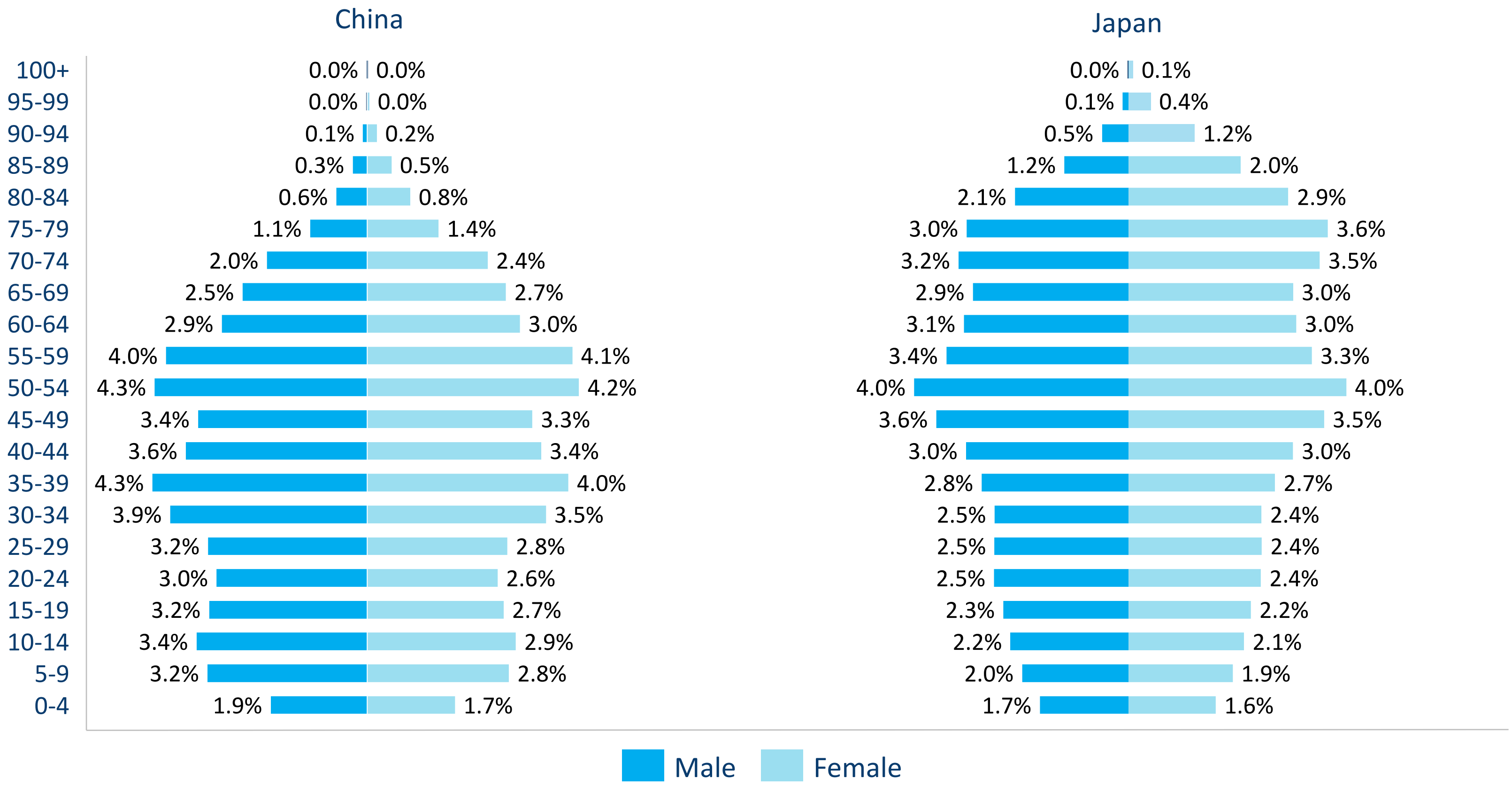

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Demographics of China and Japan, 2024

**Demographics of China and Japan**

%, 2024



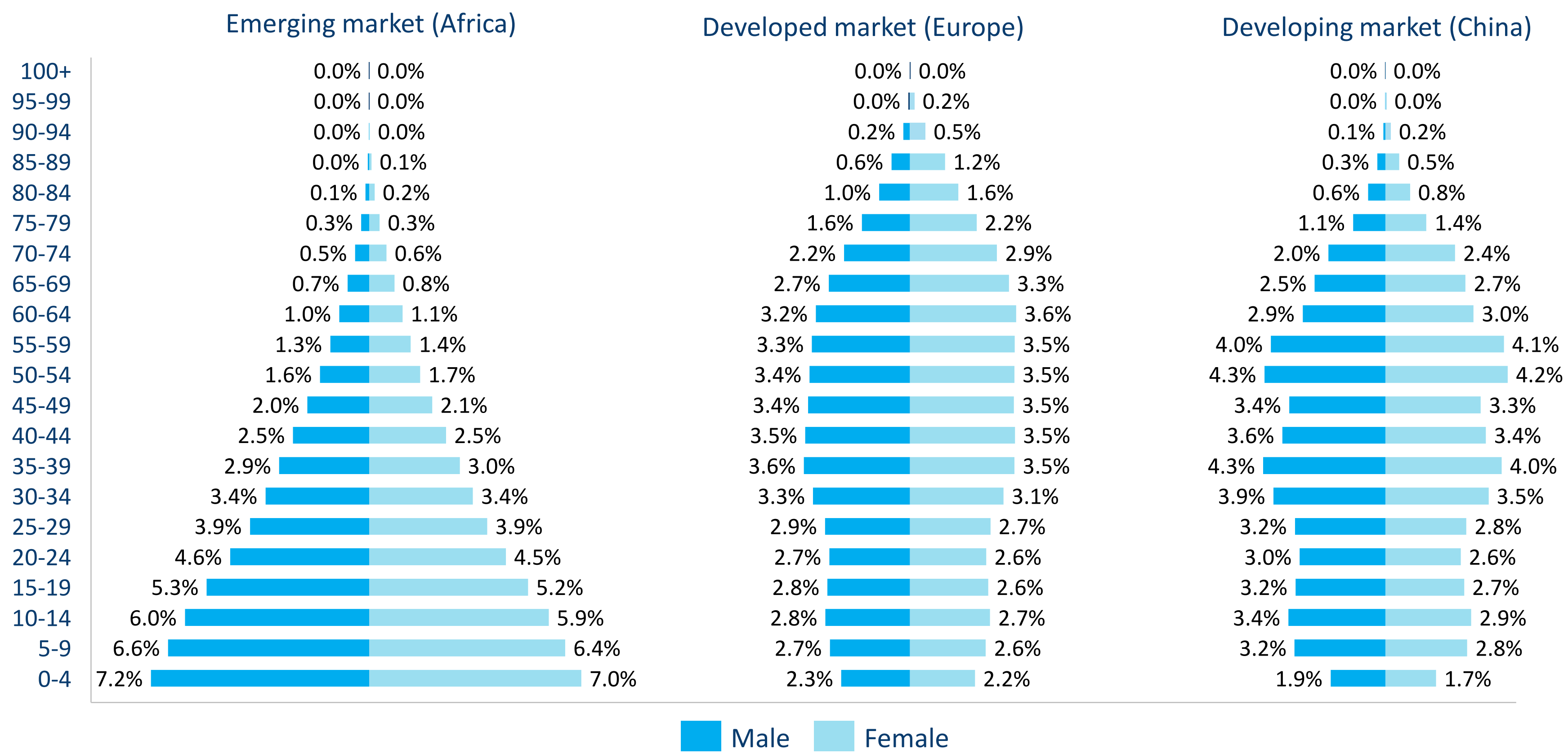

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Demographics of Africa, Europe and China, 2024

**Demographics of Africa, Europe and China**

%, 2024




*Source: Frost & Sullivan*

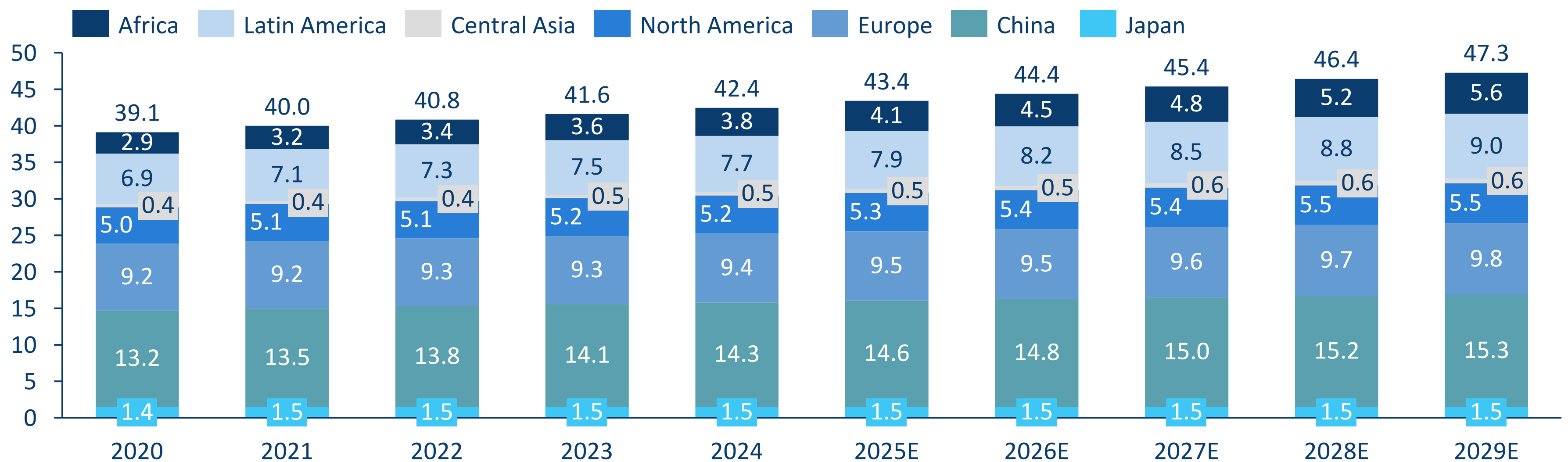
# Overview of Emerging Markets Hygiene Product Industry

## Market Size of Baby Diapers and Baby Pants, Sanitary Pads , by Different Regions, 2020-2029E

**Market Size of Baby Diapers and Baby Pants , Sanitary Pads , by Different Regions**

USD Billion, 2020-2029E

| | CARG 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 6.8% | 7.9% |
| **Latin America** | 2.7% | 3.0% |
| **Central Asia** | 4.5% | 4.8% |
| **North America** | 1.2% | 1.0% |
| **Europe** | 0.7% | 0.8% |
| **China** | 2.0% | 1.3% |
| **Japan** | 0.5% | 0.3% |




Note: This market size refers to the terminal consumption market size based on the retail sales.

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*Source: Frost & Sullivan*

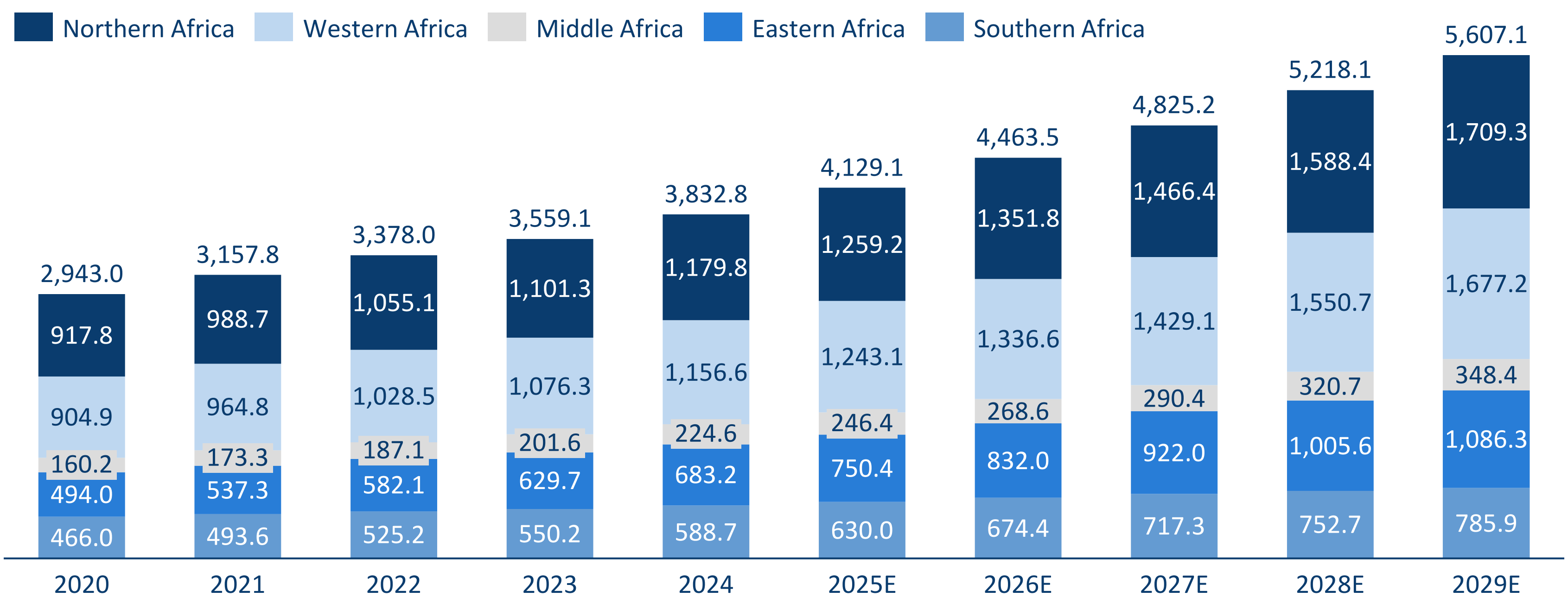
# Overview of Emerging Markets Hygiene Product Industry

## Market Size of Baby Diapers and Baby Pants, Sanitary Pads in Africa, by Different Regions, 2020-2029E

**Market Size of Baby Diapers and Baby Pants, Sanitary Pads in Africa, by Different Regions**

USD Million, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| Northern Africa | 6.5% | 7.9% |
| Western Africa | 6.3% | 7.8% |
| Middle Africa | 8.8% | 9.0% |
| Eastern Africa | 8.4% | 9.7% |
| Southern Africa | 6.0% | 5.7% |




Note: This market size refers to the terminal consumption market size based on the retail sales.

*Source: Frost & Sullivan*

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# Overview of Emerging Markets Hygiene Product Industry

## Emerging Market's Macro Policy Analysis of Africa (1/2)

| Release Date | Issuing Authority | Policy | Content |
|---|---|---|---|
| 2024 | African Development Bank Group | African Economic Outlook 2024 | The theme of the 2024 African Economic Outlook is Driving Africa's Transformation: The Reform of the Global Financial Architecture. The African Economic Outlook 2024 reports a challenging environment with a GDP growth slowdown to 3.1% in 2023 due to factors like geopolitical tensions and climate issues, but forecasts an improvement to 4.3% by 2025. Despite resilience, Africa faces hurdles in achieving sustainable transformation, with economies dependent on low-productivity sectors. Addressing this requires strategic investments in education, technology, and infrastructure, with a financing need of $402 billion annually. The report emphasizes the necessity of reforming global financial systems to support Africa's development through fair and sustainable resource allocation. |
| 2023-12 | European Commission | EU-Kenya Economic Partnership Agreement | Promoting bilateral goods trade, increasing bilateral investment, stimulating sustainable economic growth, and strengthening sustainable trade connections both between two continents and within Africa itself are crucial. The trade agreement with the European Union will allow Kenyan exporters to formulate long-term plans based on duty-free, quota-free access to high-quality export markets. The EU is Kenya's largest export market and its second-largest trading partner. According to EU statistical data, the total bilateral trade volume reached 3.3 billion euros ($3.6 billion) in 2022, marking a 27% increase from 2018. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Emerging Market's Macro Policy Analysis of Africa (2/2)

| Release Date | Issuing Authority | Policy | Content |
|---|---|---|---|
| 2023-08 | Ministry of Foreign Affairs of People's Republic of China | Initiative on Supporting Africa's Industrialization | China is committed to supporting the development of manufacturing, digital industries, and renewable energy in Africa, strengthening knowledge sharing and technology transfer to the continent, optimizing trade facilitation measures, and increasing imports of high-quality industrial products from Africa. There is also a call to accelerate the reform of the global financial system and provide financial support for African industrialization, aiming to create a strong collaborative force to assist Africa's industrial development. |
| 2022-12 | Morrocco House of Representatives and the House of Councillors | Framework Law No. 03-22 on Investment Charter | National development and investment promotion policies are based on the principles of freedom of enterprise, free competition, transparency, equal treatment of investors regardless of nationality, legal certainty, and good governance. The state commits to continuing financial sector reforms and establishing support and protection mechanisms to facilitate access to financing for micro, small, and medium-sized enterprises (MSMEs). Favorable measures will also be taken to assist these companies in accessing public procurement, enhancing production capacity, improving competitiveness, and providing training and support. |
| 2021-12 | The Government of The Republic of Côte d'Ivoire | National Development Plan PND 2021-2025 | The overall goal of the plan is to achieve an average annual economic growth rate of 7% from 2021 to 2025 and to position Côte d'Ivoire among the leading middle-income countries by 2030. The total investment cost of the plan is approximately $106.2 billion, focusing on six main pillars: achieving economic structural transformation through industrialization and clustering, promoting human resource development and employment, boosting private sector development, strengthening national unity and social action, promoting balanced regional development, and protecting the environment and addressing climate change. |

# Overview of Emerging Markets Hygiene Product Industry

## Emerging Market's Macro Policy Analysis in Central Asia (1/2)

| Release Date | Issuing Authority | Policy | Content |
|---|---|---|---|
| 2024-02 | The Government of the Republic of Uzbekistan | Strategy Uzbekistan 2030 | Reduce the level of poverty in the country, aiming to reach a GDP of $160 billion and a per capita income of $4,000. Fund professional training for citizens through state resources, cultivating their skills and qualifications to use modern equipment and technology. Strengthen support systems for women, protect women's legal rights, increase women's participation in social, economic, and political activities, and ensure gender equality. Continue to implement coordinated structural reforms in monetary, fiscal, and foreign trade policies to improve the competitive environment of goods and services markets, ensuring that the annual inflation rate is controlled at 5% to 6% by 2030. Persistently advance economic transformation and institutional reforms to ensure a favorable domestic investment and business environment, as well as implement a balanced monetary policy. |
| 2021-10 | Asian Development Bank and CAREC | Middle Asia CAREC Digital Strategy 2030 | Adopting digital solutions and introducing efficient production management methods can enhance agricultural output, improve value chains, and agricultural trade, thus aiding in addressing food security issues and increasing income in rural areas. A systematic proposal for promoting digital technology in the region has been put forward to drive economic growth and human development. Digital platforms offer opportunities for economic growth to vulnerable groups, including women, youth, and the elderly. Digitalization provides interconnected solutions for the warehousing, transportation, and delivery of goods based on regional and global supply chains. The adoption of cross-border electronic logistics platforms facilitates the sharing of paperless information. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Emerging Market's Macro Policy Analysis in Central Asia (2/2)

| Release Date | Issuing Authority | Policy | Content |
|---|---|---|---|
| 2021-10 | Tajikistan Ministry of Economic Development and Trade | Medium-term Development Program of the Republic of Tajikistan for 2021-2025 | The highest goal of the long-term development of Tajikistan is improving the standard of living of the population of the country based on sustainable economic development. Particular attention shall be paid to the development of green and digital economy, construction of hydroelectric power plants of various capacities, generation of electricity from other renewable energy sources (solar and wind) in high-mountainous and favorable areas. |
| 2021-03 | Kazakhstan Ministry of National Economy in conjunction with the Agency for Strategic Planning and Reforms | National Development Plan of the Country until 2025 | Document reflects a strategic vision for the development of the most important industries, guidelines for improving key policies aimed at leveling the consequences of the coronavirus crisis and ensuring sustainable, inclusive and high-quality economic development in the context of the new economic reality and current global trends. National Priorities (NPS) represent 10 specific objectives in three key areas: citizen well-being, quality of institutions, and building a strong economy. By 2025, the goals are to increase the GDP growth rate to 5%, raise the proportion of small and medium-sized enterprises (SMEs) in GDP to 35%, increase the share of fixed asset investment in GDP to 30%, double the export value of non-raw material products to $41 billion, and increase labor productivity by 45%. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Emerging Market’s Macro Policy Analysis of Latin America (1/2)

| Release Date | Issuing Authority | Policy | Content |
| --- | --- | --- | --- |
| 2024-01 | General Administration of Customs of the People's Republic of China | Arrangement between the Government of the People's Republic of China and the Government of the Republic of Nicaragua on Early Harvest of the Free Trade Agreement | Expand the network of global high-standard free trade areas, which benefits the continuous release of dividends from the resumption of diplomatic ties, stimulates the potential for bilateral trade and investment cooperation, and enhances the quality and level of economic and trade cooperation. In the reduction of tariffs on goods trade, the overall proportion of products with zero tariffs exceeds 95%, with about 60% receiving immediate zero tariff. Specifically, China implements zero tariffs comprehensively covering major Nicaraguan export products, such as beef, shrimp, coffee, etc., with tariffs gradually reduced to zero. Tariffs on Chinese-made cars, motorcycles, and other products entering the Nicaraguan market will also be eliminated. Goods that meet the specified rules of origin can apply the agreement tariff rates, including products that are wholly obtained or produced, or products made from originating or non-originating materials, provided they comply with specific rules of origin or the regional value content is not less than 40%. |
| 2022 | United Nations Regional Observatory on Planning for Development | Government of Honduras Plan for the Reconstruction of Honduras | Create inclusive employment opportunities for youth and other vulnerable groups, implement economic stimulus models for small and micro enterprises, ensure legal security for social and political stability, reduce currency exchange commissions, and ensure that families benefiting from overseas remittances receive a fairer share of the proceeds. Promote women's economic and social revitalization through insertion and effective participation strategies, foster industrial development in high-potential and high-tech sectors, and coordinate a series of structural reforms with the private sector and civil society organizations to promote foreign direct investment and expand innovative investments. Establish facilities and mechanisms to narrow the distance between direct producers and consumers. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Emerging Market's Macro Policy Analysis of Latin America (2/2)

| Release Date | Issuing Authority | Policy | Content |
|---|---|---|---|
| 2021-10 | Ministry of State of Peru | Supreme Decree No. 164-2021-PCM of the Government of Peru on the general government policy for period 2021-2026 | Promote decent employment and employability, and foster conditions for a vibrant and competitive labor market; encourage the strengthening of regional and local government fiscal management, and promote public and private investment focused on geographic areas. Attract foreign and domestic private investment within a framework that respects the normal functioning of markets and signed treaties and contracts, increase and improve public investment, and implement infrastructure projects under an integrated investment system model. Promote strategic infrastructure development to integrate into international markets through the development of the manufacturing and services sectors, enhancing national competitiveness. Encourage Peruvian businesses and small and medium-sized enterprises to participate in international trade and e-commerce, and enhance the security of the foreign trade logistics chain. |
| 2021 | United Nations Regional Observatory on Planning for Development | National Development Plan: Our Guatemala 2032 | Establishing a regional management model involves formulating public actions, sustainability in rural areas, and the national urban system from social, cultural, economic, political, and environmental perspectives. This approach is aimed at articulating these elements in a balanced and orderly manner, serving as the spatial foundation for national development priorities as defined in the national development plan. It is essential to ensure universal access to comprehensive high-quality services in social protection, healthcare, and education, as well as basic services, secure housing, food access, and resilience, through universal but non-standardized public policy interventions. These interventions recognize the disparities in inequality and the uniqueness of ethnic cultures. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Analysis of Driving Factors for Emerging Market Hygiene Product Industry (1/2)

**Demand Side**

**High Birth Rate**

- Due to the high birth rates in emerging markets, there is a continuous increase in population, which expands the potential consumer base for the hygiene product industry. This directly boosts the demand for essential hygiene items. Additionally, the rise in the newborn population drives the demand for infant-related hygiene products, such as baby diapers, baby wipes, and children's toiletries. With the increase in the consumer base, even if the average consumption level per consumer remains constant, the total sales volume in the market will increase due to population growth.

**Gradual Demographic Rejuvenation**

- Emerging markets typically have a younger population, with a significant proportion of young people who demand hygiene products, driving industry growth. Young consumers pay more attention to health and personal care, and have more diversified needs for hygiene products, which is driving the growth of the segment. Young consumers are usually more willing to try new products and brands, and they are highly sensitive to innovation and trends. This drives hygiene product companies to innovate in product development and marketing strategies.

**Increased Income Levels, Upgraded Consumption of Sanitary Products**

- As the economies of emerging market countries rapidly develop, per capita income levels continue to rise. From an industry development perspective, once per capita income reaches a certain level, consumers' pursuit of quality of life also increases, leading to rapid growth in demand for hygiene products. With higher consumption levels, consumers may also seek personalized and customized products, focus on packaging, and ensure that products meet sustainable and environmentally friendly standards.

# Overview of Emerging Markets Hygiene Product Industry

## Analysis of Driving Factors for Emerging Market Hygiene Product Industry (2/2)

**Demand Side**

| | |
|---|---|
| **Accelerated Urbanization** | • The acceleration of urbanization has led to faster lifestyles and changes in consumption habits, increasing urban residents' demand for hygiene products, especially those that offer convenience and high quality. Urbanization often brings an increase in residents' incomes, inclining consumers towards high-quality, branded hygiene products. Urban consumers emphasize product quality, brand reputation, and safety. This trend highlights the need for companies in the hygiene sector to focus on delivering products that not only meet the practical needs of a fast-paced urban life but also adhere to high standards of quality and safety. |
| **Changing Perceptions of Hygiene Products Usage** | • As education levels rise and health knowledge becomes more widespread, consumers are increasingly focusing on personal hygiene and health products, driving the industry's growth. Hygiene products are now more in demand. Higher education levels make consumers more discerning about the ingredients and manufacturing processes of hygiene products. The rejection of harmful chemicals and preference for natural and organic ingredients have led companies to improve product formulations and introduce more products meeting health standards. This shift underscores the importance of transparency and sustainability in product development. |
| **Enhancing Recognition of Local Brands** | • Local brands need to adjust and optimize their brand image, products and marketing strategies according to the culture, customs, needs and preferences of the local market in order to better adapt to and meet the needs of local consumers and build competitive advantages. As a result, consumers in emerging markets gradually build recognition and trust in local brands, thus increasing the rate of local marketization. |
| **Accelerated Industrialization and Local Manufacturing** | • The acceleration of industrialization and local manufacturing in the hygiene product industry can bolster demand by reducing costs, leading to more competitive pricing. By localizing production, companies can achieve cost efficiency through minimized transportation expenses and import fees. Additionally, the development of robust supply chains through local manufacturing fosters resilience against global disruptions, ensuring consistent product availability and reducing risks associated with external factors. Shorter lead times enable companies to swiftly adapt to market demands, ensuring product availability and responsiveness. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Analysis of Driving Factors for Emerging Market Hygiene Product Industry (1/2)

**Supply Side**

**Continuous Improvement in Product Innovation**

- The application of new technologies and innovative product design can meet new consumer needs, enhance user experience, and drive industry growth. With the development of new materials, materials with high absorption, high permeability and low sensitization are applied to product manufacturing, which improves the user experience of consumers. Advances in biotechnology enable the hygiene industry to develop new effective ingredients, and products developed using these new technologies can promote consumer purchases through effective marketing strategies.

**Advancement of Globalization**

- The advancement of globalization, characterized by the entry of international brands and the expansion of local brands, has spurred market competition and driven overall industry development. The entry of international brands has expanded product choices, catering to diverse consumer needs. Simultaneously, local brands, by understanding the unique needs and preferences of local consumers, offer more tailored products, increasing market diversity. Competing with international brands, local brands are expanding their market reach, advancing towards broader international markets.

**Maturity of Talent Supply**

- Enhanced education systems and talent development have equipped emerging markets with skilled and knowledgeable professionals, meeting the hygiene industry's needs. These talents boost production efficiency and product quality and drive innovation within the industry, crucial for maintaining competitiveness in a dynamic and evolving sector.

# Overview of Emerging Markets Hygiene Product Industry

## Analysis of Driving Factors for Emerging Market Hygiene Product Industry (2/2)

**Supply Side**

**Continued Maturation of Online and Offline Channels**

- The gradual advancement of infrastructure development in emerging market countries, including improvements in transportation and logistics, has facilitated the transportation and sales of hygiene products. This facilitates more convenient product delivery to consumers across different regions. Additionally, the expansion of physical retail stores offers more purchasing options and enhances the shopping experience, further stimulating demand for hygiene products. Currently, Africa's online shopping channels are in their infancy, primarily serving small-scale commercial customers. In contrast, online markets in Central Asia and South America are more mature, yet still lag behind China's development levels. The integration of online and offline channels in these regions drives market growth.

**Maturity of the Global Supply Chain**

- As the global supply chain becomes more refined, industry players in emerging market countries can more effectively integrate global resources, reduce production costs, and increase production efficiency. This enables hygiene product companies to offer high-quality products at more competitive prices, meeting consumer demand for hygiene products. Additionally, the mature global supply chain facilitates international cooperation and exchange, providing emerging market hygiene industries with more opportunities and partnerships.

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Analysis of Entry Barriers for Emerging Market Hygiene Product Industry (1/3)

| Entry Barriers for Emerging Market Hygiene Product Industry | |
|---|---|
| **Production Localization Capacity** | • In emerging markets, populations are relatively dispersed; apart from a few populous countries, most countries have smaller populations, covering large areas with sparse populations. The population is distributed in a grid-like pattern and exhibits high mobility, complicating local business promotion and further hindering product penetration. Additionally, these countries generally have lower average education levels, which may affect the local workforce's ability to manage production. These factors lead to high local operational costs and place high demands on corporate management capabilities. International companies find it challenging to leverage economies of scale and meet consumer needs in a grid-like population scenario. The ability of companies to build local production based on the local population layout and education level is particularly important. |
| **Quality Control Capacity** | • In the hygiene product industry, product quality is one of the key factors that influence brand reputation. Leading brands often establish strict quality control standards and processes that ensure stable and reliable product quality. The primary aspect of quality control is ensuring that raw materials meet production standards, which includes stringent supplier selections and long-term inspection. Secondly, using advanced production technology and equipment also helps control product quality. Stable and reliable product quality can earn consumer trust and enable companies to maintain long-term market competitiveness. |
| **Supply Chain Integration Ability** | • Supply chain globalization enables enterprises to purchase raw materials from lower-cost regions, and in the process enterprises establish cooperation with multiple suppliers to ensure adequate supply of raw materials, which is the key to improving production efficiency and controlling costs. Moreover, global supply chain enables enterprises to flexibly adjust supply chain according to market demand and supply situation, which enhances the resilience of supply chain. Being able to establish a stable raw material supply chain and ensuring high-quality raw material sources is one of the entry barriers in the industry. A well-established supply chain management ensures stable production and timely delivery, which are crucial for building a reputation and customer trust. |
| **Sales Channel Access Complexity** | • Hygiene products, being fast-moving consumer goods (FMCG), are heavily reliant on sales channels for sales. For new entrants aiming to establish themselves in the hygiene products market, the inability to access or leverage local distributor resources presents a significant challenge. Local distributors play a crucial role in the FMCG industry by connecting manufacturers with retailers and ultimately with consumers. They have established networks, relationships, and logistical capabilities that are essential for the successful sales of products. Without access to these local distributor resources, new entrants face obstacles in effectively getting their hygiene products to market. This limitation can impede their ability to compete with established brands that have already established strong relationships with local distributors and built a reliable sales network. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Analysis of Entry Barriers for Emerging Market Hygiene Product Industry (2/3)

| Entry Barriers for Emerging Market Hygiene Product Industry | |
| --- | --- |
| **Digital Management Capacity Barrier** | • Due to intensified market competition, having efficient and high-quality digital management capabilities has become increasingly important. This involves not only investing in advanced software and hardware but also includes training employees who can understand and utilize these technologies. New entrants require significant initial investments to build or purchase digital tools. Moreover, digital management capabilities also mean being able to quickly adapt to market changes, which requires strong data analysis abilities and flexible systems, including but not limited to market trend insights and customer service analysis. Utilizing digital management to monitor market dynamics and consumer behaviors can enable companies to quickly grasp market changes and provide more suitable products, allowing them to be competitive in the market. It requires a large investment of capital and time for new entrants. |
| **Organizational and Managerial Capacity** | • In emerging markets, organizational and management abilities are crucial for ensuring smooth internal operations, including aspects such as production processes, human resources management, and financial management. While ensuring stable production, it is also important to focus on recruitment and staff training to achieve high work efficiency. Moreover, as businesses expand internationally, there is a need to build systems that can adapt to local financial and tax environments, managing foreign exchange and cross-border capital flows. In emerging markets, especially in the context of transnational operations, a brand's cross-cultural management and international business experience are important competencies. New entrants often find it challenging to establish corresponding organizational management structures and form effective management systems in the short term. |
| **Commercialization Integration Capacity** | • In emerging markets, understanding the needs and preferences of local consumers and being able to transform these insights into actual products and market strategies is crucial. The thorough understanding of consumer needs can help companies define product positioning, and timely implement differentiation strategies to stand out in market segments. Establishing brand recognition is an effective marketing strategy and is crucial for gaining consumer trust. Additionally, the market share are highly relevant to mature multi-channel marketing and wise pricing strategy. Therefore, the strong commercial integration capabilities of leading brands in areas such as marketing, channel sales, and pricing strategies are difficult for new industry entrants to achieve in short terms. |
| **Tariff Cost** | • The hygiene product industry may face some challenges related to tariff cost. Tariff barriers could impact newcomers as they might lack the experience and resources to manage relationships with customs and handle issues related to import taxes. Additionally, tariff escalation and tariff quotas could also serve as trade barriers that newcomers may need to confront. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Analysis of Entry Barriers for Emerging Market Hygiene Product Industry (3/3)

| Entry Barriers for Emerging Market Hygiene Product Industry | |
|---|---|
| **Funding Barrier** | • Entering the hygiene product industry in emerging markets requires substantial capital investment, including funds for establishing production sites, marketing, and channel expansion. Setting up production facilities necessitates significant initial investment, including funding for land, factories, production equipment, and logistics systems. Marketing expenses, such as advertising costs, venue costs, and marketing activities also require substantial funding. Additionally, expanding sales networks in various forms further increases investment costs. A lack of sufficient funds and capital can become a primary barrier to entering the industry. |
| **Brand Barrier** | • Brand plays a significant role in the development of the hygiene product industry in emerging markets. Establishing a strong brand image and recognition requires time, labor, and capital investment. Brand building typically involves advertising campaigns and establishing enterprise image. Utilizing multiple channels, including internet media, social media, and traditional media, for brand promotion not only focuses on product marketing but also creates a positive brand image. The competition in the market is relatively intense, and companies with strong brand power are often better able to attract and retain customers. |
| **Policy and Regulation Awareness and Government-Enterprise Relation** | • Emerging markets may have various policy and regulatory restrictions, such as tariffs on imported products, quota limitations, and requirements for product quality. In a dynamically changing political environment, companies need to obtain, understand, and comply with local policies and regulations in real time. At the same time, companies also need to adjust their investment strategies and operational models according to policy changes to avoid disadvantaging effects. For companies, it is crucial to stay updated with local policies and regulations and to establish good communication with local governments. |
| **Capacity to Participate in Industry Standard-Making** | • Industry regulations and related standards in emerging markets often need to evolve towards more standardized and efficient directions. By participating in the formulation of industry rules, businesses can lead the healthy development of the industry and create a more standardized and efficient industry environment. The formulation of industry rules is typically led by large established companies or industry leaders that already have a significant presence in the market. They often leverage their own resources and influence to shape the rules in a way that aligns with their interests and current position. New entrants find it difficult to have a say in the rule-making process, making it challenging for them to better cope with government regulations and maintain a proactive position in market competition. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Future Development Trends in the Emerging Market Hygiene Product Industry (1/2)

### Increasing Market Penetration Rate of Hygiene Products

As the economies of emerging markets grow and the income levels of residents improve, consumers in emerging markets are also becoming more health-conscious and placing greater emphasis on investing in personal hygiene. This awareness is likely to make consumers more inclined to purchase products that would enhance health and life quality, thereby increasing the demand for hygiene products. Additionally, companies can further increase consumer awareness of the importance of hygiene products through effective marketing strategies, enhancing market demand and boosting their penetration rate.

### Expanding Diversity of Hygiene Product Matrix

In recent years, new technologies and manufacturing materials have been utilized in product development to enrich the product lines of hygiene product companies. Simultaneously, the market is trending towards personalized and customized product types. Hygiene product companies may identify different consumer groups based on various characteristics and launch products that meet specific needs, increasing brand reliance. Additionally, product development can also consider local geographical and environmental traits to tailor products that suit local consumers.

### Local Manufacturing Brands Will Become Market Leaders

Local brands often have a deeper understanding of the cultural customs, consumer preferences, and aesthetic standards of local consumers. In terms of brand marketing, local manufacturing brands are more sensitive to changes in the local market. They could launch products that meet the needs and preferences of local consumers based on in-depth marketing research on cultural characteristics and choose appropriate marketing campaigns and advertising methods tailored to local market traits. Additionally, local brands have geographical advantage. By establishing production facilities locally and integrating with a strong supply chain network, they can significantly reduce transportation and logistics costs, shorten delivery times, increase production efficiency, and enhance market competitiveness.

### Increasing Use of Healthy and Natural Ingredients

As consumers increase interest in healthy and natural products, the hygiene industry will increasingly favor the use of natural, organic, and harmless ingredients. This includes plant extracts, natural essences, and non-toxic chemicals. Additionally, product research and development can incorporate local medical and cultural elements, creating distinctive products. This not only adds uniqueness to the products but may also attracts more consumers. This not only adds uniqueness to the products but also attracts more consumers. Companies can seek organic certification for their products, enhancing market competitiveness and building consumer trust.

*Source: Frost & Sullivan*

# Overview of Emerging Markets Hygiene Product Industry

## Future Development Trends in the Emerging Market Hygiene Product Industry (2/2)

### Increasing Diversity of Sales Channels and Channel Flattening

In the hygiene products industry, the future development of sales channels will not only diversify and prioritise online enhancement, but channel flattening will also become an important trend, meaning that reaching end shops more deeply will be key. With the evolution of consumer preferences and the rise of digital shopping behaviours, the traditional model will expand its reach through multiple channels, while the flattening of channels will directly connect to the end shops, reducing intermediate links, improving responsiveness and market sensitivity, enhancing shop service capabilities, strengthening market information feedback, as well as optimising supply chain management. Online platforms will be optimised, and technological advances such as artificial intelligence and big data will continue to improve the online channel experience, including faster delivery, simplified shopping processes and more personalised recommendation services, to meet consumer demand for immediacy, convenience and personalisation, and to jointly promote the transformation and upgrading of sales channels in the sanitary products industry.

### Increasing Use of Eco-Friendly Packaging and Sustainable Product Materials

The growing environmental awareness among consumers will drive companies to use recyclable, biodegradable, or sustainably sourced packaging materials. Reducing the use of plastics and improving the environmental friendliness of packaging will become significant trends in the development of the industry. Consumers will also favor environmentally friendly, biodegradable product materials with sustainability attributes. Companies can also simplify product packaging designs, reducing resource consumption in the production process while catering to the environmental awareness of consumers. Additionally, companies may optimize sustainable practices throughout the supply chain. This includes choosing environmentally certified suppliers and reducing carbon emissions in the logistics process.

### Online Marketing Layout and Localized Marketing

In emerging markets, particularly in Africa, television remains one of the main mediums for information dissemination with extensive coverage. These regions also exhibit high cultural and linguistic diversity. Localized marketing can tailor advertising content to the cultural and linguistic characteristics of different regions, making it more relatable and persuasive. An increasing number of emerging market's sanitary napkin brands are combining online marketing with localized marketing strategies to form a more effective and comprehensive marketing systems. On one hand, online advertising expands brand influence and coverage; on the other hand, localized marketing could enhance brand-consumer connectivity and trust, companies can drive business growth in the rapidly developing emerging markets. Sales through online channels are also gradually increasing. In the future, digital marketing and online sales channels are expected to continue growing, with brands placing greater emphasis on the online customer experience and service.

*Source: Frost & Sullivan*

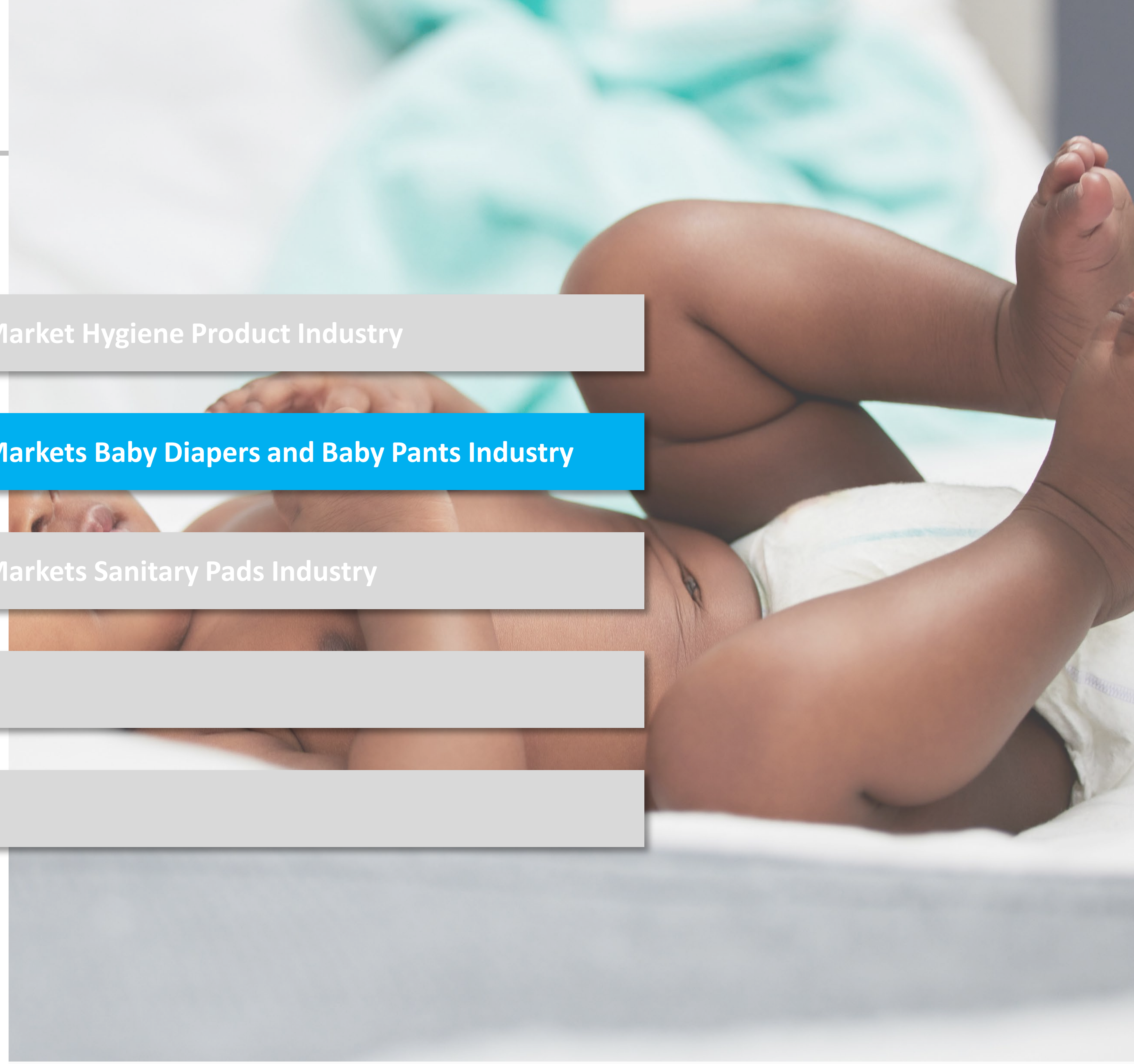
# Overview of Emerging Markets Hygiene Product Industry

## Industry Risks in Emerging Market Hygiene Product Industry

| | | |
|---|---|---|
| 1 | **Political Environment Risk** | Emerging markets may experience political instability, such as coups, civil unrest, political protests, or change of government, all of which can negatively impact business operations. First, violence triggered by political turmoil can damage infrastructure, directly impacting supply chain management and causing production and sales delays or disruptions. Additionally, political uncertainty increases risks to employees and property, and the added resources needed to maintain safety further increase operating costs. In extreme cases, political instability can also lead to fluctuations in the national currency's value, and the subsequent inflation can further disrupt business stability. |
| 2 | **Legal and Regulatory Risk** | The legal systems in emerging markets may be incomplete or inconsistent, making it difficult for businesses to predict and comply with local laws and regulations. Additionally, as legal systems in these markets are still developing, the ambiguity in regulations leads to uncertainties in law interpretation and enforcement, often failing to provide adequate protection for companies. Furthermore, regulatory agencies may have considerable discretionary power, while regulatory requirements and standards may be unclear or inconsistent. This can hinder companies when applying for permits or facing regulatory reviews, introducing various operational risks. Governments may also frequently modify policies related to specific industries, such as environmental regulations and taxation. Companies may face compliance risks if they fail to promptly respond to industry policy changes. |
| 3 | **Product Supply Chain Risk** | Supply chain risk refers to the potential problems that can occur during the process of a product from raw material procurement, production, and transportation to final delivery to consumers. First, external factors such as natural disasters, supplier issues, or policy adjustments can disrupt supply, directly delaying or completely halting production. Second, unstable factors in international logistics, such as customs inspections and disrupted transport routes, can directly affect product delivery times and increase transportation costs. Additionally, fluctuations in raw material prices pose further risks. Changes in international trade policies, currency exchange rates, or strained international relations can increase raw material costs. |
| 4 | **Foreign Exchange Risk** | When international companies conduct cross-border operations, they face foreign exchange risks due to fluctuations in exchange rates between different countries' currencies. Foreign exchange risk manifests in several forms: transaction risk, where rate fluctuations can lead to potential losses in daily transactions; economic risk, affecting the future cash flows, assets, and liabilities due to exchange rate changes; and translation risk, altering financial statement values like inventory and accounts receivable, impacting financial analysis and investor judgment. These risks not only affect daily transactions but can also influence investment decisions. |
| 5 | **Operational Risk** | The hygiene products industry faces various operational risks in different countries, including factors such as language barriers and industrial standards. Language barriers can lead to communication obstacles and challenges in market promotion, requiring companies to address these issues to ensure effective operations. On the other hand, differences in quality standards and technological levels among countries can impact a company's production and competitiveness, necessitating adaptation to local standards and technological levels to avoid product quality issues and competitive disadvantages. Additionally, cultural differences and the competitive environment are all factors that hygiene product companies need to consider when operating in local markets. |

# Agenda





# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

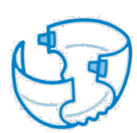
## Definition and Classification of Baby Diapers and Baby Pants in Emerging Markets

### Definition

- The emerging markets baby diapers industry involves a range of production and sales activities for baby diapers in these markets. Diapers are disposable products with urine absorption functions, classified as hygiene products, specifically designed for infants and toddlers. Compared to traditional cotton diapers, baby diapers have the advantages of being disposable after use, requiring no washing, offering high absorption capacity, and providing good leakage prevention. Diapers are available in a wide range of sizes depending on the age or weight range of the infant or toddler, with most brands offering S (Small), M (Medium), L (Large), and XL (Extra Large) sizes, and some brands also offering NB (Newborn) sizes.

### Classification

**Baby Diapers and Baby Pants**

| Baby Diapers | Baby Pants |
|---|---|
| Composed of multiple layers of materials, including a top sheet, acquisition distribution layer (ADL), absorbent core, back sheet, etc., and with magic hooks for easy and free putting on and taking off, these diapers are suitable for infants and toddlers of all ages.  | Baby pants, also known as pull-ups, are a transitional product between baby diapers and baby underwear. It is designed with elastic material and a 360-degree elastic waistband for a perfect fit and comfort. It is easy to put on and take off which makes it suitable for children's activities.  |

# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Industry Value Analysis of Baby Diapers and Baby Pants in Emerging Markets (1/3)

**For Consumers**

| | |
|---|---|
| **Improved Comfort for Infants and Toddlers** | • High-quality diapers not only provide longer-lasting dryness and comprehensive protection for babies but also significantly reduce the incidence of diaper rash and other skin problems. These diapers typically use highly absorbent materials that quickly lock in urine, keeping the baby's skin dry and preventing moisture and bacterial growth. Additionally, high-quality diapers are designed to fit the baby's body better, preventing leaks and friction, which further reduces the likelihood of skin irritation. |
| **Improved Hygiene for Infants and Toddlers** | • Due to the multi-layer absorbent materials and leak-proof design of diapers, they can quickly absorb and lock in liquids, ensuring that urine and feces do not remain on the skin surface for extended periods. This barrier effect significantly reduces the duration of the skin's exposure to moisture and irritating substances, thereby decreasing the chances of skin irritation or infection. Prolonged contact with moisture and waste can lead to skin redness, inflammation, and even more severe conditions such as diaper rash. By using disposable baby diapers, infants and toddlers skin can remain dry and clean, significantly improving the hygiene for infants and toddlers, thus ensuring the health and comfort of their skin. |
| **Convenience for Parents** | • The use of diapers significantly reduces the household cleaning workload, enabling parents to manage chores and care for children more efficiently. Traditional cloth diapers require frequent changing and washing, consuming considerable time and effort. Disposable diapers, on the other hand, are easy to use and dispose of, allowing parents to save valuable time and focus on interacting with their children and other essential household tasks. This convenience not only enhances household efficiency but also helps parents achieve a better balance between work and personal life, enabling them to lead more fulfilling and satisfying lives. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Industry Value Analysis of Baby Diapers and Baby Pants in Emerging Markets (2/3)

### For the Enterprises

**Get a Head Start of Brand**

- In the emerging market, the competition of diaper brands has not yet reached a state of saturation. Enterprises can seize the market lead and form a brand moat through early layout and building brand recognition and loyalty. As consumers' trust in international brands increases, companies that enter the market first may gain higher market share and price premiums.

**Gaining a Cost Advantage**

- Emerging markets often present a favorable cost structure for companies looking to expand their manufacturing and distribution operations. One of the most significant advantages is the relatively low cost of labor and production in these regions. By strategically setting up local manufacturing facilities, companies can capitalize on these lower costs to produce goods more affordably compared to manufacturing in higher-cost regions. This can lead to a substantial reduction in overall production expenses, making it a highly attractive proposition for diaper companies and other consumer goods manufacturers.

**Brand Innovation and Customization**

- Consumer demand in emerging markets is highly diverse, reflecting a range of cultural, economic, and lifestyle factors. Diaper companies have a unique opportunity to tailor their product offerings to better meet the specific needs of these markets. For instance, in regions with hot and humid climates, such as parts of Africa, diapers need to be designed with breathability and moisture-wicking properties to ensure comfort for the baby and prevent skin irritation. Companies can introduce lightweight, ultra-absorbent diapers that offer better ventilation and dryness, catering specifically to these climatic conditions.

**High Potential for Demand Growth**

- Emerging markets have a younger demographic structure and more people of childbearing age, resulting in a higher demand for diapers and other mother and baby products. And with economic development and consumption upgrading, consumers' demand for quality of life has increased, and so has their demand for quality diaper products. By entering these markets, companies can seize the dividends of market growth

*Source: Frost & Sullivan*

# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Industry Value Analysis of Baby Diapers and Baby Pants in Emerging Markets (3/3)

| For the Society | |
|---|---|
| **Reduction of the Spread of Infectious Diseases** | • Using diapers helps reduce the risk of spreading infectious diseases by effectively containing and isolating an infant's feces and urine. This protective measure is particularly crucial in daycare centers or other places where infants and toddlers gather, as these environments often pose a high risk for disease transmission. By using diapers, the likelihood of transmitting infectious diseases through contact between infants and toddlers can be significantly reduced. |
| **Job Creation** | • The production and sale of diapers involve more than just manufacturing goods, it also signifies the creation of numerous job opportunities. From procuring raw materials and operating production lines to selling and distributing products, the process spans multiple stages that require a significant labor force. Consequently, the diaper industry has become a vital source of stable employment for many local residents. These jobs not only provide economic support but also contribute to community development and stability. |
| **Economic Growth Promotion** | • The diaper industry significantly contributes to the development of local economies. Firstly, it creates numerous job opportunities, improving the living standards of local residents and stimulating consumer market expansion. Secondly, as a comprehensive industry chain encompassing raw material supply, manufacturing, logistics, and packaging, the diaper industry drives the growth of related sectors. This multi-layered impact enhances the resilience and competitiveness of local economies while also supporting their structural optimization and modernization. |
| **Improvement of Technology Level** | • To produce high-quality diapers, the industry players introduce advanced production technologies and equipment. This not only enhances local technological capabilities and production capacity but also promotes the training and skill development of technical workers. Moreover, it fosters technological innovation and protects intellectual property rights, laying a solid foundation for the industry's long-term development. |

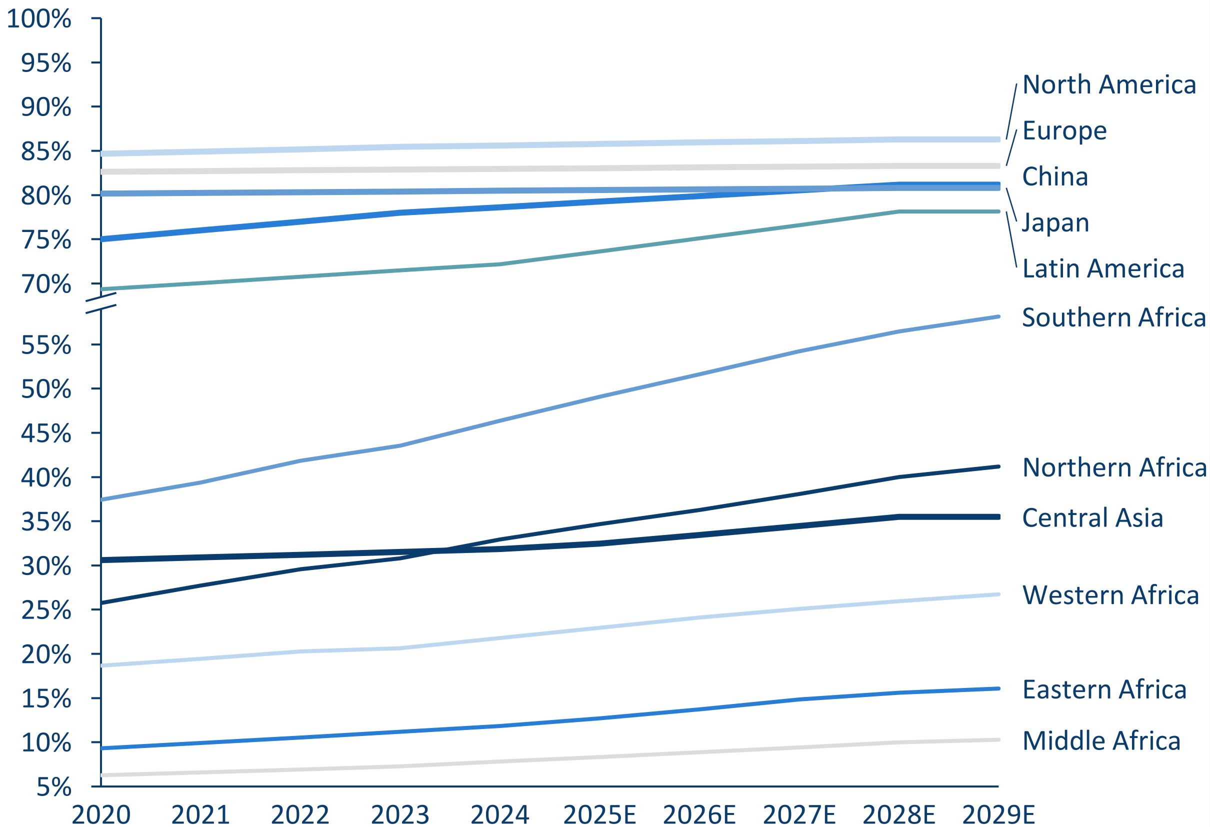
*Source: Frost & Sullivan*

# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Penetration Rate of Baby Diapers and Baby Pants in Emerging Markets, 2020-2029E

**Baby Diaper and Baby Pants Penetration Rate, by Different Regions**

%, 2020-2029E




### Key Findings

- The penetration rate of baby diapers and baby pants is closely linked to the level of local economic development and social and cultural practices. In economically developed regions such as North America, Europe, and Japan, where residents have higher per capita incomes, the use of baby diapers or baby pants has become a routine choice for family daily care, resulting in a more widespread user base for diapers in these areas. In contrast, due to relatively lagging economic development and lower per capita incomes in Africa and Central Asia, the market penetration rate of baby diapers and baby pants is lower. In these regions, traditional diapers or other alternatives are often the preferred choice for families, partly due to a lack of awareness of modern diapers and economic considerations of their cost.
- However, with the rapid economic development in Africa and Central Asia, the living standards and consumption power of residents are gradually improving. It is expected that in the future, as market education in these regions intensifies and consumer awareness increases, more and more families will tend to choose cleaner, more hygienic, and convenient diapers to replace traditional ones. This shift will drive a significant increase in the penetration rate of related products. Additionally, with the improvement of retail networks and sales channels, the popularity of baby diapers or baby pants in these emerging markets is expected to greatly increase.

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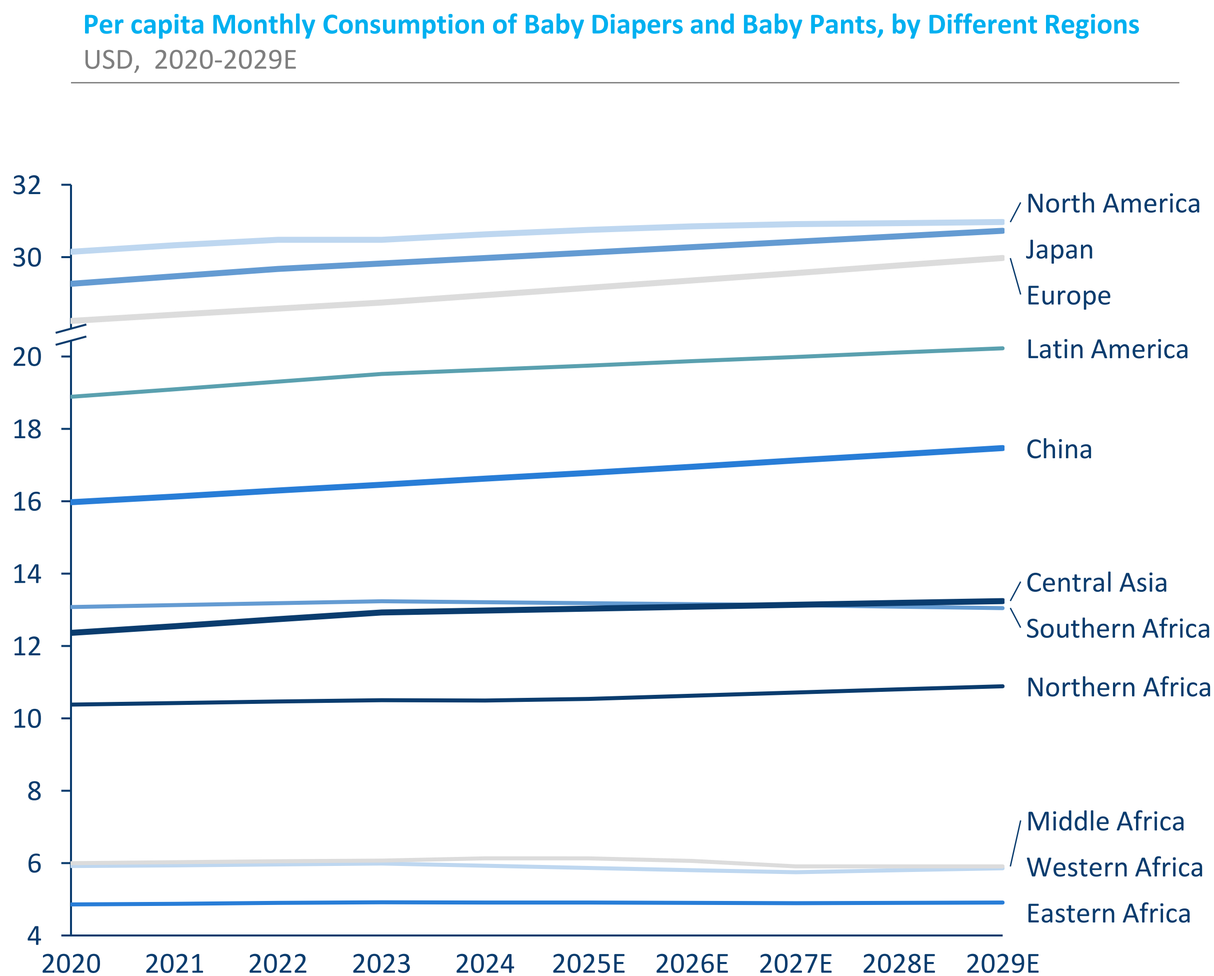
*Source: Frost & Sullivan*

# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Per capita Monthly Consumption of Baby Diapers/Pants, by Different Regions, 2020-2029E




### Key Findings

- With the exception of Southern Africa, which is showing significant increases, other African regions (Northern, Western, Middle, and Eastern Africa) exhibit very similar and steady consumption growth. This trend is attributed to high birth rates and a maturing market for baby products, which encourages greater parental spending. The lower per capita consumption expenditure on baby diapers in the African region is mainly due to the relatively low level of economic development and limited family income, leading parents to prefer using traditional diapers or other cost-saving alternatives.

- Meanwhile, the low awareness and acceptance of diapers in the market, as well as the underdeveloped retail network and sales channels, are also contributing factors. With the rapid economic development and the expansion of comprehensive retail channels in the future, the overall per capita expenditure is expected to further increase.

*Source: Frost & Sullivan*

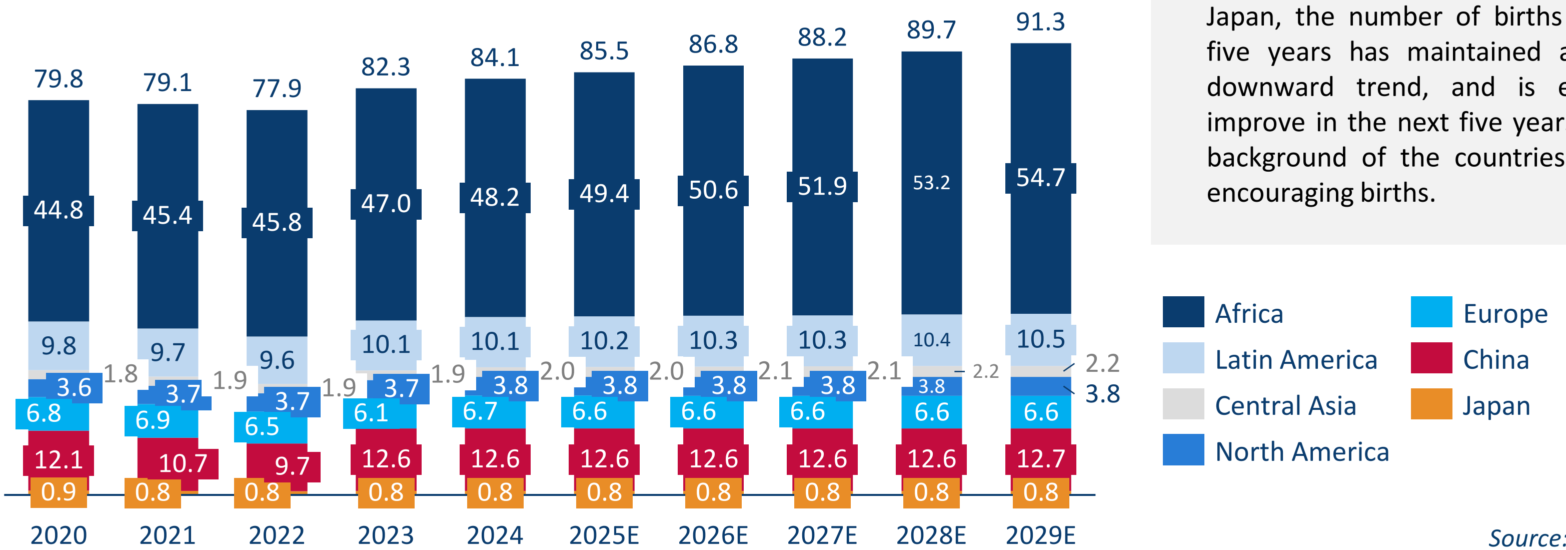
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Number of Birth Population in Emerging Markets and Other Markets, 2020-2029E

**Number of Birth Population in Emerging Markets and Other Markets (Africa, Latin America, Central Asia, North America, Europe, China, Japan)**

Million, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 1.8% | 2.6% |
| **Latin America** | 0.8% | 0.7% |
| **Central Asia** | 2.1% | 2.0% |
| **North America** | 1.0% | 0.3% |
| **Europe** | -0.5% | -0.2% |
| **China** | 0.9% | 0.1% |
| **Japan** | -0.5% | -0.7% |




**Key Findings**

- Overall, the emerging markets have a large number of births and maintain a stable and high growth trend. With Africa as a representative, over the past five years, the annual birth of the population remained at about 45 million and held the overall upward trend, the number of newborns is huge, and the demographic bonus is extremely obvious, bringing broad growth opportunities for the diaper market.
- However, in non-emerging market regions, like North America, Europe, China, and Japan, the number of births in the past five years has maintained a low-speed downward trend, and is expected to improve in the next five years, under the background of the countries' policies of encouraging births.

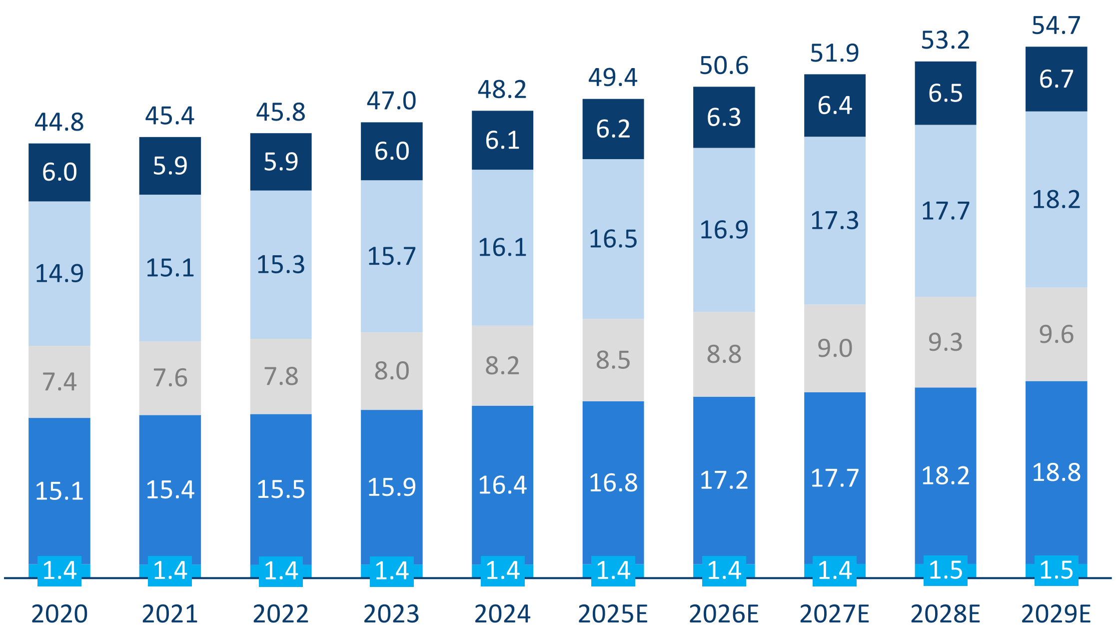
*Source: Frost & Sullivan*

# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Number of Birth Population in Africa, 2020-2029E

**Number of Birth Population in Africa**
Million, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Northern Africa** | 0.6% | 1.8% |
| **Western Africa** | 1.9% | 2.5% |
| **Middle Africa** | 2.6% | 3.1% |
| **Eastern Africa** | 2.0% | 2.9% |
| **Southern Africa** | -0.2% | 1.1% |




### Key Findings

- The birth number in Africa shows a steady upward trend, which is expected to continue in the coming years. The birth population in Eastern Africa and Western Africa are significantly higher than in other regions, increasing from 15.1 million and 14.9 million in 2020 to an estimated 18.8 million and 18.2 million by 2029.
- Although Middle Africa's birth population is relatively low, it is growing the fastest, increasing from 7.4 million in 2020 to 8.2 million in 2024. This reflects the enormous population growth potential in the Middle African region.

*Source: Frost & Sullivan*

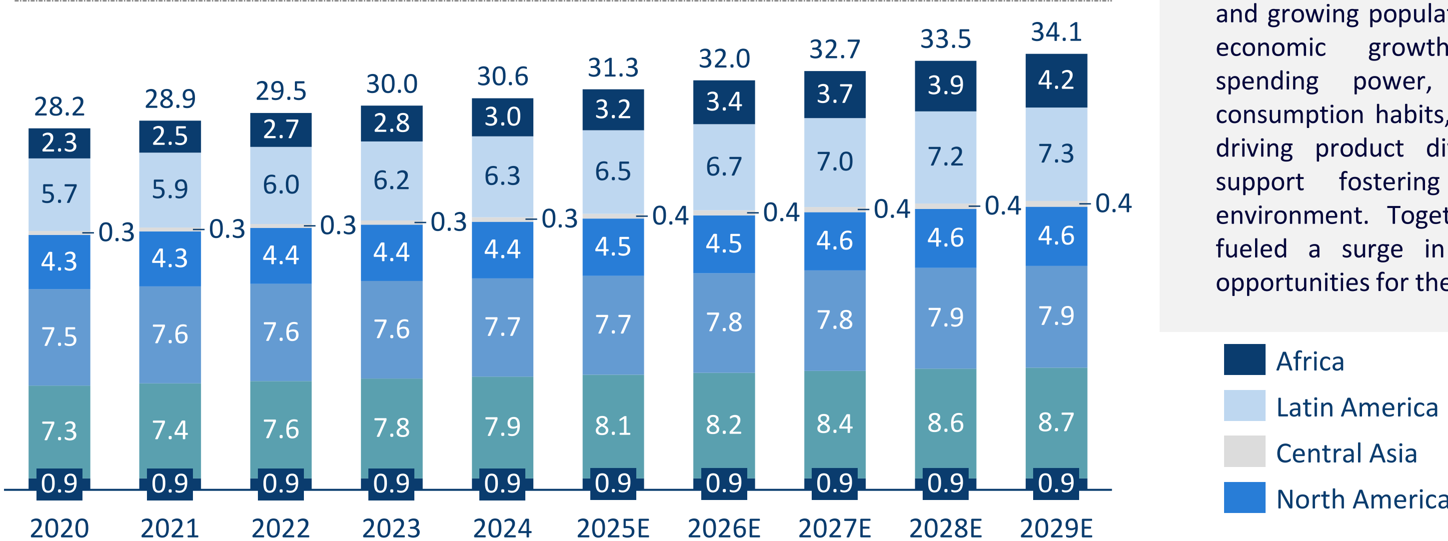
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Diapers and Baby Pants, by Different Regions, 2020-2029E

### Market Size of Baby Diapers and Baby Pants, by Different Regions

USD Billion, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 6.3% | 7.1% |
| **Latin America** | 2.7% | 2.9% |
| **Central Asia** | 4.5% | 4.9% |
| **North America** | 1.0% | 0.8% |
| **Europe** | 0.6% | 0.7% |
| **China** | 2.3% | 1.7% |
| **Japan** | 0.2% | 0.1% |




### Key Findings

- All regions listed in the table are experiencing growth in the baby diaper market, within that, Africa, Central Asia, and Latin America contributed the most of this growth. The enhance disposable income led by economic advancements, as well as wider product availability, are key for this growth.
- Africa and Central Asia have the highest CAGR within all regions, being 6.3% and 4.5% respectively. The rapid growth of the baby diaper market in Africa and Central Asia can be attributed to several key factors: a young and growing population with high birth rates, economic growth boosting consumer spending power, urbanization changing consumption habits, technological innovation driving product diversification, and policy support fostering a favorable market environment. Together, these factors have fueled a surge in demand, creating vast opportunities for the diaper market.

*Source: Frost & Sullivan*

Note: This market size refers to the terminal consumption market size based on the retail sales.

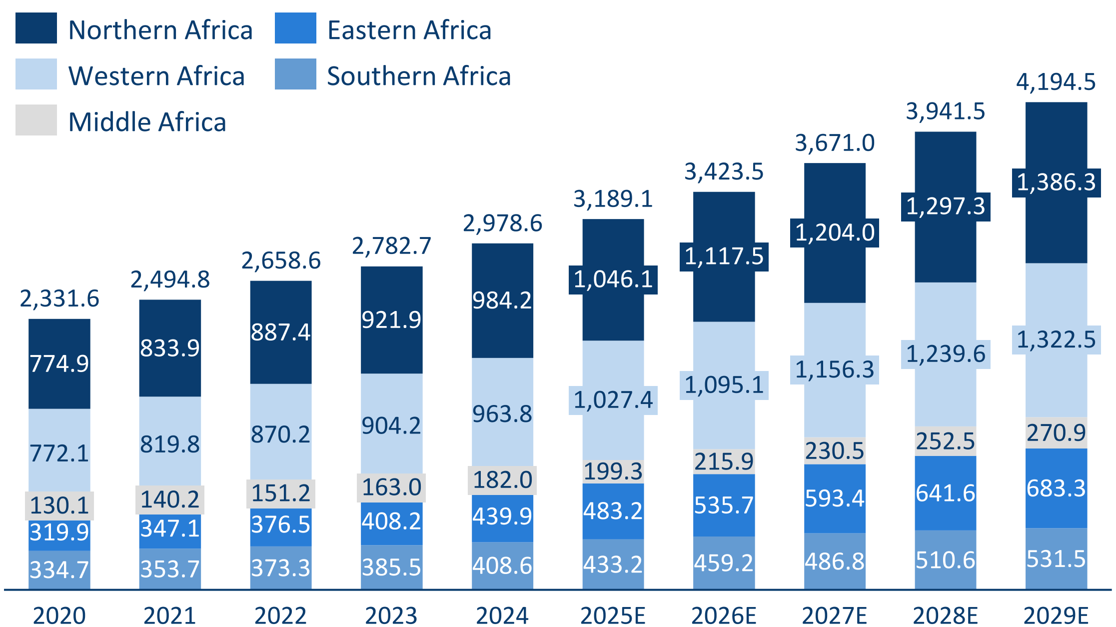
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Diapers and Baby Pants in Africa, by Different Regions, 2020-2029E

**Market Size of Baby Diapers and Baby Pants in Africa, by Different Regions**

USD Million, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Northern Africa** | 6.2% | 7.3% |
| **Western Africa** | 5.7% | 6.5% |
| **Middle Africa** | 8.8% | 8.0% |
| **Eastern Africa** | 8.3% | 9.0% |
| **Southern Africa** | 5.1% | 5.2% |




### Key Findings

- The market size of baby diapers in Africa has shown significant growth in recent years, with rapid population growth being the main driver of this trend. Southern Africa and Northern Africa boast a relatively stronger economic foundation, with higher income levels among residents, leading to greater spending power and a stronger demand for high-quality infant care products. Furthermore, the faster pace of urbanization in these regions, coupled with more developed modern retail channels, facilitates the marketing and sale of fast-moving consumer goods like diapers.
- All regional markets in Africa have shown steady annual growth rates, with Eastern Africa and Middle Africa experiencing the highest growth, at 8.3% and 8.8% respectively. The future growth potential of the baby diaper market in Western Africa, Middle Africa, and Eastern Africa is considerable, primarily due to rapid population growth, particularly among the youth, signaling a sustained increase in demand for infant care products. Additionally, economic development and rising incomes are enhancing consumer spending power, offering ample room for market expansion. Furthermore, accelerated urbanization and the continuous improvement of retail channels will further propel market growth.

*Source: Frost & Sullivan*

Note: This market size refers to the terminal consumption market size based on the retail sales.

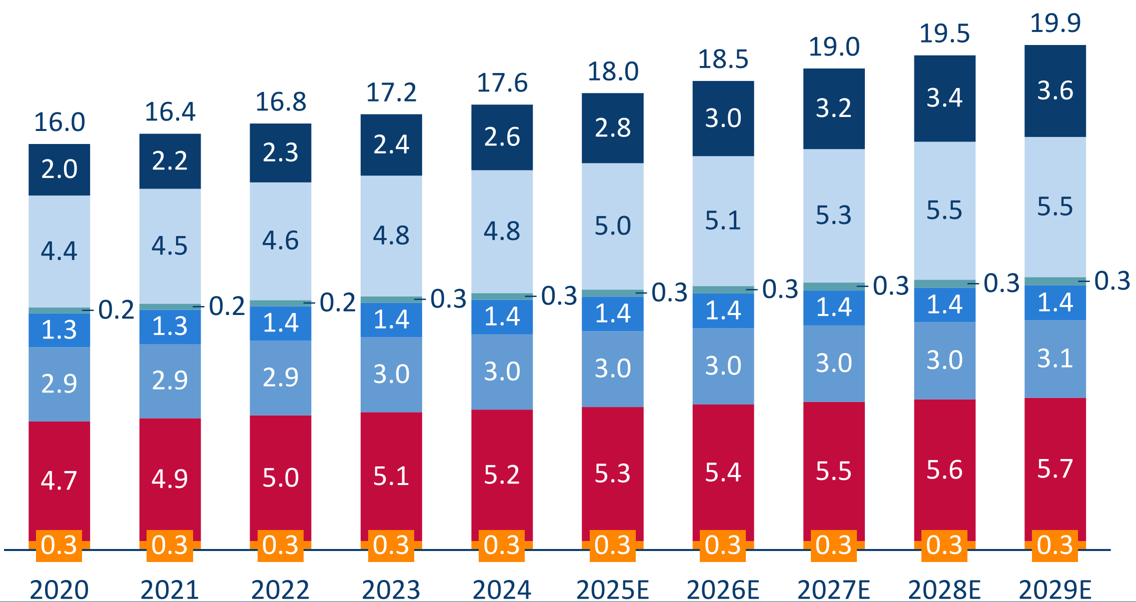
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Diapers, by Different Regions, 2020-2029E

### Market Size of Baby Diaper, by Different Regions

USD Billion, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 6.2% | 7.0% |
| **Latin America** | 2.3% | 2.6% |
| **Central Asia** | 4.1% | 4.9% |
| **North America** | 0.5% | 0.0% |
| **Europe** | 0.3% | 0.5% |
| **China** | 2.4% | 1.7% |
| **Japan** | 0.2% | 0.1% |




### Key Findings

- The major regions baby diaper market is projected to see moderate growth from 2020 to 2029, expanding from USD16.0 billion in 2020 to USD19.9 billion by 2029. Africa is positioned as the key growth driver, with the highest projected CAGR of 7.0% between 2025 and 2029, reflecting increasing consumer demand and economic development in the region. Other emerging markets like Latin America and Central Asia are expected to grow at CAGRs of 2.6% and 4.9%, respectively, supported by a more mature childcare sense and rising disposable incomes. In contrast, mature markets such as North America, Europe, and Japan show much slower growth. North America is forecast to see a CAGR of 0.0%, while Europe and Japan are expected to remain relatively stagnant, with CAGRs of 0.5% and 0.1% respectively, largely due to market saturation and stable consumer demand. China, though a significant player, is predicted to grow at a more modest 1.7% CAGR. Overall, the market dynamics reflect a shift in growth momentum towards emerging regions, while developed markets remain stable but slow-moving.

Note: This market size refers to the terminal consumption market size based on the retail sales.

*Source: Frost & Sullivan*

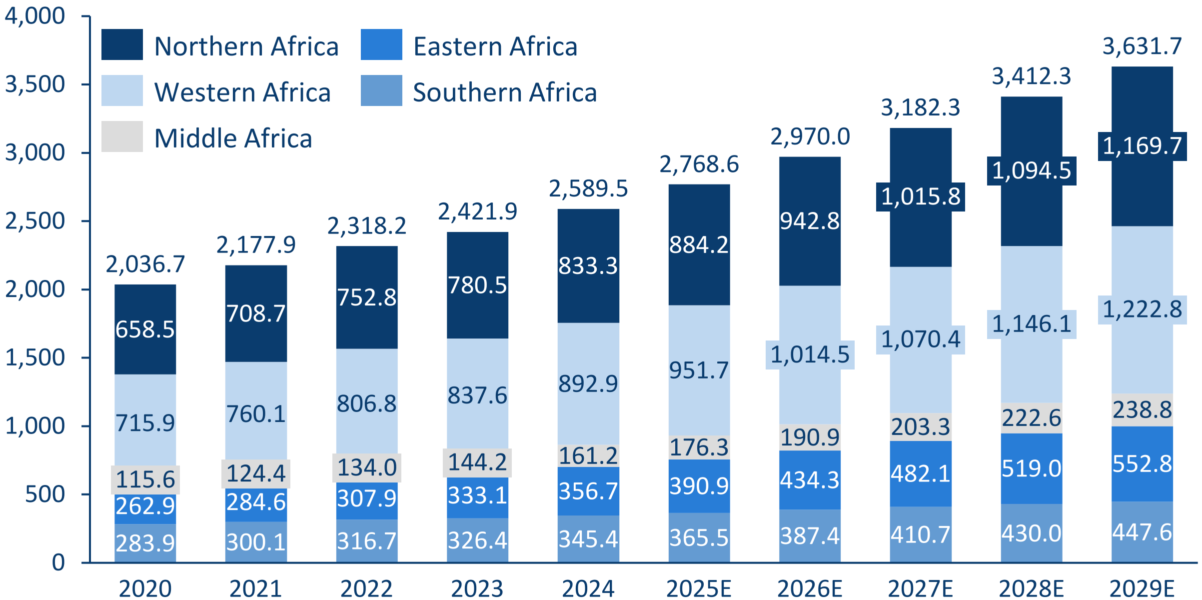
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Diapers in Africa, by Different Regions, 2020-2029E

### Market Size of Baby Diaper in Africa, by Different Regions

USD Million, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Northern Africa** | 6.1% | 7.2% |
| **Western Africa** | 5.7% | 6.5% |
| **Middle Africa** | 8.7% | 7.9% |
| **Eastern Africa** | 7.9% | 9.0% |
| **Southern Africa** | 5.0% | 5.2% |
| **Africa** | 6.2% | 7.0% |




Note: This market size refers to the terminal consumption market size based on the retail sales.

### Key Findings

- The African baby diaper market is set for rapid expansion, with total market size expected to reach USD3,631.7 million by 2029, driven by high growth rates across different sub-regions. Eastern Africa leads the growth trajectory with an impressive projected CAGR of 9.0% from 2025 to 2029, fueled by rising incomes, urbanization, and an increasing demand for childcare. Middle Africa follows closely with a 7.9% CAGR, signaling a similarly strong potential for market development. Northern Africa is expected to grow at a steady 7.2% CAGR, benefiting from improving economic conditions and consumer spending. Western Africa and Southern Africa will also contribute to the market's expansion, with projected CAGRs of 6.5% and 5.2% respectively, indicating steady growth across the continent. By 2029, Western Africa will likely become the largest market within the region, reaching a market size of USD1,222.8 million, followed by Northern Africa at USD1,169.7 million, highlighting the significant role of these regions in driving Africa's overall market growth.

*Source: Frost & Sullivan*

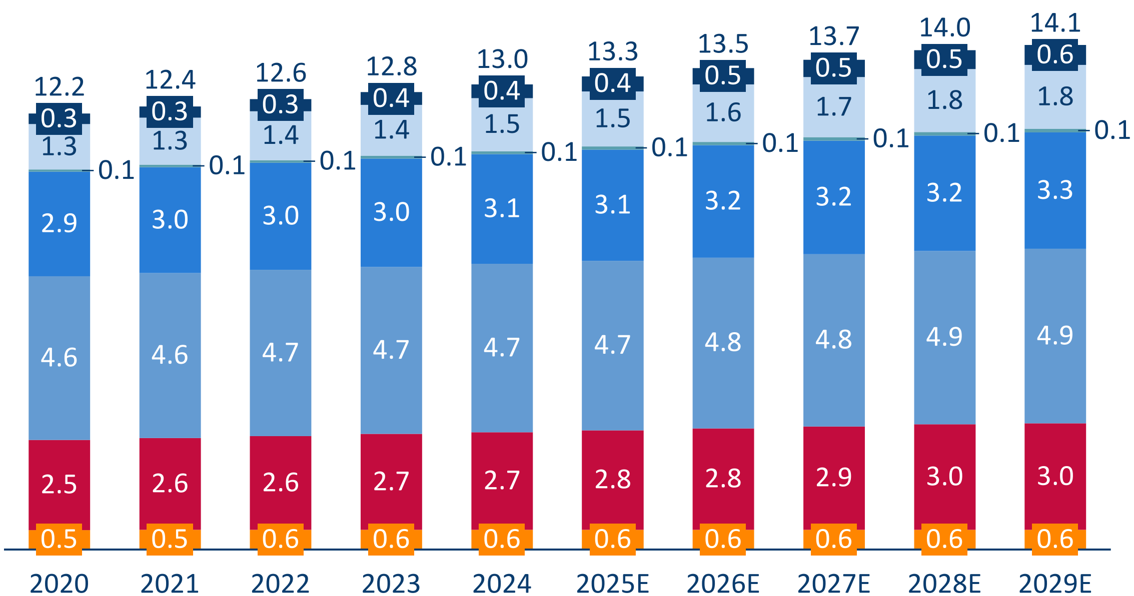
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Pants, by Different Regions, 2020-2029E

### Market Size of Baby Pants, by Different Regions

USD Billion, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 7.2% | 7.6% |
| **Latin America** | 4.0% | 3.6% |
| **Central Asia** | 5.8% | 4.9% |
| **North America** | 1.3% | 1.1% |
| **Europe** | 0.7% | 0.7% |
| **China** | 2.0% | 1.7% |
| **Japan** | 0.2% | 0.1% |




### Key Findings

- The major regions baby pants market is projected to see moderate growth from 2020 to 2029, expanding from USD12.2 billion in 2020 to USD14.1 billion by 2029. Africa is positioned as the key growth driver, with the highest projected CAGR of 7.6% between 2025 and 2029, reflecting increasing consumer demand and economic development in the region. Other emerging markets like Latin America and Central Asia are expected to grow at CAGRs of 3.6% and 4.9%, respectively, supported by a more mature childcare sense and rising disposable incomes. In contrast, mature markets such as North America, Europe, and Japan show much slower growth. North America is forecast to see a CAGR of 1.1%, while Europe and Japan are expected to remain relatively stagnant, with CAGRs of 0.7% and 0.1% respectively, largely due to market saturation and stable consumer demand. China, though a significant player, is predicted to grow at a more modest 1.7% CAGR. Overall, the market dynamics reflect a shift in growth momentum towards emerging regions, while developed markets remain stable but slow-moving.

Note: This market size refers to the terminal consumption market size based on the retail sales.

*Source: Frost & Sullivan*

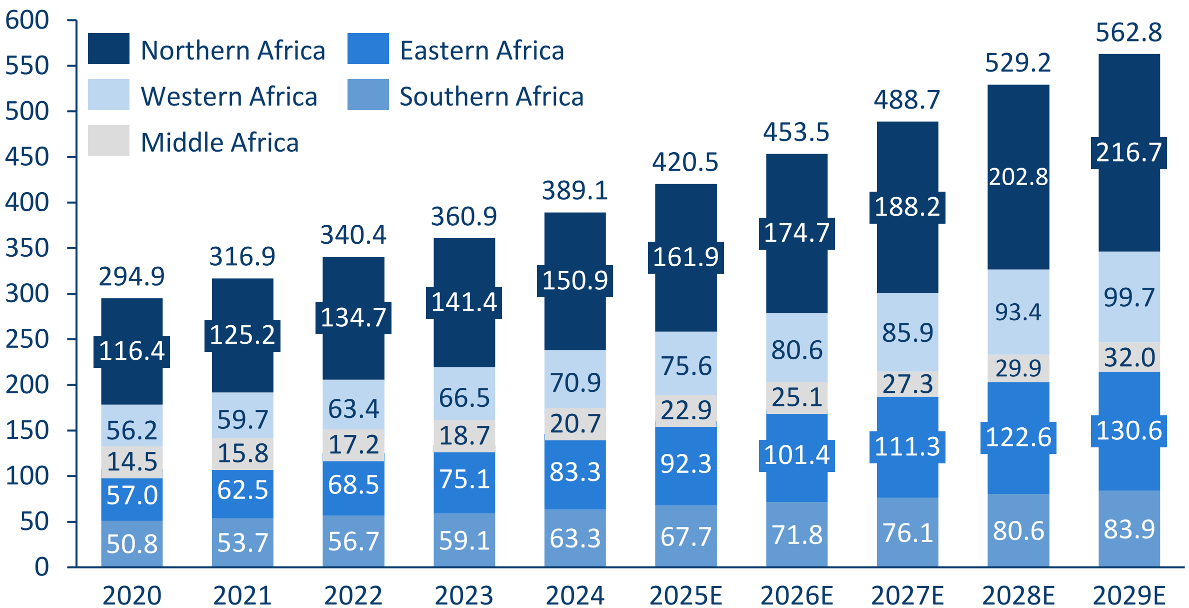
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Pants in Africa, by Different Regions, 2020-2029E

### Market Size of Baby Pants in Africa, by Different Regions

USD Million, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Northern Africa** | 6.7% | 7.6% |
| **Western Africa** | 6.0% | 7.2% |
| **Middle Africa** | 9.4% | 8.7% |
| **Eastern Africa** | 9.9% | 9.1% |
| **Southern Africa** | 5.6% | 5.5% |
| **Africa** | 7.2% | 7.6% |




### Key Findings

- The African baby pants market is set for rapid expansion, with total market size expected to reach USD562.8 million by 2029, driven by high growth rates across different sub-regions. Eastern Africa leads the growth trajectory with an impressive projected CAGR of 9.1% from 2025 to 2029, fueled by rising incomes, urbanization, and an increasing demand for childcare. Middle Africa follows closely with an 8.7% CAGR, signaling a similarly strong potential for market development. Northern Africa is expected to grow at a steady 7.6% CAGR, benefiting from improving economic conditions and consumer spending. Western Africa and Southern Africa will also contribute to the market's expansion, with projected CAGRs of 7.2% and 5.5% respectively, indicating steady growth across the continent. By 2029, Northern Africa will likely become the largest market within the region, reaching a market size of USD216.7 million, followed by Eastern Africa at USD130.6 million, highlighting the significant role of these regions in driving Africa's overall market growth.

*Source: Frost & Sullivan*

Note: This market size refers to the terminal consumption market size based on the retail sales.

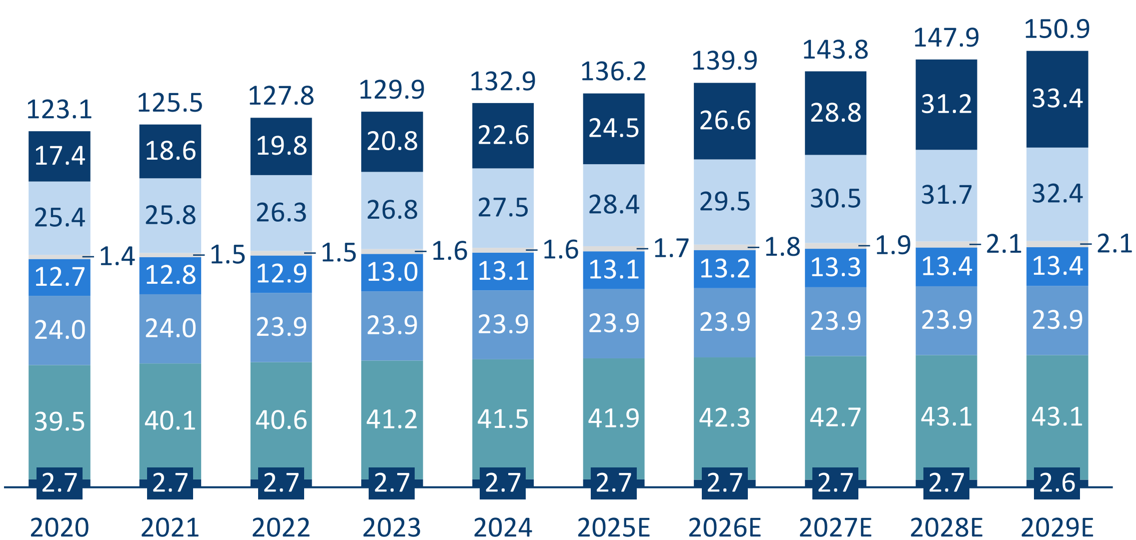
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Diapers and Baby Pants, by Different Regions, 2020-2029E

### Market Size of Baby Diapers and Baby Pants, by Different Regions

Billion Pieces, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 6.8% | 8.1% |
| **Latin America** | 2.0% | 3.3% |
| **Central Asia** | 3.8% | 5.3% |
| **North America** | 0.6% | 0.6% |
| **Europe** | -0.1% | 0.0% |
| **China** | 1.3% | 0.7% |
| **Japan** | -0.4% | -0.4% |




### Key Findings

- All major regions listed in the table are experiencing growth in the baby diapers market except Japan due to the decreasing birth rate, within that, Africa, Central Asia, and Latin America contributed the most of this global growth. The enhanced disposable income led by economic advancements, and wider product availability, are key for the market growth.
- Africa and Central Asia have the highest CAGR among all regions, 6.8% and 3.8% respectively. The rapid growth of the baby diaper market in Africa and Central Asia can be attributed to several key factors: population growth and a higher proportion of young people, leading to an increase in the number of newborns, which directly drives the demand for the diapers products; acceleration of urbanization process leading to modernized lifestyles; economic growth and disposable income growth; increasing products selections and availability for the consumers.

Africa
Latin America
Central Asia
North America
Europe
China
Japan

*Source: Frost & Sullivan*

Note: This market size refers to the terminal consumption market size based on the retail sales.

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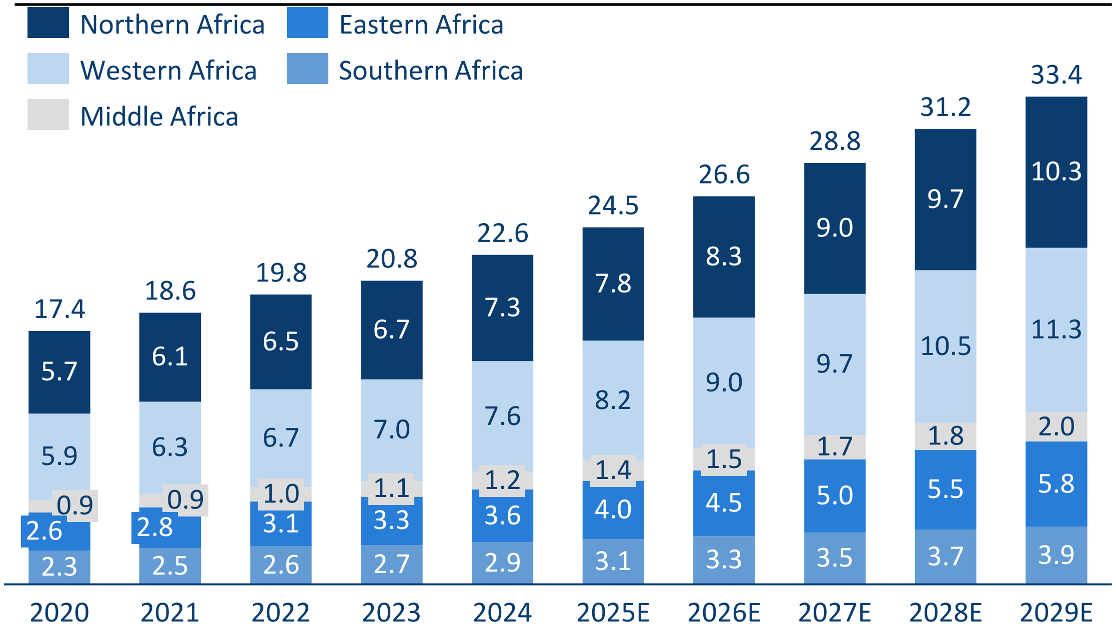
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Diapers and Baby Pants in Africa, by Different Regions, 2020-2029E

### Market Size of Baby Diapers and Baby Pants in Africa, by Different Regions

Billion Pieces, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Northern Africa** | 6.5% | 7.4% |
| **Western Africa** | 6.3% | 8.1% |
| **Middle Africa** | 9.1% | 10.3% |
| **Eastern Africa** | 8.6% | 9.9% |
| **Southern Africa** | 5.5% | 6.3% |




### Key Findings

- In terms of volume, the baby diapers market in all regions of Africa has shown a rapid growth trend, with Middle Africa experiencing the fastest growth rate at 9.1% from 2020 to 2024, and is estimated to have the fastest growth rate at 10.3% from 2025 to 2029. Notably, Western Africa has consistently held the largest market share, increasing from 5.9 billion pieces in 2020 to 7.6 billion pieces in 2024, and estimated to be 11.3 million pieces in 2029.
- There are a couple of main factors driving the fast growth in African baby diapers market. First of all, Africa's population continues to grow and has relatively high fertility rate, indicating the high demand for baby diapers. Furthermore, the infant mortality rate is declining steadily due to the development of healthcare industry. Secondly, the urbanization process and the modernization of lifestyles have made residents more inclined to use modern baby care products, such as baby diapers. Last but not least, there are more policy supports, social and health awareness that are contributing to more consumption of baby care products. Also with more products selection and availability to the consumers have made the markets to increase at a steady pace.

*Source: Frost & Sullivan*

Note: This market size refers to the terminal consumption market size based on the retail sales.

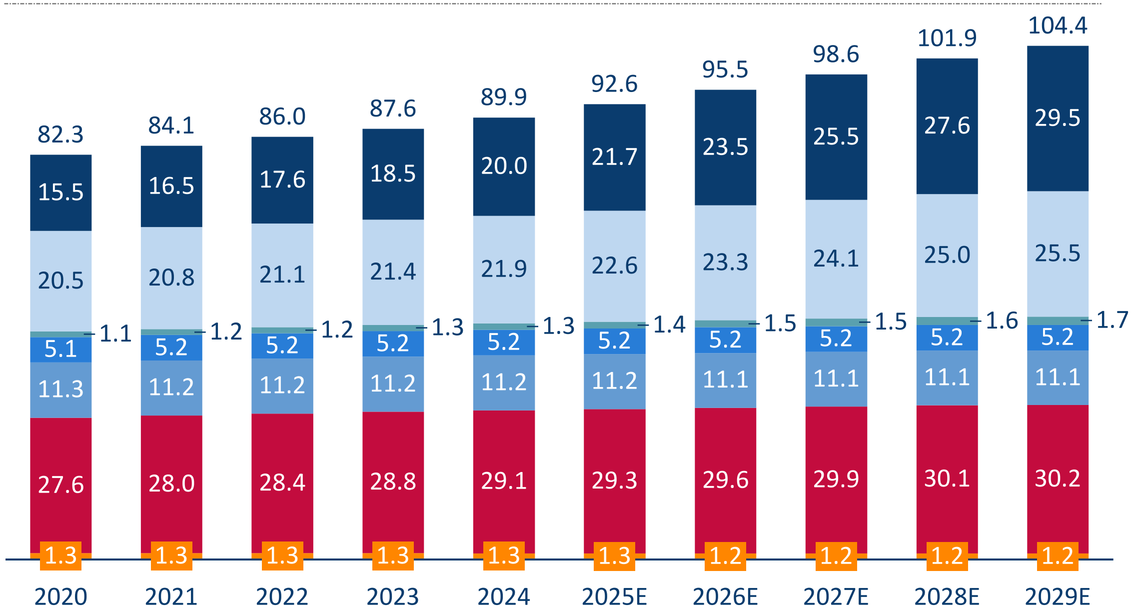
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Diapers, by Different Regions, 2020-2029E

### Market Size of Baby Diaper, by Different Regions

Billion Pieces, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 6.7% | 8.1% |
| **Latin America** | 1.7% | 3.1% |
| **Central Asia** | 3.5% | 5.3% |
| **North America** | 0.3% | 0.1% |
| **Europe** | -0.2% | -0.1% |
| **China** | 1.4% | 0.7% |
| **Japan** | -0.4% | -0.4% |




### Key Findings

- The major regions baby diapers market is expected to witness consistent growth from 2020 to 2029, expanding from 82.3 billion pieces in 2020 to an estimated 104.4 billion pieces by 2029. Africa and Central Asia stand out as key drivers of this expansion, with projected CAGRs of 8.1% and 5.3% from 2025 to 2029, reflecting rising consumer demand and economic growth in these regions. Latin America is also poised for solid development, with an anticipated CAGR of 3.1%. On the other hand, mature markets like North America, Europe, and Japan show slower growth rates. North America is forecast to see a modest CAGR of 0.1%, while Europe and Japan are expected to experience little to no growth, with CAGRs of -0.1% and -0.4%, respectively, mainly due to market saturation and stable consumer habits. In contrast, China, despite its large market presence, is projected to grow at a more subdued CAGR of 0.7%. Overall, the market trends suggest a shift in growth momentum towards emerging markets, while developed regions continue to expand at a slower, more stable pace.

Africa | North America | Japan | Latin America | Europe | Central Asia | China

Note: This market size refers to the terminal consumption market size based on the retail sales.

*Source: Frost & Sullivan*

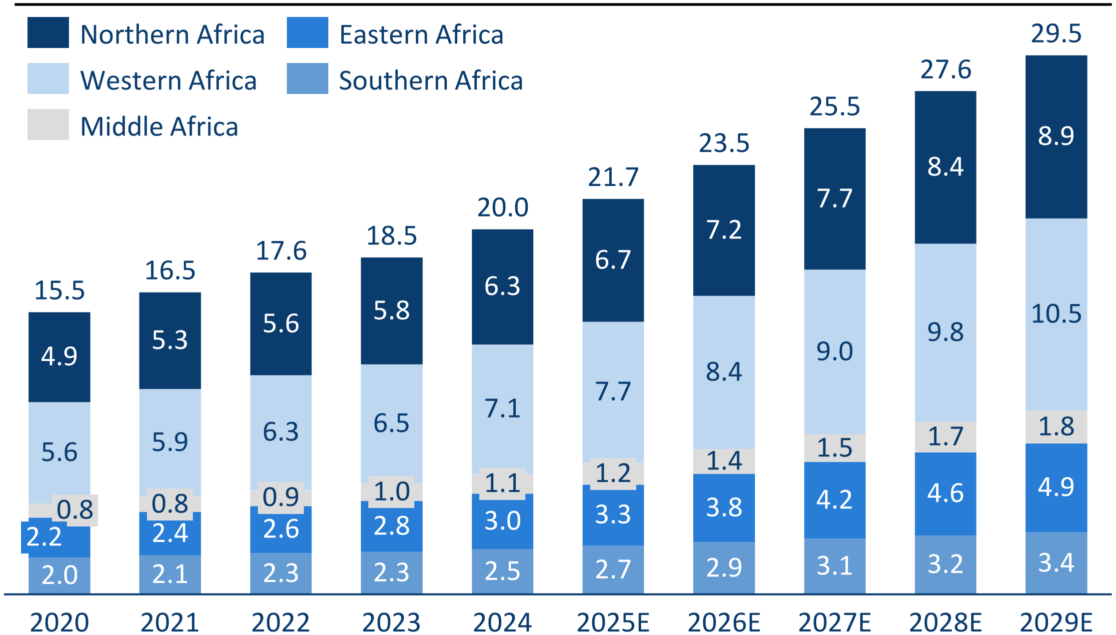
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Diapers in Africa, by Different Regions, 2020-2029E

### Market Size of Baby Diaper in Africa, by Different Regions

Billion Pieces, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Northern Africa** | 6.4% | 7.4% |
| **Western Africa** | 6.3% | 8.1% |
| **Middle Africa** | 9.1% | 10.2% |
| **Eastern Africa** | 8.3% | 9.9% |
| **Southern Africa** | 5.4% | 6.3% |




### Key Findings

- The African baby diaper market is poised for substantial growth, with the total market size projected to reach 29.5 billion pieces by 2029, driven by strong growth rates across various sub-regions. Middle Africa is expected to lead this upward trend, with an impressive estimated CAGR of 10.2% between 2025 and 2029, supported by increasing income levels, urbanization, and growing demand for childcare. Eastern Africa follows closely with a CAGR of 9.9%, indicating a similarly high potential for market expansion. Western Africa is anticipated to grow steadily at an 8.1% CAGR, bolstered by improving economic conditions and rising consumer spending. Meanwhile, Northern Africa and Southern Africa will also contribute to the market's growth, with projected CAGRs of 7.4% and 6.3% respectively, showcasing consistent progress across the continent. By 2029, Western Africa is expected to remain the largest sub-market, reaching 10.5 billion pieces, with Northern Africa trailing at 8.9 billion pieces, underscoring the significant role of these regions in driving Africa's overall market expansion.

*Source: Frost & Sullivan*

Note: This market size refers to the terminal consumption market size based on the retail sales.

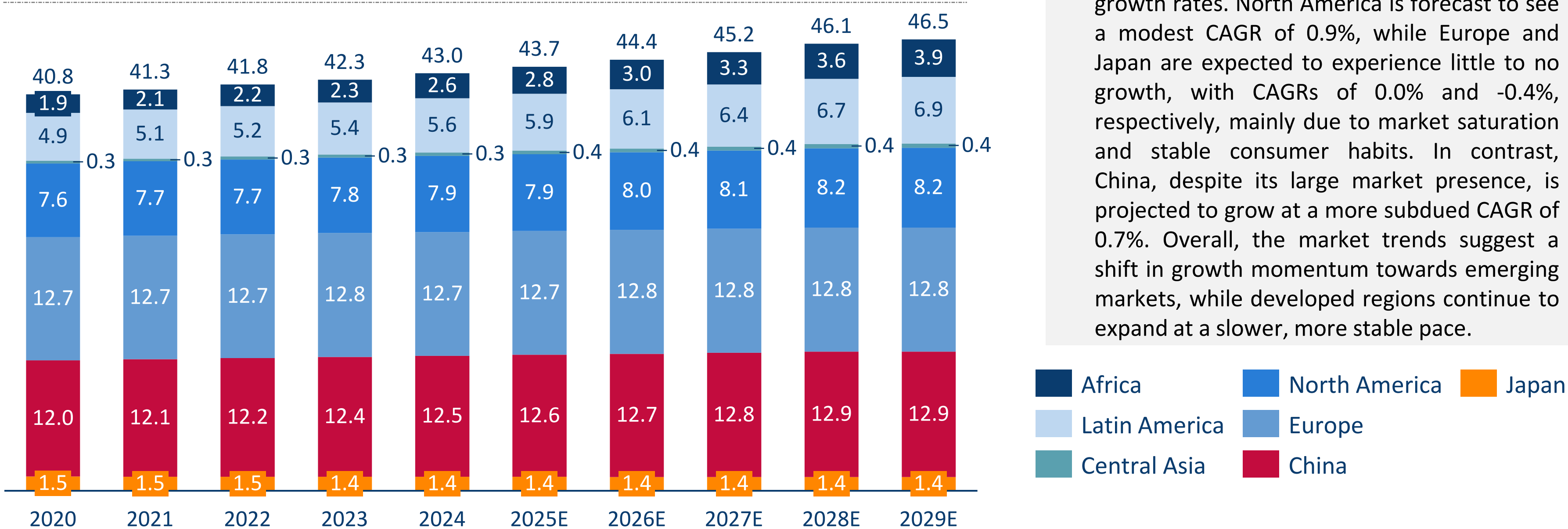
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Pants, by Different Regions, 2020-2029E

### Market Size of Baby Pants, by Different Regions

Billion Pieces, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 7.6% | 8.4% |
| **Latin America** | 3.3% | 4.1% |
| **Central Asia** | 5.1% | 5.3% |
| **North America** | 0.9% | 0.9% |
| **Europe** | 0.1% | 0.0% |
| **China** | 1.0% | 0.7% |
| **Japan** | -0.4% | -0.4% |




### Key Findings

- The major regions baby pants market is expected to witness consistent growth from 2020 to 2029, expanding from 40.8 billion pieces in 2020 to an estimated 46.5 billion pieces by 2029. Africa and Central Asia stand out as key drivers of this expansion, with projected CAGRs of 8.4% and 5.3% from 2025 to 2029, reflecting rising consumer demand and economic growth in these regions. Latin America is also poised for solid development, with an anticipated CAGR of 4.1%. On the other hand, mature markets like North America, Europe, and Japan show slower growth rates. North America is forecast to see a modest CAGR of 0.9%, while Europe and Japan are expected to experience little to no growth, with CAGRs of 0.0% and -0.4%, respectively, mainly due to market saturation and stable consumer habits. In contrast, China, despite its large market presence, is projected to grow at a more subdued CAGR of 0.7%. Overall, the market trends suggest a shift in growth momentum towards emerging markets, while developed regions continue to expand at a slower, more stable pace.

Note: This market size refers to the terminal consumption market size based on the retail sales.

*Source: Frost & Sullivan*

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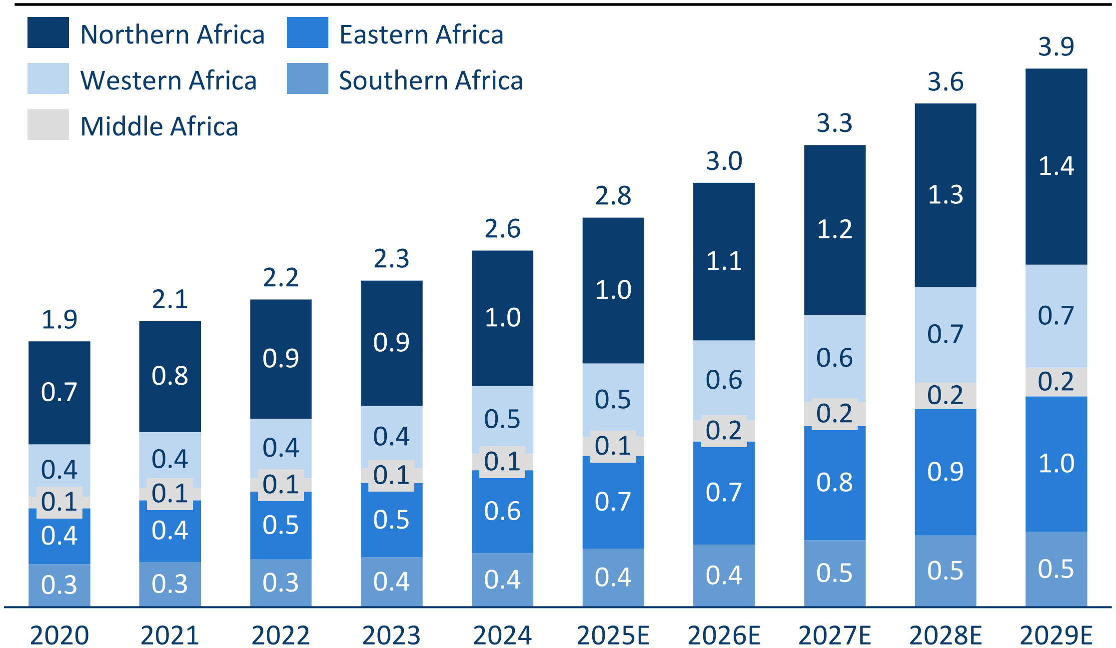
# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Market Size of Baby Pants in Africa, by Different Regions, 2020-2029E

### Market Size of Baby Pants in Africa, by Different Regions

Billion Pieces, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Northern Africa** | 7.1% | 7.7% |
| **Western Africa** | 6.6% | 8.8% |
| **Middle Africa** | 9.7% | 11.1% |
| **Eastern Africa** | 10.3% | 9.9% |
| **Southern Africa** | 6.0% | 6.6% |




### Key Findings

- The African baby pants market is poised for substantial growth, with the total market size projected to reach 3.9 billion pieces by 2029, driven by strong growth rates across various sub-regions. Middle Africa is expected to lead this upward trend, with an impressive estimated CAGR of 11.1% between 2025 and 2029, supported by increasing income levels, urbanization, and growing demand for childcare. Eastern Africa follows closely with a CAGR of 9.9%, indicating a similarly high potential for market expansion. Western Africa is anticipated to grow steadily at an 8.8% CAGR, bolstered by improving economic conditions and rising consumer spending. Meanwhile, Northern Africa and Southern Africa will also contribute to the market's growth, with projected CAGRs of 7.7% and 6.6% respectively, showcasing consistent progress across the continent. By 2029, Northern Africa is expected to remain the largest sub-market, reaching 1.4 billion pieces, with Eastern Africa trailing at 1.0 billion pieces, underscoring the significant role of these regions in driving Africa's overall market expansion.

*Source: Frost & Sullivan*

Note: This market size refers to the terminal consumption market size based on the retail sales.

# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Per Capita Daily Use of Baby Diapers/Pants (By Total Potential Population)

| | 2020 | 2024 | 2029E | CAGR 2020~2029E |
|---|---|---|---|---|
| Northern Africa | 0.65 | 0.85 | 1.08 | 5.8% |
| Western Africa | 0.28 | 0.34 | 0.43 | 4.8% |
| Middle Africa | 0.08 | 0.11 | 0.15 | 6.5% |
| Eastern Africa | 0.12 | 0.16 | 0.22 | 6.7% |
| Southern Africa | 1.13 | 1.44 | 1.82 | 5.4% |
| Latin America | 1.95 | 2.05 | 2.33 | 2.0% |
| Central Asia | 0.62 | 0.66 | 0.76 | 2.4% |
| North America | 2.54 | 2.57 | 2.59 | 0.2% |
| Europe | 2.48 | 2.49 | 2.50 | 0.1% |
| China | 2.18 | 2.28 | 2.35 | 0.9% |
| Japan | 2.40 | 2.41 | 2.42 | 0.1% |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Analysis of Driving Factors in the Emerging Diaper Market (1/3)

**Driving Factors in the Emerging Diaper Market**

**Population Growth**

- Emerging market countries typically exhibit a triangular demographic structure characterized by a high proportion of young individuals and elevated birth rates. This demographic pattern significantly amplifies the demand for diapers, as the increasing number of infants and toddlers necessitates a steady supply of these products. As the populations in these countries continue to expand, the corresponding rise in the number of young children perpetuates the growth trajectory of the diaper market. This phenomenon reflects broader socioeconomic trends, where youthful populations drive consumption patterns and create sustained demand for essential childcare products, ensuring that the diapers market experiences continuous and robust growth.

**Upgrading Consumption**

- With the rise in economic development and per capita income in emerging markets, consumers are increasingly focused on enhancing their living standards. This shift is notably seen in the infant care products sector, where there is a noticeable preference for good-quality diapers. These diapers are sought after for their superior comfort, enhanced absorption features, and the use of gentle, skin-friendly materials. This growing willingness among parents to invest in products that offer these advantages is driving up demand for higher-quality infant care items. Consequently, this trend is not only boosting sales but also stimulating the growth and diversification of the infant care industry. As families prioritize the well-being and comfort of their babies, the market continues to evolve with innovations aimed at meeting these heightened expectations for quality and functionality.

## Analysis of Driving Factors in the Emerging Diaper Market (2/3)

### Driving Factors in the Emerging Diaper Market

**Increased Product Awareness**

- With the continuous improvement in the quality of the population in emerging markets, the increasingly effective dissemination of information, and the widespread expansion of brand marketing, consumer awareness of baby diapers in emerging markets has gradually increased. This heightened awareness manifests in several ways. Firstly, more consumers are learning about the types, performance, and usage of baby diapers through educational and informational channels. Secondly, major brands are using various marketing strategies, such as television advertising, in-store promotions, and celebrity endorsements, to deepen consumer understanding and trust in their products. Lastly, as consumers pay more attention to product quality and safety, they are more inclined to choose high-quality diapers. All these factors collectively enhance consumer demand for baby diapers, creating greater market opportunities.

**Gradual Increase in Female Employment Rates**

- As female employment rates steadily increase, there is a corresponding rise in the number of working mothers. This demographic shift has influenced preferences in the diaper market, favoring disposable diapers over traditional cloth ones. Disposable diapers are preferred for their convenience and hygiene benefits, which are particularly advantageous for busy working mothers. The ease of use and time-saving aspects of disposable diapers align perfectly with the fast-paced lifestyles of these mothers, allowing them to efficiently manage their responsibilities at work and home. This preference for disposable diapers has led to a notable increase in demand within the diaper market. Manufacturers have responded by innovating and improving these products to further enhance comfort, absorption, and skin-friendliness, thereby catering to the evolving needs of working mothers and reinforcing the growth trajectory of the disposable diaper segment.

# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

## Analysis of Driving Factors in the Emerging Diaper Market (3/3)

| Driving Factors in the Emerging Diaper Market | |
|---|---|
| **Advancement in Marketing and Brand Promotion** | • With the gradual improvement of the diaper industry chain in emerging markets, companies are investing more and more in marketing and branding, which significantly increases product awareness and market share, and promotes the development of the entire industry. Enterprises formulate effective marketing strategies through accurate market research and utilize TV advertisements and other channels to deliver brand messages. In addition, diversified brand promotion methods, such as celebrity endorsement and public welfare activities, have enhanced the brand's social influence and reputation. By continuously innovating and improving their products, the companies have enhanced consumer experience, further expanded their market influence, and driven the rapid development of the diaper industry in emerging markets. |
| **Improvement in Product Innovation** | • Product innovation in baby diapers is advancing rapidly with technological advancements, leading to the development of new products that are significantly enhancing user experience. Modern diapers now feature ultra-thin and breathable materials that ensure maximum comfort for the baby while maintaining a discreet profile. Additionally, advanced leak-proof designs have been incorporated, providing superior protection against leaks and ensuring that the baby's skin remains dry. These features help in reducing the risk of infections and allergic reactions, making diapers safer for prolonged use. As a result, these innovations not only cater to the immediate needs of infants but also align with the priorities of parents who are increasingly focused on the health and well-being of their children. |
| **Improvement in Government and Industry Standards** | • Improvements in government and industry standards to promote higher market demand: Increasing government regulation of the safety and quality of baby care products has helped to improve the standardization and standardization of the entire industry, thereby promoting the healthy development of the industry. Strict regulation ensures the safety and reliability of products and enhances consumer trust. At the same time, the attention paid to the industry by government departments has raised consumer awareness of baby care products through publicity and education efforts. This has not only increased consumer demand for high-quality products, but has also further contributed to the growth in market demand and continued progress of the industry. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Baby Diapers and Baby Pants Industry

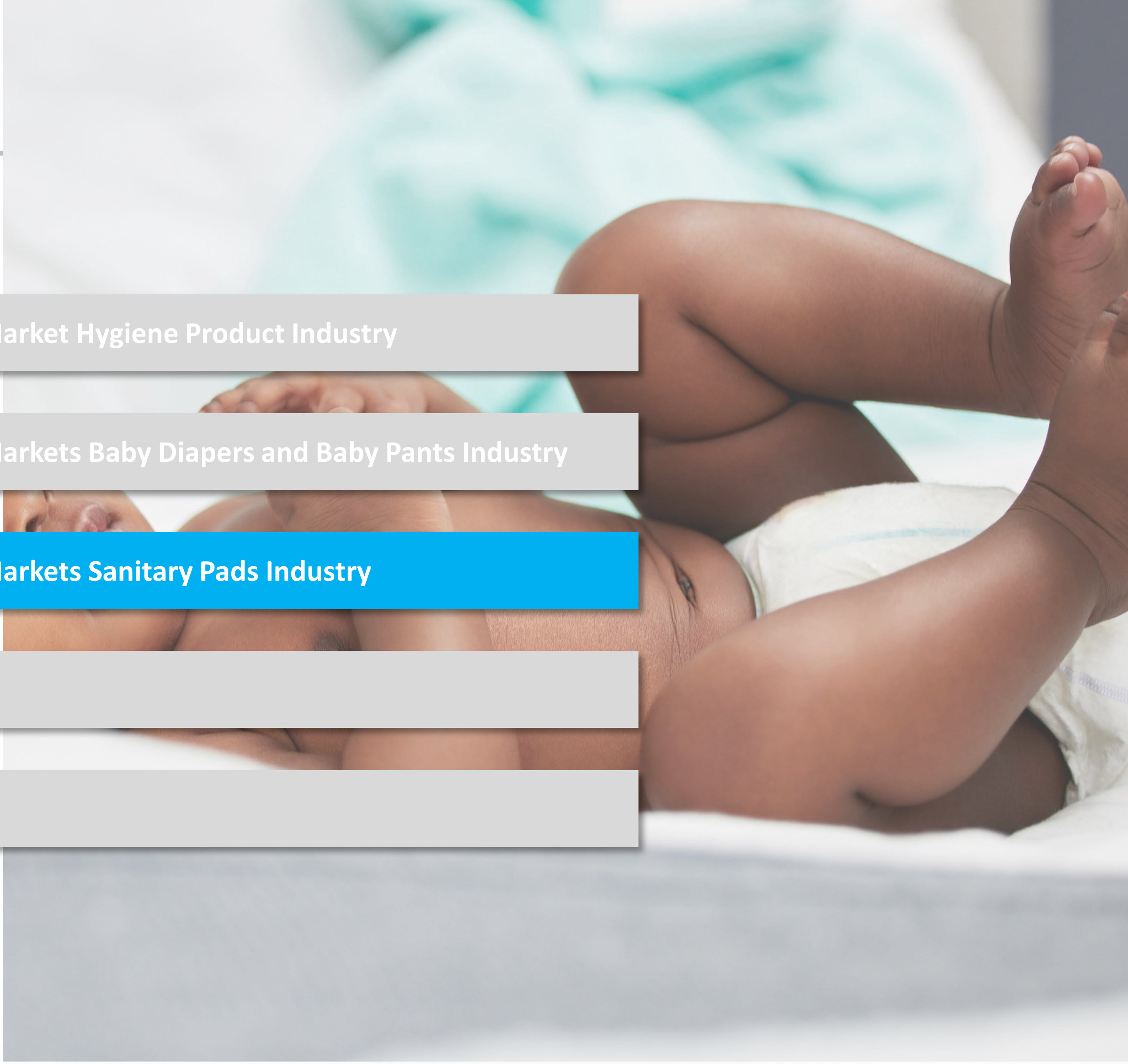
## Future Development Trends in the Emerging Diaper Market

| Future Development Trends in the Emerging Diaper Market | |
|---|---|
| **Increasing Consumer Brand Awareness** | • As income levels rise, consumers increasingly pursue well-established brands. These well-known brands, which offer higher-quality, safer, and more environmentally friendly products, gain greater respect and are chosen by a growing number of discerning consumers. This shift in consumer preference reflects a heightened demand for products that not only meet functional needs but also align with values such as safety, quality, and sustainability. As a result, reputable brands that prioritize these aspects are more likely to capture and retain consumer loyalty in the competitive market. |
| **Heightening Consumer Demand for Product Quality** | • With the improvement of living standards, consumers pay increasing attention to the quality of baby diaper products. Their demands on various aspects of the product such as healthiness, safety and performance are gradually increasing. Parents are increasingly concerned about whether diapers are made from skin-friendly materials, have superior absorbency, and are leak-proof. In addition, consumers are concerned about breathability, comfort and environmental friendliness. These elevated requirements are driving manufacturers to continuously improve their products and adopt more advanced technologies and materials to meet consumer expectations and ensure the health and comfort of infants and children. |
| **Enhancing Levels of Product Innovation and Differentiation** | • To attract consumers, brands will continuously introduce innovative products, such as more breathable, comfortable, and eco-friendly diapers, as well as products with additional features like antibacterial and hypoallergenic properties. As market competition intensifies, diaper companies will differentiate their products through innovative designs, customized services, and pricing strategies to meet the needs of various consumer groups. |
| **Increasing Importance of Supply Chain Stability** | • The importance of supply chain stability is increasing to ensure production compliance and quality consistency for baby diaper products. A robust and reliable supply chain is essential for maintaining a steady supply of products and upholding high-quality standards, which is critical for meeting consumer expectations. Consequently, companies are investing more in supply chain management, optimizing logistics, and building strong partnerships with suppliers. These efforts enhance their resilience and efficiency in the marketplace, ensuring they can consistently deliver products that meet the stringent demands of discerning consumers. |

*Source: Frost & Sullivan*

# Agenda





# Overview of Emerging Markets Sanitary Pads Industry

## Definition and Classification of Sanitary pads

**Definition**

- The emerging markets sanitary pads industry involves a series of production and sales activities. The product range extends from traditional straight-type sanitary pads to advanced products featuring innovative materials and forms, such as liquid sanitary pads and comfort pants.
- Sanitary pads typically consist of a top sheet, an absorbent core, and a leak-proof back sheet. Their working principle involves utilizing highly absorbent materials to absorb and collect menstrual excretions, maintaining hygiene, comfort, and health during the customer's menstrual period.
- The products have been more functionally comprehensive as they have evolved from primitive forms to modern structures with unique absorbent layers and leak-proof designs.

**Classification**

**Sanitary pads**

| Type | Description | Features |
| --- | --- | --- |
| Silky Dry Cover Pads | Products with silky dry cover that enable rapid absorption of fluids into the absorbent layer, maintaining a dry surface. | • Quick absorption<br>• Surface remains dry, reducing skin moisture<br>• Suitable for periods with heavy flow |
| Soft Cotton Sanitary Pads | Feature a surface made from soft fiber materials, mimicking the touch of cotton, providing a comfortable feel. | • Soft surface material<br>• Suitable for most women, especially those with sensitive skin<br>• Rapid absorption capacity |
| Pure Cotton Sanitary Pads | Refer to products with a surface material made of 100% natural cotton, emphasizing natural and additive-free properties, providing feel of a natural touch. | • Natural material<br>• Excellent breathability, reducing the feeling of stuffiness<br>• Suitable for sensitive skin |

# Overview of Emerging Markets Sanitary Pads Industry

## Value of Emerging Markets Sanitary Pads Industry

| For Consumers | |
|---|---|
| **Enhance Women's Physical Health** | • Amid the lack of sanitary pads, women in many emerging markets use alternatives to manage menstruation, including rags, cloths, cotton, toilet paper, homemade sanitary pads, or even natural materials such as grass and leaves. These alternatives are often less convenient, hygienic and effective than modern sanitary pads and may lead to skin irritation, infections, and other health conditions. Developments in the sanitary pads industry have provided them with better solutions for managing menstrual hygiene and reducing the risks of infection and disease. Using sanitary pads also significantly reduces the hygiene problems that consumers face during menstruation and improves overall health.<br>• Especially during the rainy season, the climate is humid and the air has a high level of moisture. Such an environment is conducive to the growth of bacteria and microorganisms, making women's private areas more susceptible to hygiene issues. To prevent infections and maintain dryness, women are more inclined to use sanitary pads to absorb excess moisture and secretions, increasing the frequency of sanitary pad usage. |
| **Improve Women's Mental Health** | • Access to consistent and reliable sanitary pads can significantly improve women's mental health by reducing the anxiety and embarrassment associated with complex period management. With dependable menstrual care, women no longer need to worry about leaks or inadequate protection, boosting their self-esteem and confidence and allowing them to focus more on their daily activities without distraction. In addition, reliable menstrual care supports a sense of normalcy and dignity, helping women feel more in control of their bodies. |
| **Improve Women's Quality of Life** | • The popularization of sanitary pads in emerging markets can significantly improve women's quality of life by enabling them to comfortably participate in their daily activities without the constraints of menstrual distress. The convenience brought by sanitary pads positively impacts both women's physical and mental health. |

# Overview of Emerging Markets Sanitary Pads Industry

## Value of Emerging Markets Sanitary Pads Industry

**For Enterprises**

| | |
|---|---|
| **Market Expansion and Revenue Growth** | • Emerging markets are characterized by having a large population base and high demand potential, offering significant opportunities for companies to expand their customer base and increase sales. Establishing a strong presence in emerging markets can diversify revenue streams and reduce reliance on saturated markets. |
| **Brand Reputation and Social Responsibility** | • Promoting sanitary pads in emerging markets can significantly improve local women's quality of life and enhance the brand's social responsibility image. Providing affordable and reliable sanitary pads helps prevent infections, demonstrating the company's commitment to social impact and empowerment of women. |
| **Innovation and Product Development** | • Companies need to develop products within the local context to meet local markets' demands. This innovation process not only enhances the brand's technological capabilities but also allows for the application of these innovations in other markets, driving the development and upgrading of the overall product line. |
| **Long-Term Potential of the Markets** | • As the economies of emerging markets develop and the living standards of their residents improve, emerging markets' spending power and demand for high-quality sanitary pads will grow continuously. Entering the markets early and building brand recognition can lay the foundation for the brand's long-term development in these markets. |

# Overview of Emerging Markets Sanitary Pads Industry

## Value of Emerging Markets Sanitary Pads Industry

**For Social Ends (1/2)**

| | |
|---|---|
| **Improvement of Female Education and Employment Status** | • With reliable sanitary pads, women can more consistently participate in school and work during their periods, reducing school and career interruptions caused by menstrual absences. In the long run, this will help raise women's educational level and economic status in emerging markets. The continuity in education and employment contributes to higher academic achievements and economic growth of the emerging market. |
| **Break Social Taboos and Increase Social Status of Women** | • With the popularization of sanitary pads, menstruation is no longer a taboo subject, which has helped improve women's status in emerging markets within the family and society, increasing their self-confidence and motivation to participate in social activities and empowering women to take control of their reproductive health. This change not only benefits individual women but also promotes broader societal progress and development. |
| **Foster Gender Equality** | • The widespread use and accessibility of sanitary pads are important to gender equality. The provision of essential menstrual products can reduce gender discrimination and social inequalities resulting from poor menstrual management. Access to these products ensures that women can participate fully in society without fearing embarrassment or health risks. It also helps to challenge the cultural stigmas regarding menstruation, leading to a more open and supportive environment for all. |

# Overview of Emerging Markets Sanitary Pads Industry

## Value of Emerging Markets Sanitary Pads Industry

**For Social Ends (2/2)**

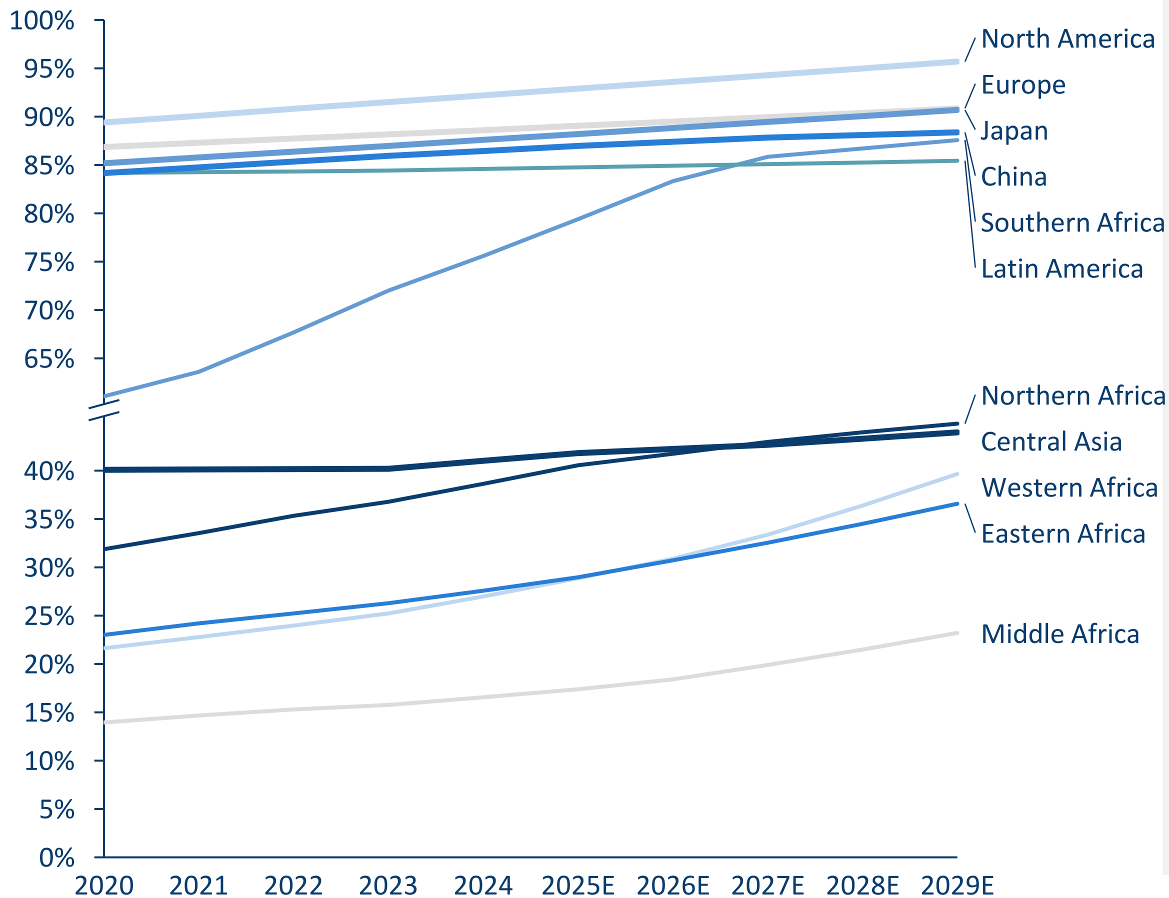
| | |
|---|---|
| **Boost Economic Growth and Innovation** | • The development of the sanitary pads industry has led to the growth of related manufacturing, sales, and retailing chains, creating employment opportunities and contributing to the economic growth of emerging markets. This expansion not only provides jobs but also promotes skills development and workforce diversification. At the same time, it has stimulated innovation of local and foreign companies, enhancing product quality and accessibility and encouraging the development of products better suited to local needs and preferences. |
| **Promote Environmental Preservation** | • As the industry grows, more sustainable and eco-friendly sanitary pads are introduced. This helps reduce the use of plastics and harmful chemicals, significantly lowering environmental pollution. The shift towards eco-friendly products not only benefits the environment but also promotes healthier choices for consumers. By offering sustainable alternatives, companies contribute to a circular economy and responsible consumption. Promoting these products also raises consumers' environmental awareness, encouraging them to make more informed and environmentally conscious decisions. |

# Overview of Emerging Markets Sanitary Pads Industry

## Penetration Rate of Sanitary Products, 2020-2029E

**Sanitary Products Penetration Rate, by Different Regions**

%, 2020-2029E




### Key Findings

- The key influencing factors for female sanitary products penetration rates include economic development level, education access, sociocultural attitudes, hygiene and health awareness, market sales networks, product diversity and innovation, government policies, media promotion, and infrastructure conditions.
- In Africa, despite the currently low penetration rate of female sanitary products, a combination of rapid economic growth, improved education standards, heightened health consciousness, and government focus on women's health issues is driving an increase in demand for sanitary products. Africa boasts a vast young female population, and with an unsaturated market, this presents significant growth opportunities for sanitary pad brands.
- In Northern America and Europe, while the penetration rate of female hygiene products is extremely high, cultural influences have led to a preference for tampons and menstrual cup over sanitary pads among many women.

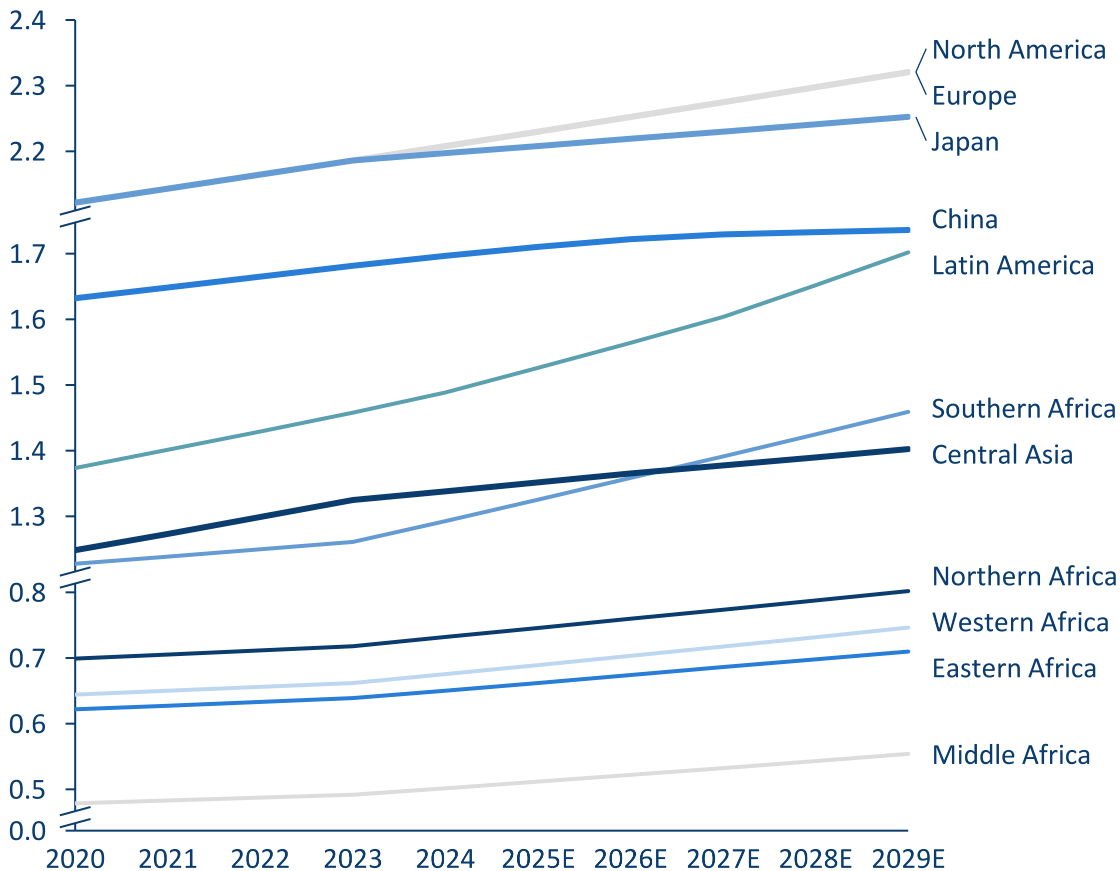
*Source: Frost & Sullivan*

# Overview of Emerging Markets Sanitary Pads Industry

## Per capita Monthly Consumption of Sanitary Pads, by Different Regions, 2020-2029E

**Per capita Monthly Consumption of Sanitary Pads, by Different Regions**

USD, 2020-2029E




### Key Findings

- Monthly consumption of female sanitary pads is influenced by multiple factors. Economic conditions serve as the foundation, with income levels directly impacting purchasing power, and price fluctuations regulating consumer spending. Socio-culturally, the spread of education and open-minded attitudes encourage women to prioritize health and choose suitable products. Among individual factors, age, menstrual cycle, and consumption habits play pivotal roles. On the market front, product innovation and diversification cater to individual needs, while the improvement of sales networks enhances purchasing convenience. Additionally, government policies such as tax incentives or subsidies indirectly promote the consumption of sanitary pads.
- Per capita monthly consumption of sanitary pads in all regions are experiencing gradual increase, with significant growth in Africa. The reasons for the monthly consumption growth of female sanitary pads in Africa mainly include: increased income driven by economic development, enhanced health awareness due to education popularization, and improved market supply.

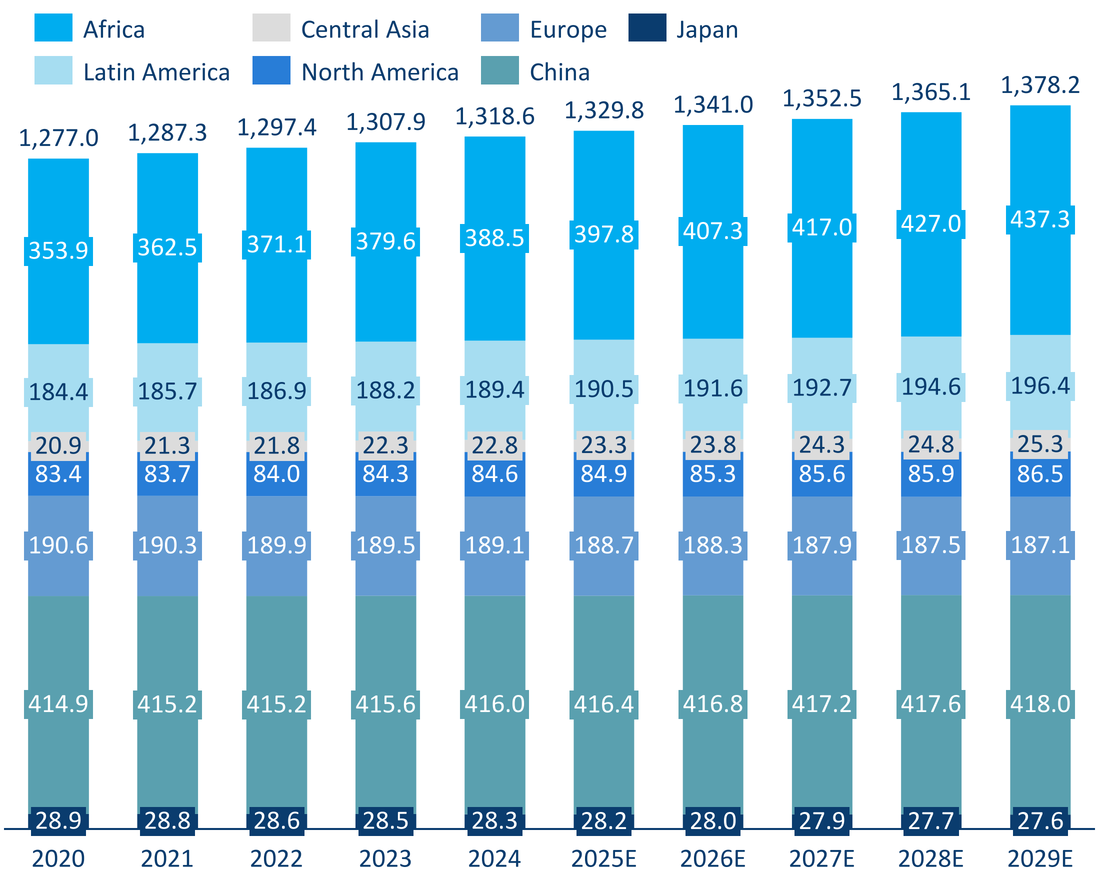
*Source: Frost & Sullivan*

# Overview of Emerging Markets Sanitary Pads Industry

## Number of Women of Childbearing Age in Major Markets, 2020-2029E

**Number of Women of Childbearing Age in Major Markets* (Africa, Latin America, Central Asia, North America, Europe, China, Japan)**

Million People, 2020-2029E




### Key Findings

- Due to higher birth rates and a younger population structure, the proportion of women of childbearing age is higher in Africa and Central Asia. In contrast, Europe and Japan face the challenge of an aging population, with a relatively lower proportion of women of childbearing age and a declining trend. In Latin America, the proportion of women of childbearing age is moderate, but the growth rate is slowing due to a decrease in birth rates. In North America, the proportion of women of childbearing age is relatively stable, and there is potential for population growth due to immigration policies. In China, the proportion of women of childbearing age has declined due to the impact of the one-child policy, but it is expected to stabilize with policy adjustments.

- Overall, the sales of the global population of women of childbearing age is uneven, with varying situations in different regions, influenced by factors such as birth rates, population structure, and policies.

*Note:Note: Women of childbearing age are women who are capable of reproducing, i.e., in the menstrual phase, and according to UNICEF data, are between 12 and 50 years of age.*

*Source: UNICEF, Frost & Sullivan*

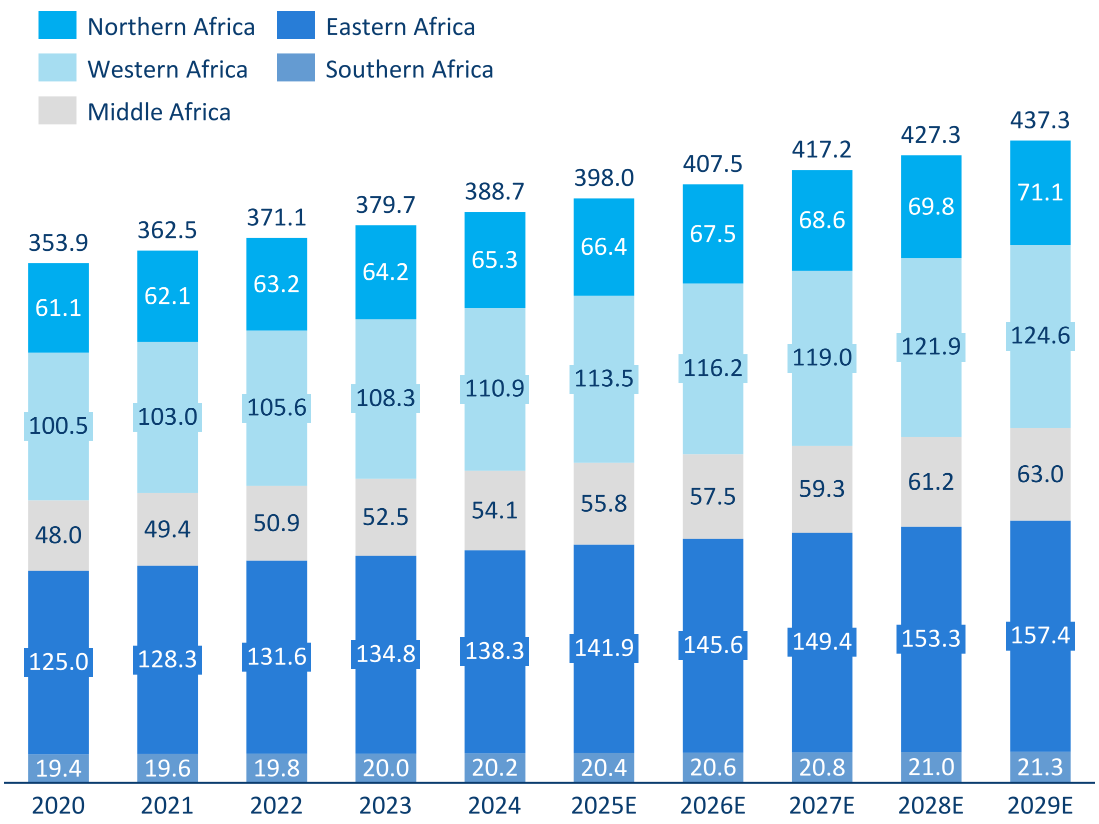
# Overview of Emerging Markets Sanitary Pads Industry

## Number of Women of Childbearing Age in Africa, 2020-2029E

### Number of Women of Childbearing Age in Africa

Million People, 2020-2029E

| | 2020-2024 | 2025-2029E |
|---|---|---|
| **CAGR** | 2.4% | 2.4% |




### Key Findings

- The number of women of childbearing age in all regions of Africa has shown a rapid growth trend in recent years, increasing from 353.9 million in 2020 to an estimated 437.3 million by 2029. Western Africa and Eastern Africa have a larger number of women of childbearing age, primarily due to their larger overall population sizes and younger age structures. The number of women of childbearing age in Western Africa was 100.5 million in 2020, reaching 110.9 in 2024; the number of women of childbearing age in Eastern Africa was 125.0 million in 2020, reaching 138.3 in 2024.

- Due to its high birth rate and younger age structure, Middle Africa is expected to see a relatively rapid increase in the number of women of childbearing age in the future.

*Source: Frost & Sullivan*

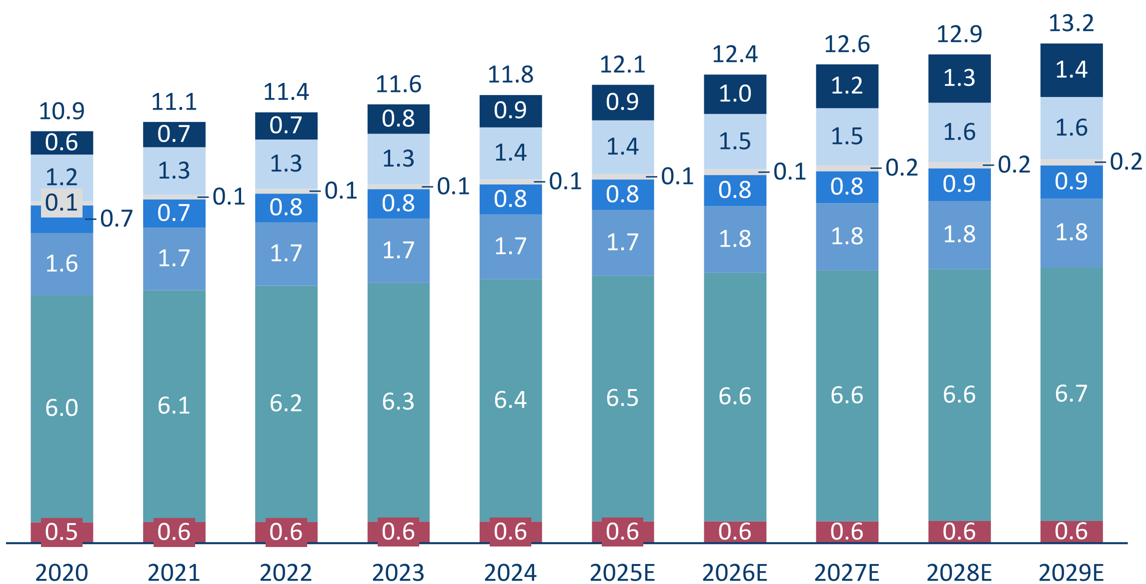
# Overview of Emerging Markets Sanitary Pads Industry

## Market Size of Sanitary Pads, by Different Regions, 2020-2029E

**Market Size of Sanitary Pads, by Different Regions**

USD Billion, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 8.7% | 10.7% |
| **Latin America** | 2.7% | 3.7% |
| **Central Asia** | 4.7% | 4.4% |
| **North America** | 2.0% | 2.1% |
| **Europe** | 1.2% | 1.2% |
| **China** | 1.6% | 0.8% |
| **Japan** | 0.9% | 0.6% |




**Key Findings**

- Overall, the sanitary pads market size is showing an expanding trend within the analyzed regions, growing from USD10.86 billion in 2020 to an estimated USD13.18 billion by 2029. China accounts for the largest share of the investigated markets and has been showing steady growth in recent years. This is due to China's large female population, and cultural factors and hygiene education have made the use of sanitary pads more common.
- Africa's market size is growing, at a CAGR of 8.7% before 2024 and is expected to grow at a CAGR of 10.7% to 2029. The rapid growth of the female sanitary pad market in Africa can be attributed to various factors, encompassing multiple dimensions such as economic, social, cultural, and market aspects.

*Source: Frost & Sullivan*

Note: This market size refers to the terminal consumption market size based on the retail sales.

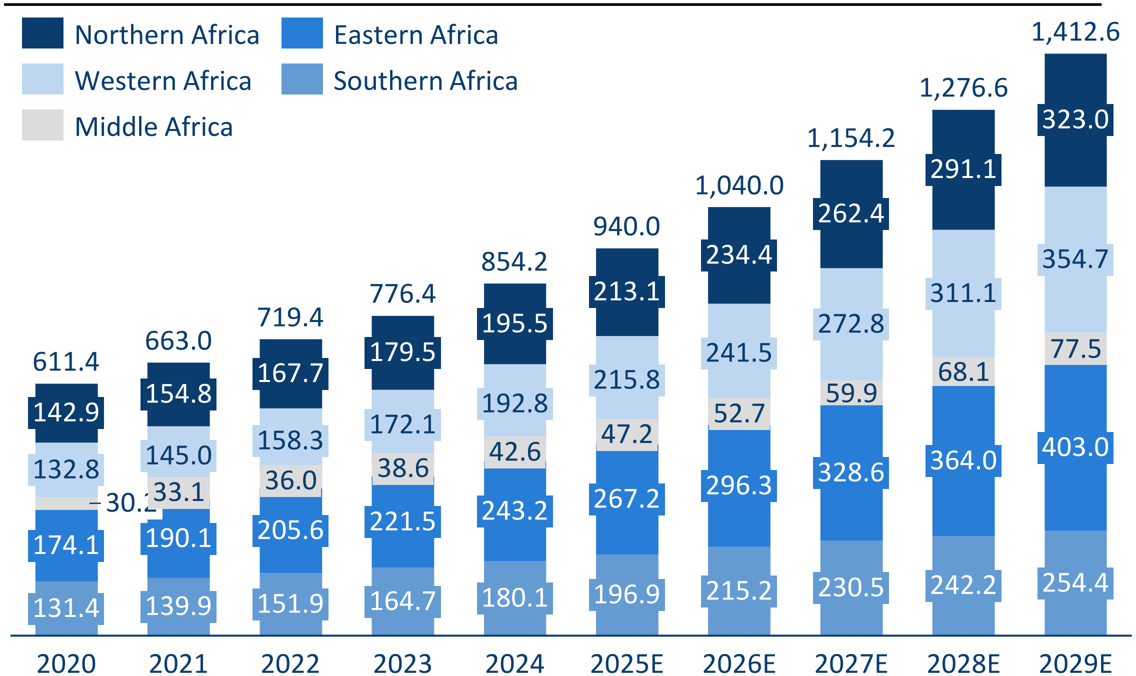
# Overview of Emerging Markets Sanitary Pads Industry

## Market Size of Sanitary Pads in Africa, by Different Regions, 2020-2029E

### Market Size of Sanitary Pads in Africa, by Different Regions

USD Million, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Northern Africa** | 8.2% | 11.0% |
| **Western Africa** | 9.8% | 13.2% |
| **Middle Africa** | 9.0% | 13.2% |
| **Eastern Africa** | 8.7% | 10.8% |
| **Southern Africa** | 8.2% | 6.6% |
| **Africa** | 8.7% | 10.7% |




### Key Findings

- The sanitary pads market in all regions of Africa has shown a rapid growth trend, with Western Africa experiencing the fastest growth rates at 9.8% and 13.2% respectively. Notably, Eastern Africa, having a relatively high annual growth rate, has consistently held the largest market share, increasing from USD174.1 million in 2020 to USD243.2 million in 2024.
- The factors influencing the size of the female sanitary pad market in Middle, Western, Eastern, Southern, and Northern Africa are complex and diverse. From a demographic perspective, the large population base and pronounced youth trend in these regions, coupled with a high proportion of women of reproductive age, directly drive the growth of the sanitary pad market. Socially, the rising economic status and heightened hygiene awareness of women have made them more willing to invest in personal hygiene products. Culturally, globalization and the spread of education have gradually altered traditional beliefs, enhancing the acceptance of sanitary pads among women. In terms of consumption habits, as incomes rise and living standards improve, women have developed higher expectations for the quality and comfort of sanitary pads, fostering market segmentation and demand for products.

*Source: Frost & Sullivan*

Note: This market size refers to the terminal consumption market size based on the retail sales.

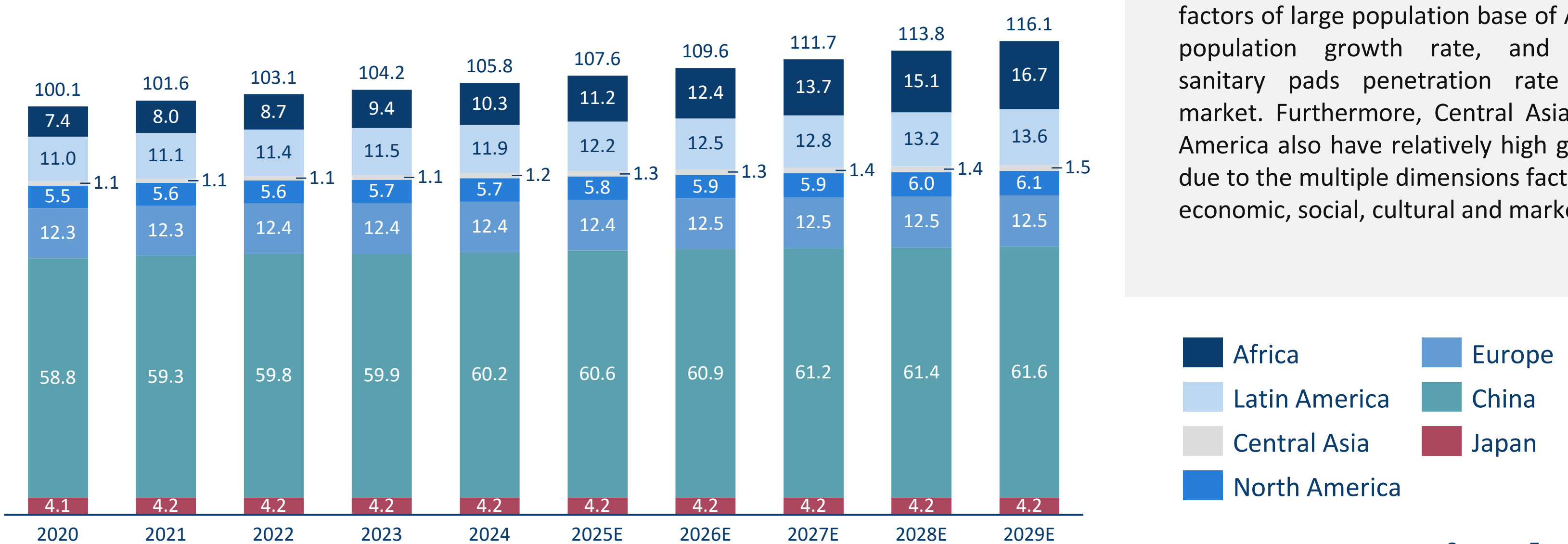
# Overview of Emerging Markets Sanitary Pads Industry

## Market Size of Sanitary Pads, by Different Regions, 2020-2029E

### Market Size of Sanitary Pads, by Different Regions

Billion Pieces, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Africa** | 8.7% | 10.4% |
| **Latin America** | 2.0% | 2.9% |
| **Central Asia** | 3.0% | 3.9% |
| **North America** | 1.0% | 1.1% |
| **Europe** | 0.2% | 0.2% |
| **China** | 0.6% | 0.4% |
| **Japan** | 0.1% | 0.1% |




### Key Findings

- In terms of volume, the market size of sanitary pads shows an increase among major areas. China dominates the sanitary pads market size among these major regions due to its large population base and its cultural practices that lead women to prefer sanitary pads over tampons in their choice of hygiene products.
- Within all the major areas, Africa shows the highest growth rate with a CAGR of 8.7% from 2020 to 2024 and a CAGR of 10.4% from 2025 to 2029 estimated. This is driven by the factors of large population base of Africa, high population growth rate, and increasing sanitary pads penetration rate in Africa market. Furthermore, Central Asia and Latin America also have relatively high growth rate due to the multiple dimensions factors such as economic, social, cultural and market aspects.

*Source: Frost & Sullivan*

Note: This market size refers to the terminal consumption market size based on the retail sales.

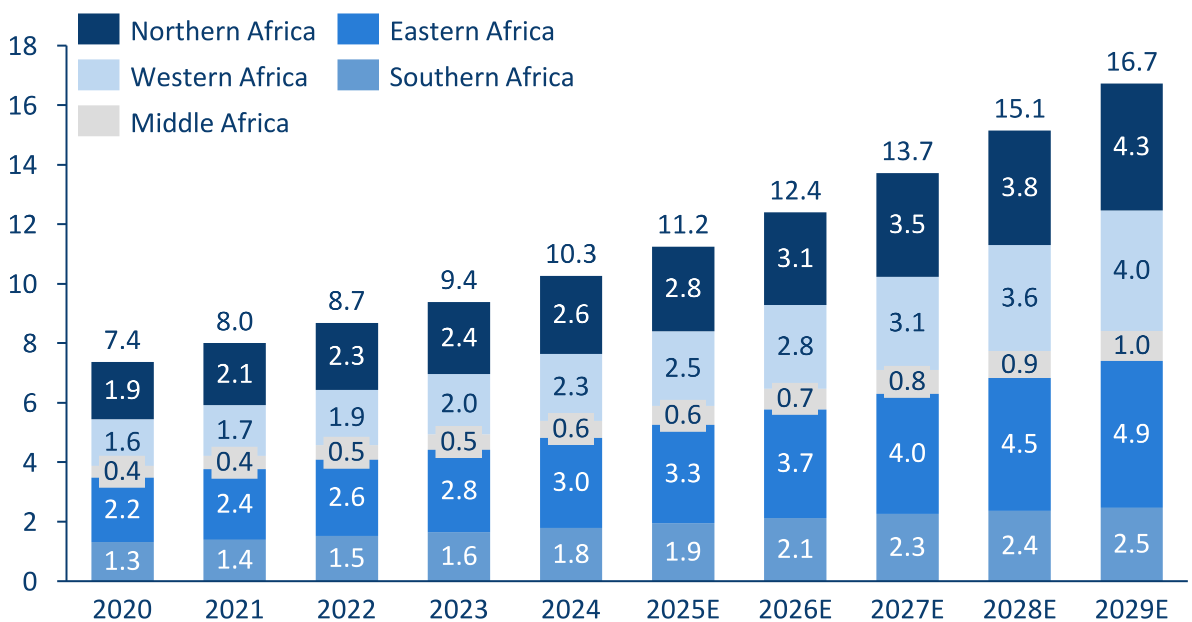
# Overview of Emerging Markets Sanitary Pads Industry

## Market Size of Sanitary Pads in Africa, by Different Regions, 2020-2029E

### Market Size of Sanitary Pads in Africa, by Different Regions

Billion Pieces, 2020-2029E

| | CAGR 2020-2024 | CAGR 2025-2029E |
|---|---|---|
| **Northern Africa** | 8.1% | 10.6% |
| **Western Africa** | 9.7% | 12.7% |
| **Middle Africa** | 9.0% | 12.7% |
| **Eastern Africa** | 8.7% | 10.4% |
| **Southern Africa** | 8.1% | 6.2% |




### Key Findings

- In terms of volume, the sanitary pads market in all regions of Africa has shown a rapid growth trend, with Western Africa experiencing the fastest growth rates at 9.7% and 12.7% respectively. Notably, Eastern Africa, having a relatively high annual growth rate, has consistently held the largest market share, increasing from 2.17 billion pieces in 2020 to 3.03 billion pieces in 2024, and estimated to be 4.93 billion pieces in 2029.
- There are a couple of main factors driving the fast growth in African sanitary pads market. First of all, the large population base and rapid growth build the foundation for the market's growth. With the economic growth and urbanization in Africa, the disposable income of residents gradually increases, which allows more women to afford sanitary pads. Secondly, health education and awareness are enhanced steadily in Africa, which contributes to the market growth. Last but not least, the sanitary pads market is getting more active with more attention from the sanitary pads brands. The market penetration and consumption of sanitary pads products are increasing steadily within the more mature market.

*Source: Frost & Sullivan*

Note: This market size refers to the terminal consumption market size based on the retail sales.

# Overview of Emerging Markets Sanitary Pads Industry

## Per Capita Daily Use During Menstruation (By Total Potential Population)

| | 2020 | 2024 | 2029E | CAGR 2020~2029E |
|---|---|---|---|---|
| Northern Africa | 0.71 | 0.91 | 1.35 | 7.4% |
| Western Africa | 0.38 | 0.50 | 0.79 | 8.5% |
| Middle Africa | 0.23 | 0.29 | 0.44 | 7.4% |
| Eastern Africa | 0.40 | 0.51 | 0.72 | 6.8% |
| Southern Africa | 1.50 | 1.96 | 2.58 | 6.2% |
| Latin America | 1.34 | 1.41 | 1.56 | 1.7% |
| Central Asia | 1.14 | 1.18 | 1.31 | 1.5% |
| North America | 1.43 | 1.47 | 1.51 | 0.7% |
| Europe | 1.39 | 1.41 | 1.44 | 0.4% |
| China | 3.02 | 3.09 | 3.15 | 0.4% |
| Japan | 3.06 | 3.13 | 3.23 | 0.6% |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Sanitary Pads Industry

## Market Driver (1/3)

| Demand-side Driver | |
|---|---|
| **Population Growth and Urbanization** | • The population base in emerging markets is large and growing rapidly, especially with a higher proportion of young people. The acceleration of urbanization means more women are moving into cities, where lifestyle and consumption habits are changing, making it easier for them to access to and purchase hygiene products. With higher health awareness and purchasing power, the market demand for hygiene products is increasing.<br>• Furthermore, the urban environment provides better access to education and healthcare services, which can lead to more informed decisions regarding menstrual hygiene. The concentration of retail outlets and e-commerce platforms in urban areas also ensures that women have a wider variety of products to choose from, catering to different needs and preferences. Additionally, urbanization can lead to better waste management practices, addressing concerns related to the disposal of hygiene products. |
| **Improvement in Education Levels** | • Higher education levels make more women in emerging markets understand the importance of menstrual hygiene management. Educational projects in schools and communities enhance women's knowledge regarding hygiene products, increasing their recognition and use of these products.<br>• Additionally, educated women are more likely to advocate for better menstrual health practices. This effect can lead to community-wide changes, fostering a more supportive environment for women's health and well-being. With increased education, women are better equipped to challenge social taboos and stigmas surrounding menstruation, promoting open dialogue and acceptance. |

# Overview of Emerging Markets Sanitary Pads Industry

## Market Driver (2/3)

| Demand-side Driver | |
|---|---|
| **Economic Development and Income Growth** | • Economic development improves family incomes, allowing more women to have disposable income to purchase personal care products. Women are more inclined to buy high-quality sanitary pads, enhancing their quality of life. This trend not only boosts sales of premium sanitary pads but also encourages manufacturers to innovate and improve product offerings.<br>• Additionally, higher income levels enable women to prioritize their health and hygiene, leading to a greater demand for reliable and comfortable menstrual products. Furthermore, due to the inconvenience of transportation during the rainy season in some emerging markets, such as Africa, there is a tendency to stock up on sanitary pads when purchasing. |
| **Social and Cultural Changes** | • Social progress and cultural changes in these regions mean that discussing menstruation is no longer a taboo. Women are more willing to discuss and use sanitary pads openly, and this shift in perception increases demand for these products. Additionally, the normalization of menstruation topics in media and public discourse further supports the growing market for sanitary pads. These cultural shifts also pave the way for educational campaigns and community initiatives that promote menstrual health and hygiene. |
| **Government and NGO Support** | • Government and non-governmental organizations carry out hygiene education and health promotion projects, providing economic and policy support to promote the use of sanitary pads. These health promotion projects not only increase women's demand for sanitary pads but also effectively reduce market entry barriers for sanitary pads brands, facilitating supply-side expansion. Additionally, these initiatives raise awareness about menstrual hygiene, leading to improved health outcomes and greater accessibility of sanitary products for women in underserved areas. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Sanitary Pads Industry

## Market Driver (3/3)

### Supply-side Driver

| | |
|---|---|
| **Brand Marketing and Education Promotion** | • Many sanitary pads brands use advertisements, promotional activities, and health education projects to increase product awareness and market penetration. Effective marketing and educational promotion not only raise consumer awareness of sanitary pads but also change their purchasing habits. Furthermore, these initiatives help build brand loyalty, leading to sustained demand and market growth. |
| **Advancement of Sales Networks and Supply Chains** | • The development of global supply chains and logistics networks for sanitary pads brands enables more efficient sales to remote and rural areas in emerging markets, increasing product accessibility, expanding potential markets, and ensuring that products can arrive on time. Enhanced sales networks also reduces costs and improves the availability of products during peak demand periods. |
| **Product Innovation and Diversification** | • Feminine sanitary pads brands continuously launch innovative products, including a variety of price ranges and styles to meet diverse needs. Diversified products meet the varying needs of consumers in emerging markets, enhancing market competitiveness. The constant introduction of new features and technologies in hygiene products helps to attract a wider customer base. This diversity allows brands to cater to niche markets and adapt to changing consumer preferences. |
| **Support from Government and Organizations** | • Governments and organizations carry out hygiene education and health promotion projects, provide economic and policy support, and promote sanitary pads. These projects not only increase women's awareness of the products but also effectively decrease barriers to market entry for brands, promoting supply-side development. Collaboration between public and private sectors ensures sustained efforts in improving menstrual health and hygiene standards. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Sanitary Pads Industry

## Future Trend (1/2)

| | |
|---|---|
| **Product Diversification, Personalization and Competition** | • With the diversification of consumer needs, sanitary pads brands continue introducing various products, including ultra-thin, anti-leakage, organic cotton materials and biodegradable products. Brands will focus more on personalization and customization to meet the needs of consumers of different age groups, lifestyles and preferences.<br>• In the meantime, sanitary pads will face competition from other types of products, such as tampons, menstrual cup etc. |
| **Scenario Based Product Classification** | • Women nowadays have diverse lifestyles and increasingly complex needs, driving the scenario-based categorization of sanitary pads, including sanitary pads designed for sports with highly absorbent, breathable and leakage-proof design; sanitary pads intended for white-collar workers that emphasize comfort and invisibility; sanitary pads designed for sleeping at night are longer and more comprehensive in size to ensure peace of mind and leakage prevention throughout the night; and sanitary pads intended for travelling are portable and individually packaged in a single-use package, etc. In the future, the scenario-based classification of sanitary pads will effectively enhance product performance and consumer satisfaction. The scenario-based categorization of sanitary pads will effectively improve products performance and consumer experience. |
| **Technological Innovation** | • Applying new materials and technologies has improved sanitary pads' comfort, absorbency and hygiene, including the use and popularization of super-absorbent fibers and antimicrobial technology. In the future, the brands will continue to promote the improvement of product performance through technological innovation to enhance the consumer experience. |

*Source: Frost & Sullivan*

# Overview of Emerging Markets Sanitary Pads Industry

## Future Trend (2/2)

**Digital Management**

- Digital management can significantly improve the operational efficiency of sanitary pads producing companies in emerging markets by introducing digital technologies, including ERP (Enterprise Resource Planning) systems, CRM (Customer Relationship Management) systems, and supply chain management software. Companies can automate and refine management, enhance supply chain transparency, and improve customer experience. For instance, real-time data analysis and report generation can help companies optimize production planning and inventory management, reducing costs and improving efficiency. With the gradual optimization of the management system of sanitary pads enterprises in emerging markets, digital management will gradually become the mainstream.

**Optimization in Local Production and Supply Chain**

- Localized production not only reduces transportation costs but also better meets the needs of local markets. To reduce production costs and improve market responsiveness, more companies set up local factories and hire local employees for production, and optimize their supply chain management, including global sourcing and using digital supply chain management systems.

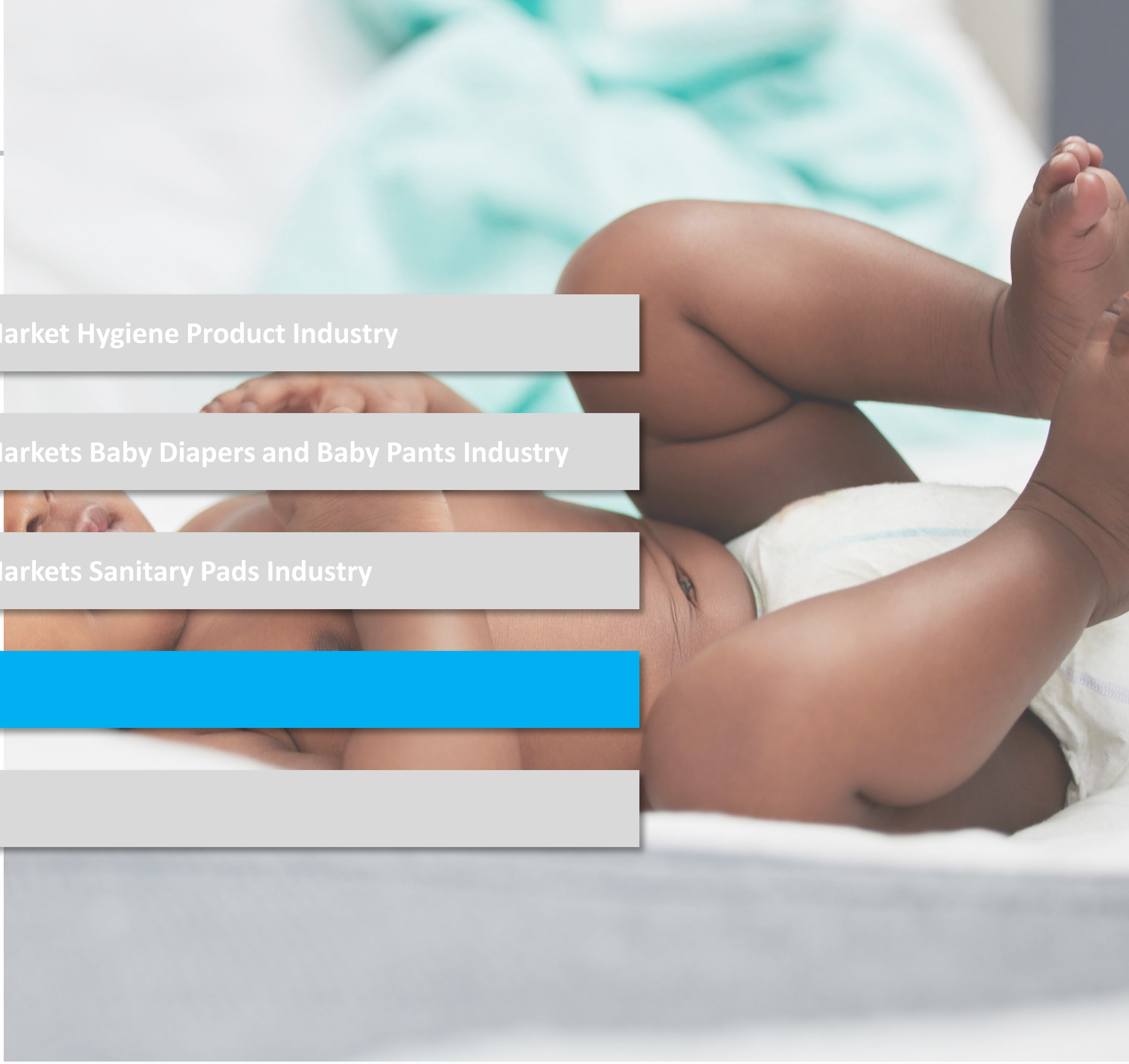
**Gender Equality and Women Empowerment**

- Developing the sanitary pads industry in emerging markets promotes women's health and gender equality, female empowerment, and social progress. In the future, the government will increase investment in women's protection and implement tax exemptions and subsidy related policies. In addition, more sanitary pads brands will focus on women's empowerment and support women's health and rights through their products.

*Source: Frost & Sullivan*

# Agenda





# Competitive Landscape

## Key Success Factors in the Emerging Markets Hygiene Industry

| Key Success Factors | |
|---|---|
| **Supply Chain Integration Capability** | • Supply chain integration includes comprehensive capabilities such as material cost control, production efficiency enhancement, application of advanced supply chain management technologies, emergency management, and demand responsiveness. Emerging market hygiene companies with strong supply chain integration capabilities can achieve cost control, ensure production and fulfillment efficiency, bulk purchasing, automated production, efficient transportation, digital management of inventory and logistics, and timely response to market demand changes. Especially in today's highly competitive emerging markets hygiene industry, businesses with greater supply chain resilience can ensure cost control and brand image shaping, avoiding being dragged into price wars and standing out in the fiercely competitive emerging markets hygiene industry. |
| **Channel Expansion and Management Capability** | • Channel expansion and management capabilities primarily influence the business performance of hygiene companies in emerging markets through market coverage and regional penetration, market adaptability, partner stability, and channel innovation. By optimizing channel strategies, companies can enhance market coverage and penetration rates, improve supply chain efficiency and cost control, enhance market adaptability and flexibility, strengthen brand building and consumer trust, establish stable partnership relationships, promote channel innovation and service enhancement, manage risks and regulatory compliance, thereby achieving sustained growth and competitive market advantages. |

*Source: Frost & Sullivan*

# Competitive Landscape

## Key Success Factors in the Emerging Markets Hygiene Industry

| Key Success Factors | |
|---|---|
| **Digital Management Capability** | • Digital management can significantly enhance the operational efficiency of hygiene product companies in emerging markets. By introducing digital technologies, such as ERP (Enterprise Resource Planning) systems, CRM (Customer Relationship Management) systems, and supply chain management software, companies can achieve automated and refined management, enhance supply chain transparency, and improve customer experiences. Real-time data analysis and report generation can help businesses optimize production planning and inventory management, thereby reducing costs and increasing efficiency. Digital management capabilities not only improve the internal efficiency of emerging market hygiene companies but also enhance their adaptability and responsiveness to external changes, which are key factors for success in highly competitive markets. |
| **Business Model Replication Capability** | • By replicating and adapting successful business models, companies can leverage proven strategies and operational systems, reducing the risks associated with innovation while saving time and resources. This not only accelerates market expansion but also ensures consistent quality of products and services globally, meeting the needs of consumers in different regions. Additionally, business model replication can help companies effectively duplicate partnerships and supply chain networks, manage high-quality talent teams effectively, and efficiently allocate and organize resources, further solidifying their market position. Therefore, by cultivating and utilizing business model replication capabilities, emerging market hygiene companies can smoothly implement their globalization strategies, thereby standing out in intense international competition. |

*Source: Frost & Sullivan*

# Competitive Landscape

## Key Success Factors in the Emerging Markets Hygiene Industry

| Key Success Factors | |
|---|---|
| **Degree of Localization** | • The degree of localization significantly impacts hygiene product companies in emerging markets. For instance, brands that manufacture locally are better able to perceive market demands and have a marketing advantage. Employing a higher proportion of local staff can help companies become more familiar with local market needs, expand in the local market, provide more job opportunities, and thus enhance their social impact in the locality. Collaborating with local distributors and retailers can improve product penetration and quickly respond to changes in market demands. Establishing factories locally can reduce production costs as well as import tariffs and transportation expenses. Product development can more effectively incorporate local climate and living conditions, such as launching more breathable products in tropical desert and rainforest regions, thereby enhancing product practicality and consumer experience. |
| **Brand Building Capability** | • Effective brand building can enhance brand awareness, such as through powerful brand promotion campaigns that significantly elevate the brand's status in the minds of target consumers, influencing their purchasing decisions. Brand building also helps companies create a differentiated brand image and product characteristics, such as eco-friendly materials, high-tech fabrics, strict quality control, and a women-friendly corporate culture. Through the creation of a brand universe, it meets the diverse needs of different consumers. Companies with superior brand-building strategies also possess the ability to market and advertise across multiple channels, quickly deploying on emerging internet platforms to secure advantageous positions. Furthermore, hygiene product companies with strong brand power have more room for product price premiums and stronger bargaining power with channels and suppliers, avoiding involvement in price wars. In the rapidly developing market environment of emerging markets, brand-building capability is undoubtedly one of the key factors for business success. |

*Source: Frost & Sullivan*

# Competitive Landscape

## Key Success Factors in the Emerging Markets Hygiene Industry

| Key Success Factors | |
|---|---|
| **Government-Business Relations and Industry Influence** | • In emerging markets, which cover a broad range, hygiene product companies that establish good government-business relations can help create a strong environment for development. This is reflected in these companies having stronger capabilities in policy perception and regulatory compliance. They can influence or participate in the formulation of relevant industry standards to some extent, and they are more likely to receive local government tax incentives, subsidies, and industrial support. This results in a relatively safe competitive environment and stronger investor confidence. |
| **High-Quality Talent Team** | • A high-quality talent team is one of the key success factors, as such talent can provide professional knowledge, skills, and innovative capabilities, helping emerging market hygiene companies maintain competitiveness in product development, marketing, and operational management. For instance, in emerging markets, where there are significant language and cultural differences, companies that employ talents with local language skills and cultural backgrounds can quickly adapt to market changes and respond rapidly to consumer demands. This not only facilitates the company's innovation but also promotes sustainable development. |

*Source: Frost & Sullivan*

# Competitive Landscape

## Key Success Factors in the Emerging Markets Hygiene Industry

| Key Success Factors | |
|---|---|
| **Organizational Management Capability** | • Flexible and efficient organizational management can optimize internal processes, achieving effective resource allocation in areas such as employee management, market responsiveness, brand marketing, risk management, and quality control. This is particularly important for hygiene product companies in emerging markets, where resources are often limited. Companies with strong organizational management capabilities can replicate successful business models across multiple countries, rapidly expanding their business footprint and significantly enhancing their competitiveness. This strategic approach allows these companies to adapt quickly to diverse market conditions and maintain a strong presence in competitive landscapes. |
| **ESG Practices** | • By implementing ESG strategies such as green production, increasing the proportion of female and minority employees, and enhancing employee benefits, hygiene product companies can improve the environmental friendliness of their products, optimize resource management, ensure employee satisfaction and work efficiency, and enhance their social image. This, in turn, enhances their sustainability, gains social recognition and investor favor, and ultimately promotes business growth and increased market competitiveness. |
| **Competitive Differentiation Strategy** | • In emerging markets, the competitive differentiation strategy of a hygiene products company is crucial to the success of the company. These markets are usually characterised by rapid economic development, huge market potential, a large population base, diversified consumer needs and fast market growth. To address these characteristics, hygiene product companies can implement a differentiated competitive strategy by segmenting emerging markets regionally and selecting regions with relatively low competition and high market potential as the key targets for development. |

*Source: Frost & Sullivan*

# Competitive Landscape
## Analysis of Major Types of Players

**Comparison of Three Player Types**

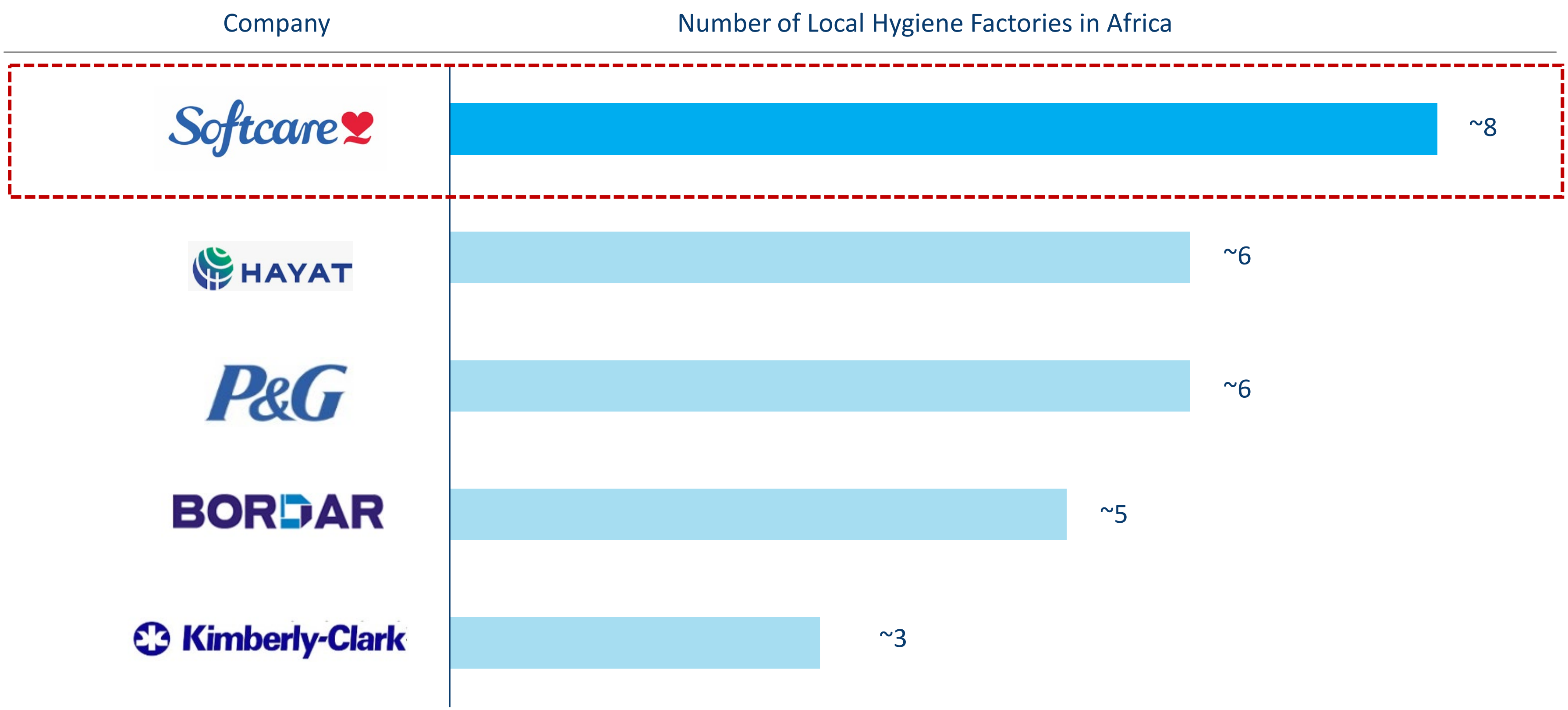
| | International company | Local company | Multinational company focused in the region |
|---|---|---|---|
| **Definition** | Operates on a global scale with presence in multiple continents | Operates primarily within the country or region of origin | Operates in multiple countries with a strong focus on a specific region |
| **Business Model** | Large-scale production and sales networks globally | Small to medium-scale production, catering to local markets | Operates in multiple countries with a strong focus on a specific region, often tailoring to the unique demands of the market |
| **Advantages** | • Able to invest heavily in R&D due to strong financial resources<br>• Access to cutting-edge production technologies<br>• Established global brands that instill consumer trust | • Insights into consumer preferences and local trends<br>• Local brands can leverage local identities to build strong consumer trust | • Combines local market knowledge with global best practices to leverage strengths of both local and international strategies<br>• Achieves cost control, production efficiency, and timely market responses to local market through strong supply chain integration |
| **Disadvantages** | • Major focus on developed regions can lead to neglect of smaller markets<br>• Higher sensitivity to market volatility may result in abrupt exits, disrupting supply chains and consumer trust | • Smaller scale operations may struggle with investment in technology due to limited resources<br>• Lack of access to advanced production techniques reduces efficiency; Challenges in maintaining efficient internal processes | • Need to maintain consistency while adapting to local market nuances<br>• Must navigate varying regulatory environments across the region |
| **Players Example** | P&G, Kimberly-Clark | Lilas, HAYAT | Softcare |

*Source: Frost & Sullivan*

# Competitive Landscape

## Ranking by Number of Local Hygiene Factories in Africa in 2024

### Number of Local Hygiene Factories in Africa, 2024




- The company **is a TOP 1 player** in Africa based on the number of local hygiene factories in 2024.

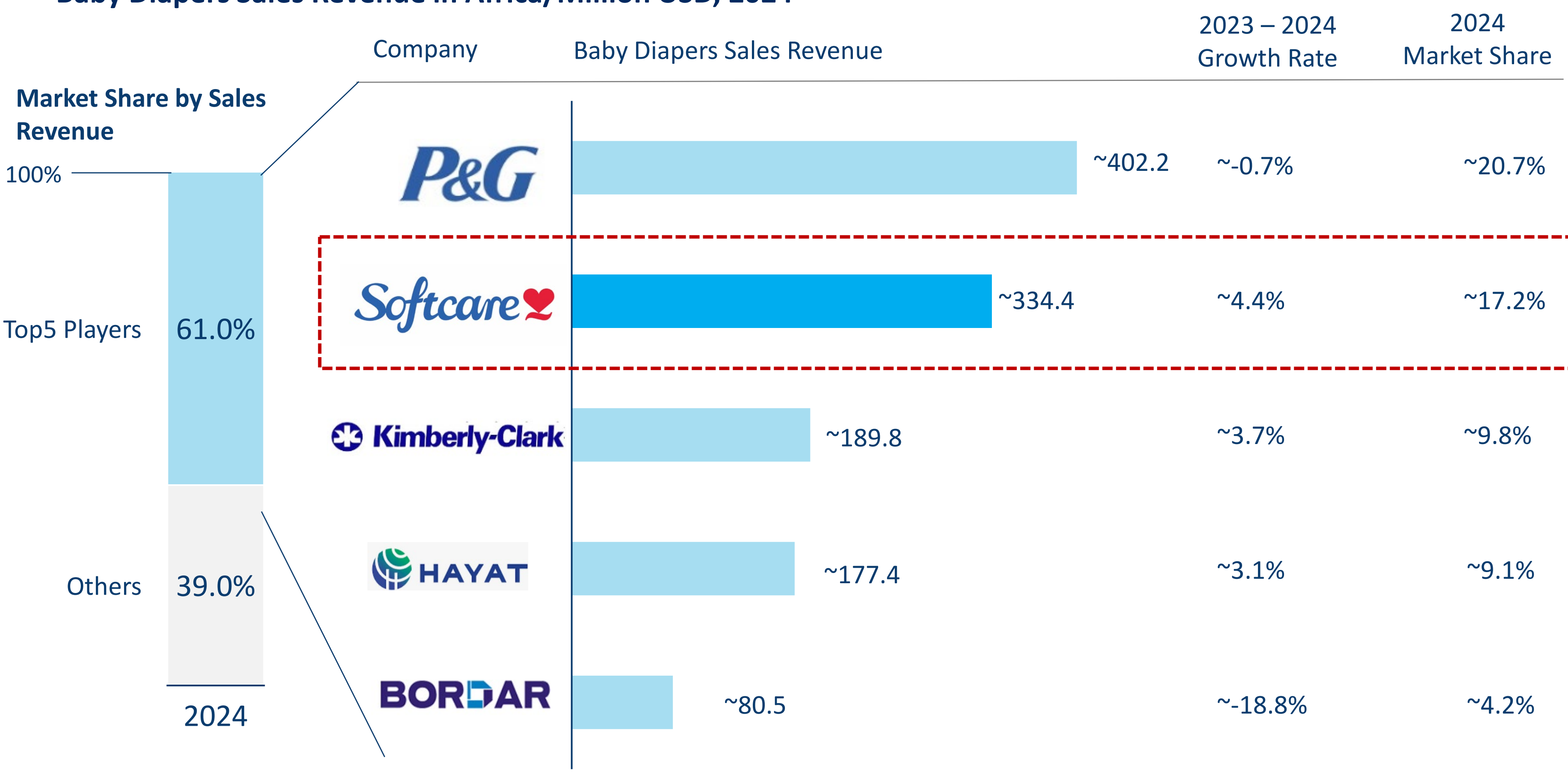
*Note: The local hygiene factories are the ones that operate normally and manufacture baby diapers and sanitary pads products on a regular basis.*

*Source: Frost & Sullivan*

# Competitive Landscape

## Ranking by Baby Diapers Sales Revenue in Africa in 2024

### Baby Diapers Sales Revenue in Africa/Million USD, 2024




- The company is **a TOP 5 baby diapers player** in Africa based on sales revenue in 2024.

*Note: The company sales revenue is based on factory price.*

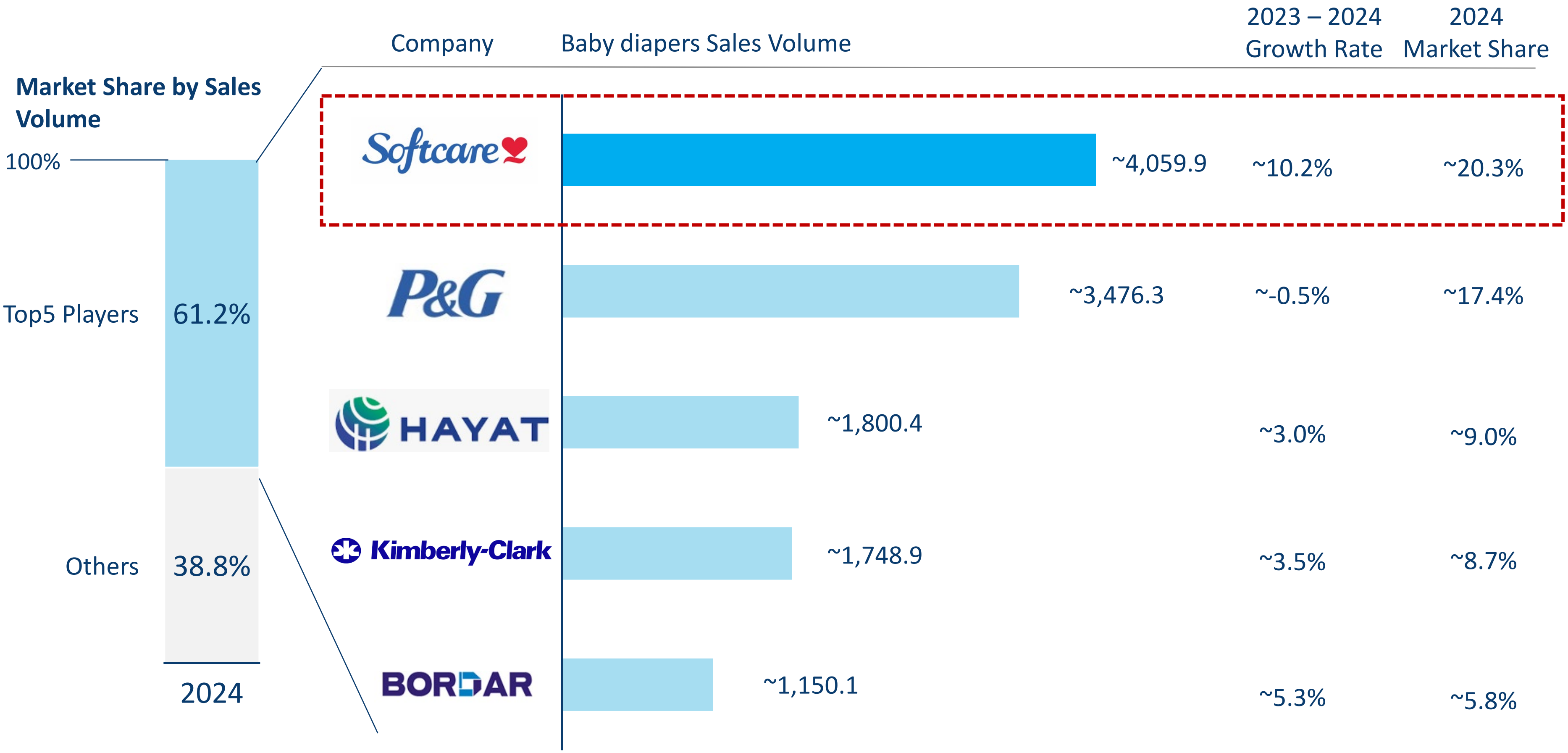
*Source: Frost & Sullivan*

FROST & SULLIVAN 沙利文

# Competitive Landscape

## Ranking by Baby Diapers Sales Volume in Africa in 2024

### Baby Diapers Sales Volume in Africa/Million Pieces, 2024




- The company is **the No.1 baby diapers player** in Africa based on sales volume in 2024 and **ranks No.1 in terms of growth rate**.

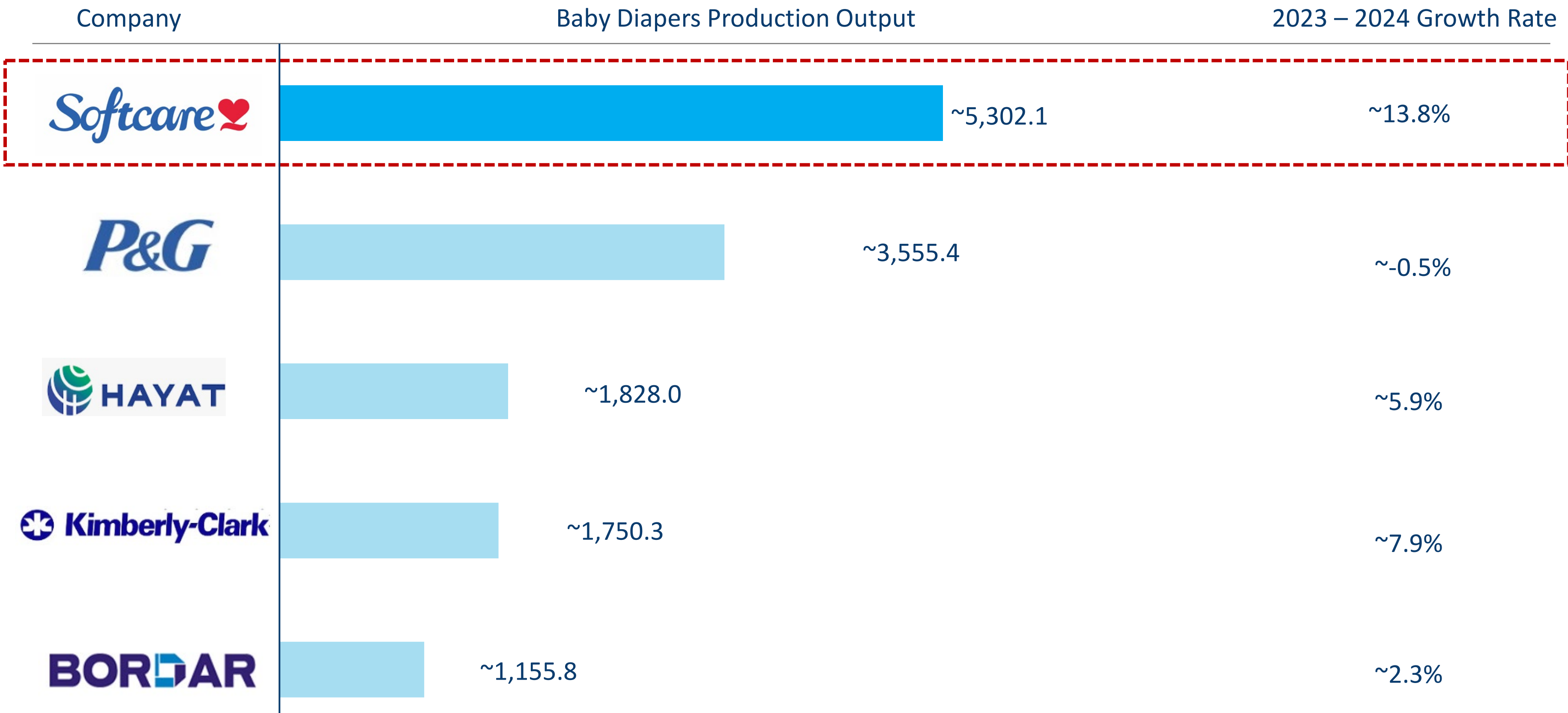
*Note: The total quantity of products sold to wholesalers, distributors, agents, etc.*

*Source: Frost & Sullivan*

# Competitive Landscape

## Ranking by Baby Diapers Production Output in Africa in 2024

### Baby Diapers Production Output in Africa/Million Pieces, 2024



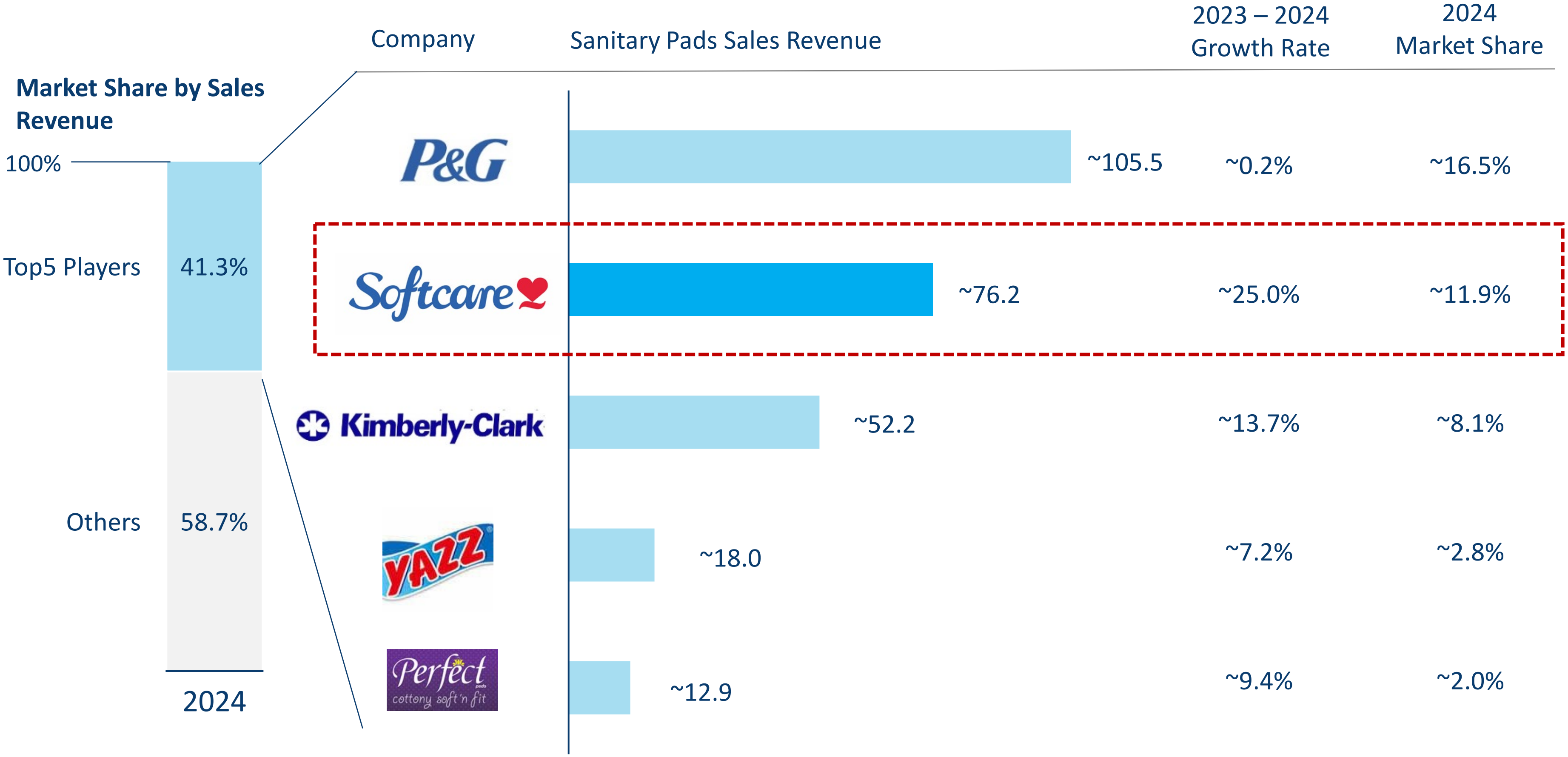

- The company is the **No. 1 player** in Africa based on production output in 2024. The company has the **highest growth rate between 2023 and 2024 among the top 5 baby diapers players in Africa.**

*Note: The total quantity of products produced in Africa*

# Competitive Landscape

## Ranking by Sanitary Pads Sales Revenue in Africa in 2024

### Sanitary Pads Sales Revenue in Africa/Million USD, 2024




- The company is **a TOP 5 sanitary pads player** in Africa based on sales revenue in 2024 and **ranks No.1 in terms of growth rate**.

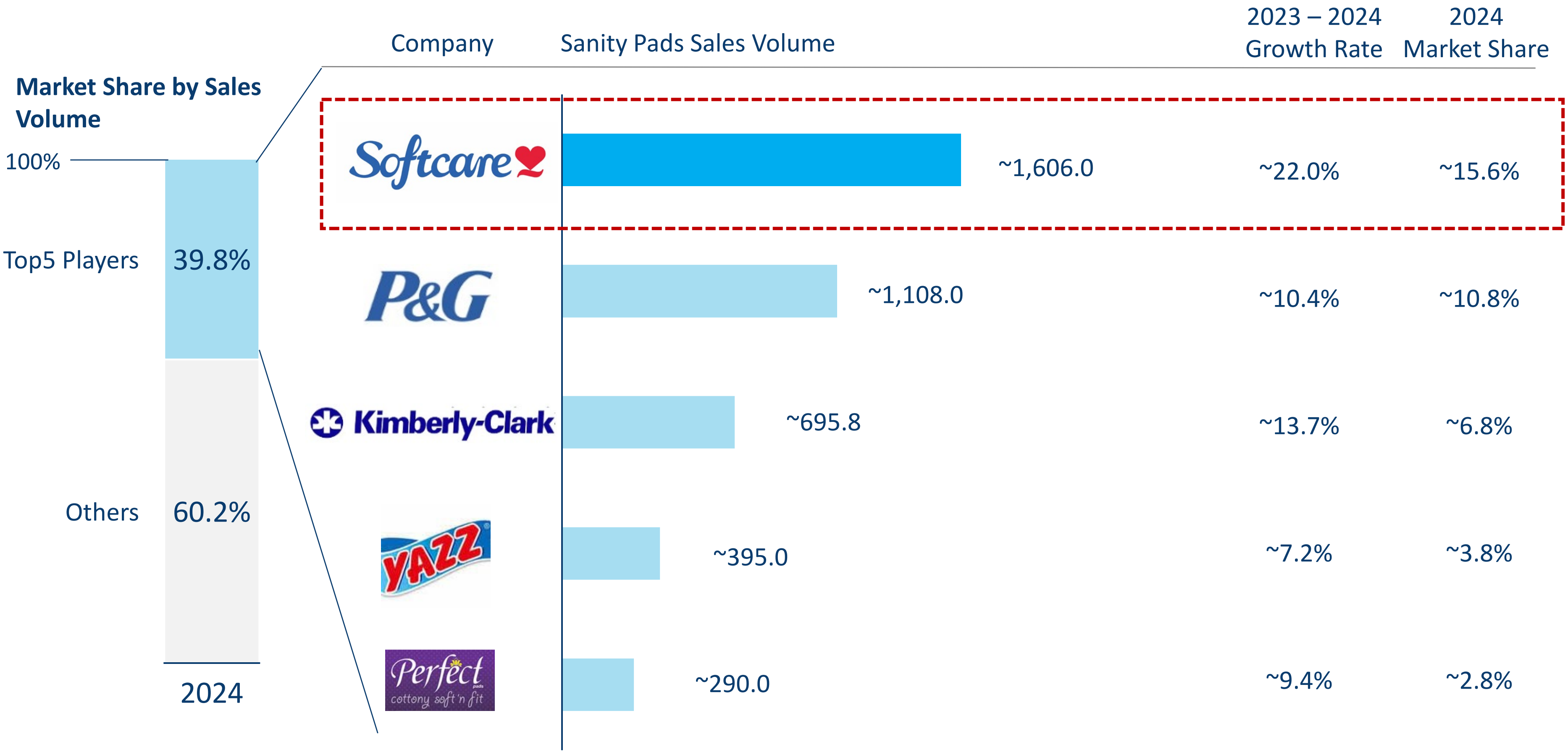
*Note: 1）The company sales revenue is based on factory price. 2)Softcare's figures include all of its brands, including Softcare, Veesper and Clincleer.*

*Source: Frost & Sullivan*

# Competitive Landscape

## Ranking by Sanitary Pads Sales Volume in Africa in 2024

### Sanitary Pads Sales Volume in Africa/Million Pieces, 2024




- The company is **the No.1 sanitary pads player** in Africa based on sales volume in 2024 and **ranks No.1 in terms of growth rate**.

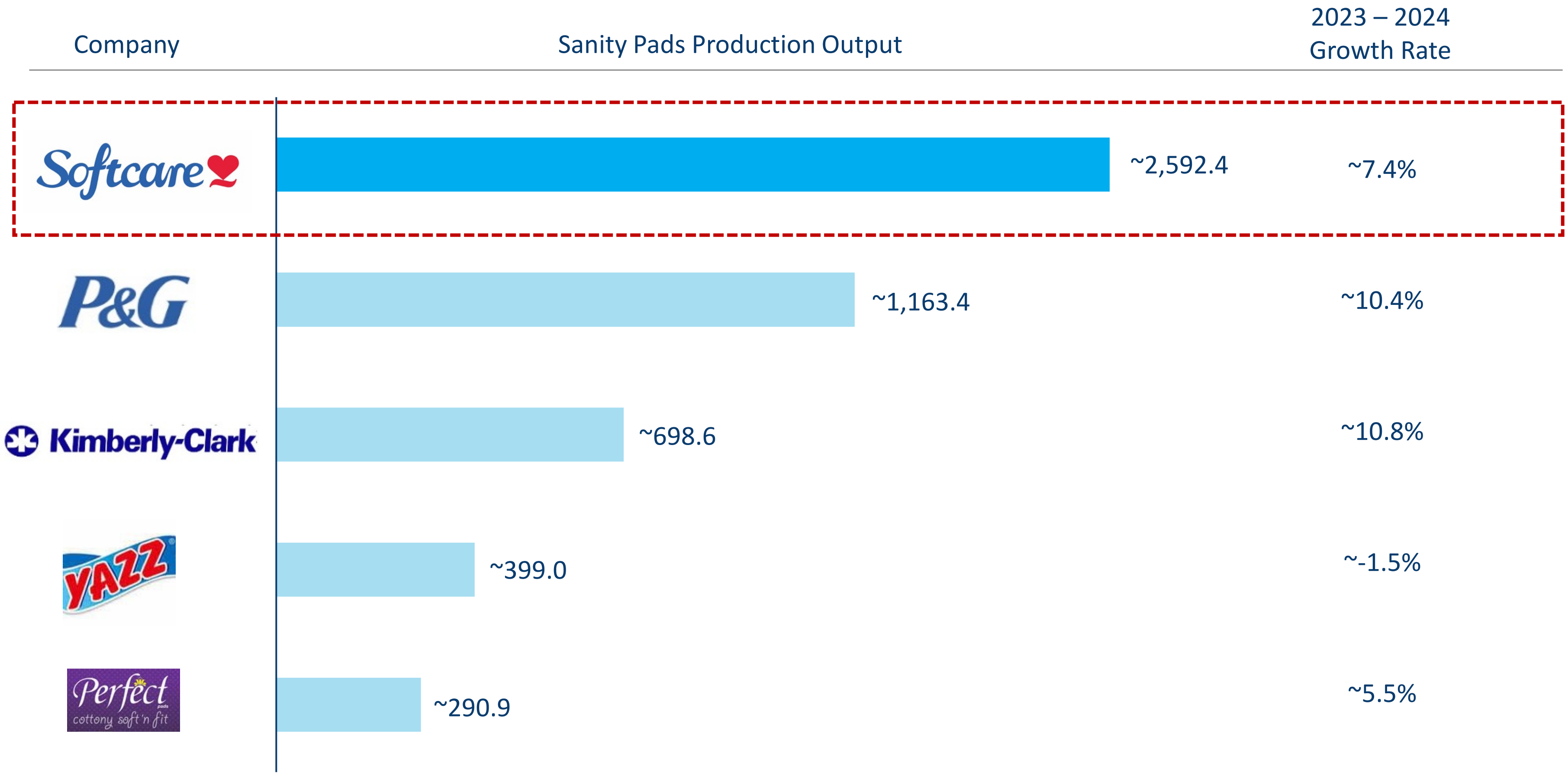
*Note: 1)The total quantity of products sold to wholesalers, distributors, agents, etc. 2)Softcare's figures include all of its brands, including Softcare, Veesper and Clincleer.*

*Source: Frost & Sullivan*

# Competitive Landscape

## Ranking by Sanitary Pads Production Output in Africa in 2024

### Sanitary Pads Production Output in Africa/Million Pieces, 2024




- The company is **the No.1 sanitary pads player** in Africa based on production output in 2024 and **ranks No.1 in terms of growth rate**.

*Note: 1)The total quantity of products produced in Africa. 2)Softcare's figures include all of its brands, including Softcare, Veesper and Clincleer.*

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| Softcare | Headquarter | Dubai, UAE |
|---|---|---|
| Softcare | Official Website | https://www.softcare.africa |
| | Founded Year | 2000 |

| | |
|---|---|
| **Company Overview** | • Softcare, a brand under the company Softcare Limited, is a brand that offers products including sanitary pads, baby diapers, baby pants, and hygienic tissue. Softcare emphasizes comfort, absorption, and skin protection in its products, ensuring that they are both effective and gentle.<br>• One of the key strengths of Softcare is its commitment to innovation and quality. The brand invests in advanced technology and stringent quality control processes to produce reliable hygiene solutions. Softcare's products are widely trusted for their superior absorbency and comfort, making them a preferred choice for many families across Africa. The brand's dedication to excellence has earned it a strong reputation and a loyal customer base.<br>• In addition to its product offerings, Softcare is deeply committed to social responsibility and community engagement. The brand actively participates in various initiatives aimed at improving health and hygiene standards within the communities it serves. By providing education and resources, Softcare strives to make a positive impact on public health and contribute to the well-being of its consumers. |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| Hayat Kimya Company | | |
|---|---|---|
| HAYAT | **Headquarter** | Istanbul, Turkey |
| | **Official Website** | https://www.hayat.com/ |
| | **Founded Year** | 1937 |
| **Company Overview** | • Hayat Kimya Company is renowned for its diverse portfolio encompassing sectors such as consumer goods, hygiene products, and paper. The company owns sanitary pads brand known as Molped and diapers brands including Baby Go, Good Care, Molfix, Evonomy, and Bembem Natural. It boasts a strong commitment to sustainability, innovation, and quality, driving its success in the competitive global market. Hayat Kimya Company's integrated approach, from raw material procurement to end-product sales, ensures efficiency and high standards across its operations, making it a significant player in the industries it serves. | |

| Proctor & Gamble | | |
|---|---|---|
| P&G | **Headquarter** | Cincinnati, U.S. |
| | **Official Website** | https://us.pg.com |
| | **Founded Year** | 1837 |
| **Company Overview** | • Proctor & Gamble (P&G) is renowned for its wide range of high-quality and trusted brands in various categories including Charlie Banana, Luvs, and Pampers in the diapers category and Always, Just, and This is L in the sanitary pads category. The company is committed to sustainability, ethical business practices, and community engagement, aiming to make a positive impact on society and the environment. P&G's research and development efforts focus on breakthrough technologies and continuous improvement, ensuring they remain at the forefront of the industry. | |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| Kimberly-Clark Corporation | | Headquarter | Irving, U.S. |
|---|---|---|---|
| Kimberly-Clark | | Official Website | https://www.kimberly-clark.com/en-us |
| | | Founded Year | 1872 |
| Company Overview | • Kimberly-Clark Corporation focuses on delivering high-quality products that improve health, hygiene, and well-being for people worldwide. The company owns sanitary pads brands including U by Kotex, Intimus, and Camelia and diapers brands including Huggies, Pull-Ups, GoodNites, DryNites, and KleenBebe. Kimberly-Clark's innovative approach and commitment to sustainability have positioned it as a leader in its industry. The company emphasizes responsible sourcing, environmental stewardship, and community engagement, striving to create a better future through its operations and products. | | |

| Guangdong Borda Technology Co., Ltd. | | Headquarter | Guangdong, China |
|---|---|---|---|
| BORDAR | | Official Website | https://www.bordar.cn/ |
| | | Founded Year | 1999 |
| Company Overview | • Guangdong Borda Technology Co., Ltd. is a Chinese multinational company focused on providing high-quality products and services across various industries, including manufacturing, agricultural imports, and cultural tourism. Among these categories, specifically, it offers in the production and global sales of hygiene products, including baby diapers, adult diapers, and sanitary pads. With a strong emphasis on quality, the company has established itself as a trusted provider in the hygiene sector, particularly in the African market, where it promotes "Made in China" products. Borda's focus on innovation and adherence to international standards has helped it build a reputable brand in the hygiene industry, catering to diverse consumer needs across multiple regions. | | |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| Joylink Enterprises Inc. | | |
|---|---|---|
| | **Headquarter** | Fujian, China |
| | **Official Website** | https://www.joylinkhk.com/en |
| | **Founded Year** | 1997 |
| **Company Overview** | • Joylink Enterprises is a leading supplier of disposable personal hygiene products, specializing in baby care, incontinence care, and feminine care products. The company owns the Joylinks brand, which is well-regarded for its high-quality disposable diapers and other hygiene products. Joylink Enterprises is committed to innovation, sustainability, and quality, ensuring efficient operations from raw material procurement to end-product sales. With over two decades of experience, the company has established a strong presence in the global market, providing reliable and cost-effective solutions to its customers. | |

| La Sino JK Co. LTD | | |
|---|---|---|
| | **Headquarter** | Kumasi, Ghana |
| | **Official Website** | https://lasinojk.com/about/ |
| | **Founded Year** | N/A |
| **Company Overview** | • La Sino JK Co. LTD entering the baby diaper market to address the global issue of baby hygiene with high-quality, affordable products. Initially focused on orthopedic mattresses and sanitary products like baby diapers, sanitary pads, and toilet rolls, the company serves institutions and wholesalers in Ghana. Notable brands include Cosmic Adult Diaper, Blimey Sanitary Pad, JK Baby Diapers, and Amyno Baby Diaper. With a dedicated and experienced staff, the company is well-positioned for growth, offering easy access to its products and marketers. The company's mission emphasizes high-quality production, customer satisfaction, resource efficiency, community contribution, and job creation in Ghana. | |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| Artsana Group | Headquarter | Grandate, Italy |
|---|---|---|
| | Official Website | https://www.chicco.in/ |
| | Founded Year | 1946 |

| | |
|---|---|
| **Company Overview** | • Artsana Group, headquartered in Grandate, Italy, is a leading Italian company in the global parenting space, extending beyond baby care to nurture families, society, and the environment. Founded in 1946 by Pietro Catelli with a focus on medical products, Artsana Group has grown over 70 years into a wide brand ecosystem through new businesses and acquisitions. Notable brands include Chicco, Boppy, and Prénatal Retail Group, with a presence in over 120 countries, supported by more than 8,000 employees across 40 branches and 1,000 retail locations. |

| SAH Group | Headquarter | Tunis, Tunisia |
|---|---|---|
| | Official Website | https://www.lilas.com.tn/En |
| | Founded Year | 1994 |

| | |
|---|---|
| **Company Overview** | • SAH Group, a cornerstone of the Tunisian economy, was established in 1994 by Ms. Jalila Mezni and Mr. Mounir El Jayez. Specializing in the production of hygienic articles, SAH Group has built a strong reputation and trust among trading and financial partners through skilled management. The company offers a diverse range of detergents and hygiene products for women, men, and babies, marketed under well-known brands like Lilas and AZUR Papier. |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| Dreamsen | Headquarter | Spintex |
|---|---|---|
| | Official Website | N/A |
| | Founded Year | 2020 |

| | |
|---|---|
| **Company Overview** | • **Dreamsen** is a company that operates in various regions, including Ghana and Nigeria. It has been recognized as a growing entity in its respective markets, particularly in manufacturing and industry. Dreamsen is notably recognized for its manufacturing of diapers, which has become one of the company's flagship products. The diapers produced by Dreamsen are designed to cater to the needs of infants and toddlers, offering high absorbency, comfort, and affordability. |

| Nordiq Hygiene Care Industry Limited | Headquarter | Ghana |
|---|---|---|
| | Official Website | N/A |
| | Founded Year | 2017 |

| | |
|---|---|
| **Company Overview** | • Nordiq Hygiene Care Industries Ltd is a Ghana-based company registered under the Ghana Free Zone Authority. As a free zone company, Nordiq Hygiene Care Industries Ltd focuses on the production of sanitary towels, serving both domestic and international markets. The company's operations are aligned with the regulations and incentives provided by the Ghana Free Zone Authority, which allows them to efficiently produce high-quality sanitary products aimed at improving hygiene and wellness. |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| Quanzhou Coach Hygiene Products Co., Ltd. | Headquarter | Fujian, China |
|---|---|---|
| COACH Hygiene | Official Website | N/A |
| | Founded Year | 2019 |

**Company Overview**

- Quanzhou Coach Hygiene Products Co., Ltd., based in Quanzhou, Fujian, China, is a specialized manufacturer and seller of a wide range of hygiene products. Their product portfolio includes baby diapers, adult diapers, pull-up pants diapers, sanitary pads, panty liners, wet wipes, and related materials. With over seven years of OEM (Original Equipment Manufacturer) experience, the company has developed an experienced and professional team capable of meeting diverse and customized client requirements.

| Novatis Group | Headquarter | Morocco |
|---|---|---|
| novatis group | Official Website | https://www.novatis-group.com/en/about-us/ |
| | Founded Year | 2003 |

**Company Overview**

- Novatis Group, a prominent hygiene products manufacturing company, is located in Berrechid, Morocco, just outside of Casablanca. The company was founded in 2003 by Abdallah Badaa, who identified a significant market opportunity in Morocco's baby diaper sector, which was largely dominated by P&G's Pampers with over 80% market share at that time.
- In 2004, Novatis launched its first brand of baby diapers, Optimum (now rebranded as Dalaa). The company expanded its operations in 2006 by acquiring Norsudex, a nearby competitor, along with the baby care brand Babidou.

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| TRANSPAPS | | |
|---|---|---|
| | **Headquarter** | Senegal |
| | **Official Website** | https://transpaps.com/ |
| | **Founded Year** | 2019 |
| **Company Overview** | • TRANSPAPS is a company involved in the manufacturing and sales of hygiene products, with a particular focus on diapers. Their commitment to excellence, quality, and innovation ensures that their diaper products meet the highest standards of comfort, absorbency, and safety for both infants and adults. TRANSPAPS' dedication to customer satisfaction, continuous improvement, and rigorous quality control processes helps them maintain a strong presence in the market, catering to the needs of their customers with reliable and well-designed diaper products. | |

| NANO SARL | | |
|---|---|---|
| | **Headquarter** | Abidjan, Côte d'Ivoire Republic |
| | **Official Website** | N/A |
| | **Founded Year** | 2022 |
| **Company Overview** | • Nano Sarl is a company based in the Côte d'Ivoire Republic, located in the industrial area of Abidjan. Nano Sarl's diaper brands, including Smiley, Bijou, and JOYA, are particularly popular in the Côte d'Ivoire, highlighting the company's significant presence in the local market. It focuses on diaper manufacturing positions Nano Sarl within the consumer goods industry, contributing to essential products for infant care. | |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| HENGAN | Headquarter | Fujian, China |
|---|---|---|
| HENGAN | Official Website | https://www.hengan.com/ |
| | Founded Year | 1985 |
| Company Overview | • Hengan Group entering the baby diaper market to address the global issue of baby hygiene with high-quality, affordable products. Initially focused on sanitary products like baby diapers, sanitary pads, and toilet rolls, the company serves institutions and wholesalers worldwide. Notable brands include Ponpon Baby Diapers, Anerle Baby Diapers, and Space7 Sanitary Pads. With a dedicated and experienced staff, the company is well-positioned for growth, offering easy access to its products and marketers. The company's mission emphasizes high-quality production, customer satisfaction, resource efficiency, community contribution, and providing eco-friendly solutions for parents and caregivers. | |

| Baby Cheeky (Drafco Group) | Headquarter | Tanzania |
|---|---|---|
| DRAFCO GROUP | Official Website | https://www.drafcogroup.co.tz/product |
| | Founded Year | 2018 |
| Company Overview | • Drafco Group Limited, a company registered on the 17th Day of May 2018 in Dar es salaam Tanzania was issued with Certificate of Incorporation No. 136 590 871. The factory and administrative offices are located at Kisemvule Industrial Area, along Kilwa Road, Mkuranga Districts, Pwani Region which is approximately 35 Kilometres or 1 hour drive from Dar es salaam City Centre. Drafco Group Limited is Tanzania local hygienic and sanitary products manufacturing industry, it is posing as a multidisciplinary experience in hygienic and sanitary products manufacturing as well as distribution. The company manufactures most essential hygienic and sanitary products in the form of Diapers, Women Pads and and Face Mask. | |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| Quanzhou Dollar Tree Hygienics Co., Ltd. | Headquarter | Fujian, China |
|---|---|---|
| | Official Website | https://www.unihopeofficial.com/ |
| | Founded Year | 2014 |
| Company Overview | • Quanzhou Dollar Tree Hygienics Co., Ltd, founded in 2014, is a leading global enterprise in the nursing care industry. The company specializes in hygiene products such as baby and adult diapers, baby and adult pants, wet wipes, and sanitary napkins. With a strong focus on combining research, industry, and trade, Dollar Tree Hygienics integrates R&D, manufacturing, marketing, and sales. The company's commitment to quality and innovation has established it as a significant player in the international market, covering over 60 countries worldwide. | |

| Taizhou Haocheng Sanitary Ware Co., Ltd | Headquarter | Zhejiang, China |
|---|---|---|
| | Official Website | http://www.oemmhc.com/en-us/idea.html |
| | Founded Year | 2008 |
| Company Overview | • Taizhou Haocheng Sanitary Ware Co., Ltd (HC) is a prominent manufacturer renowned for its valve manufacturing. Strategically located near major international ports and the 76th provincial highway, HC excels in designing, manufacturing, and marketing sanitary ware products including mixers, faucets, angle valves, and brass plumbing fittings. Committed to "Down-to-earth" principles, HC emphasizes cost control, management enhancement, and high-quality production. The company adheres strictly to customer requirements and regulations, prioritizing product quality and advanced technology in staff training. HC's proactive approach to customized products and dedicated service has earned long-term recognition from global customers. | |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| Molped | Headquarter | Istanbul, Turkey |
|---|---|---|
| | Official Website | https://www.molped.com/ |
| | Founded Year | 1999 |
| Company Overview | • Molped hygienic pads were first introduced to female consumers in 1999. In the early years, Molped strengthened its market position by offering both ultra-thin and thick hygienic pads. This approach allowed the brand to cater to various consumer needs: ultra-thin pads provided discretion for light flow days, while thick pads offered enhanced absorbency for heavier flow days and overnight use. By addressing diverse preferences, Molped quickly established itself as a trusted name in the feminine hygiene industry, laying a strong foundation for future innovations and market relevance. | |

| Yazz | Headquarter | Accra, Ghana |
|---|---|---|
| | Official Website | https://www.yazzproducts.com/ |
| | Founded Year | 2002 |
| Company Overview | • Yazz Products is a Ghana-based company specializing in the manufacturing of household consumer products. The company is committed to providing high-quality, innovative products for everyday needs. As a caring brand for caring families, Yazz Products offers a wide range of household consumer items, including cleaning supplies, kitchen essentials, personal care items, and more. | |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| LadyCare | Headquarter | Lagos, Nigeria |
|---|---|---|
| | Official Website | https://www.ladycare.com.ng/about/ |
| | Founded Year | 2001 |
| Company Overview | • LadyCare, a brand under Sankin Nigeria Ltd., aims to offer affordable and high-quality sanitary pads specifically designed for Nigerian women. Aiming to provide superior menstrual health care, LadyCare addresses the needs of women who may not have access to other brands. Their products are known for quality, comfort, and affordability. Sankin Nigeria Ltd., incorporated in 2000, ensures all products meet the standards set by Nigeria's National Agency for Food and Drug Administration and Control (NAFDAC). The company is dedicated to women's health education and innovation.. | |

| DryLove Nigeria Limited | Headquarter | Lagos, Nigeria |
|---|---|---|
| | Official Website | https://www.drylove.com.ng |
| | Founded Year | 2000s |
| Company Overview | • DryLove Nigeria Limited is a leading indigenous company with over 20 years of experience in the childcare industry, operating in Nigeria and West Africa. The company specializes in producing and importing a wide range of hygiene products, including baby diapers, feminine sanitary napkins, adult diapers, and wet wipes. With a manufacturing facility located in Quanzhou, China, DryLove adheres to strict European standards, ensuring high-quality products. Committed to innovation and customer satisfaction, DryLove has become a trusted brand for families, offering safe and comfortable products for babies and adults. | |

Source: Frost & Sullivan

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| Propa lady | Headquarter | Kumasi, Ghana |
|---|---|---|
| PROPA® | Official Website | https://www.instagram.com/propasanitarypad/ |
| | Founded Year | 2020/2013 |

| | |
|---|---|
| Company Overview | • Propa Lady is a sanitary napkin brand primarily targeting the Ghanaian market. The brand offers high-quality sanitary pads made from premium American-imported wood pulp, ensuring excellent breathability and absorbency. Propa Lady's products come in winged and non-winged options. Manufactured and distributed by Qingdao Lianhe Lucky Industrial Co., Ltd., the company was established in 2010 and specializes in sanitary products. Each box of Propa Lady sanitary napkins contains 24 packs, with 12 pads per pack, and is priced around 325 Ghanaian Cedi locally. Propa Lady also provides OEM and ODM services, allowing for customized specifications and designs to meet diverse customer needs. |

| FUJIAN BEYOND SANITARY PRODUCTS Co., Ltd | Headquarter | Fujian, China |
|---|---|---|
| Beyond care | Official Website | https://beyondiaper.en.made-in-china.com |
| | Founded Year | 2010 |

| | |
|---|---|
| Company Overview | • FUJIAN BEYOND SANITARY PRODUCTS Co., Ltd., specializes in manufacturing a wide range of hygiene care products including baby diapers, adult diapers, sanitary napkins, pet diapers, and pull-up diapers. Located in Nan'an, with a factory in Quanzhou, the company operates a 15,000 square meter facility with five production lines. BEYOND also produces machinery for hygiene product manufacturing and trades raw materials. With a focus on innovation and quality, BEYOND has become a leader in the global personal hygiene market, exporting products worldwide. |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| DryLove Nigeria Limited | Headquarter | Lagos, Nigeria |
|---|---|---|
| | Official Website | https://www.drylove.com.ng |
| | Founded Year | 2000s |
| Company Overview | • DryLove Nigeria Limited is a leading indigenous company with over 20 years of experience in the childcare industry, operating in Nigeria and West Africa. The company specializes in producing and importing a wide range of hygiene products, including baby diapers, feminine sanitary napkins, adult diapers, and wet wipes. With a manufacturing facility located in Quanzhou, China, DryLove adheres to strict European standards, ensuring high-quality products. Committed to innovation and customer satisfaction, DryLove has become a trusted brand for families, offering safe and comfortable products for babies and adults. | |

| Bordar Group | Headquarter | Guangdong, China |
|---|---|---|
| | Official Website | https://www.bordar.cn/en/ |
| | Founded Year | 1995 |
| Company Overview | • Guangdong BORDAR Technology Co., Ltd. is a Chinese multinational company focused on providing high-quality products and services across various industries, including manufacturing, agricultural imports, and cultural tourism. Among these categories, specifically, it offers in the production and global sales of hygiene products, including baby diapers, adult diapers, and sanitary pads. With a strong emphasis on quality, the company has established itself as a trusted provider in the hygiene sector, particularly in the African market, where it promotes "Made in China" products. BORDAR's focus on innovation and adherence to international standards have helped it build a reputable brand in the hygiene industry, catering to diverse consumer needs across multiple regions. | |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

| Quanzhou Coach Hygiene Products Co., Ltd. | Headquarter | Fujian, China |
|---|---|---|
| | Official Website | https://coachdiaper.en.made-in-china.com |
| | Founded Year | 2019 |
| Company Overview | • Quanzhou Coach Hygiene Products Co., Ltd., based in Quanzhou, Fujian, specializes in the production and sale of hygiene products, including baby diapers, adult diapers, training pants, sanitary pads, and wet wipes. With over seven years of OEM experience, the company has built a professional team capable of meeting customized requirements. The company adheres to strict quality standards, certified by ISO9001, ensuring high product quality. With a monthly production capacity of 40HQ, their products are exported to over 80 countries across South Asia, Africa, the Middle East, the Americas, Europe, and Oceania, aiming to establish long-term partnerships globally. | |

| Angelcare (Xiamen) International Inc. | Headquarter | Xiamen, China |
|---|---|---|
| 爱心天使 Angelcare | Official Website | https://angelcarebaby.com |
| | Founded Year | 1983 |
| Company Overview | • Angelcare Baby is a globally recognized brand known for its innovative baby products that have provided parents with peace of mind for over 20 years. With a diverse product range including nappy disposal systems, baby monitors, and sleep accessories, Angelcare prioritizes technology and research-based solutions to simplify parenting. The company has a presence in over 50 countries and has sold over 500 million products, consistently leading in several baby care categories. Angelcare is committed to delivering high-quality, user-friendly products, ensuring parents can enjoy more quality time with their children. Additionally, Angelcare (Xiamen) International Inc. is a key producer in China, known for its strong product quality and as a reliable Disney OEM factory. | |

*Source: Frost & Sullivan*

# Competitive Landscape

## Leading Players in African Hygiene Product Industry

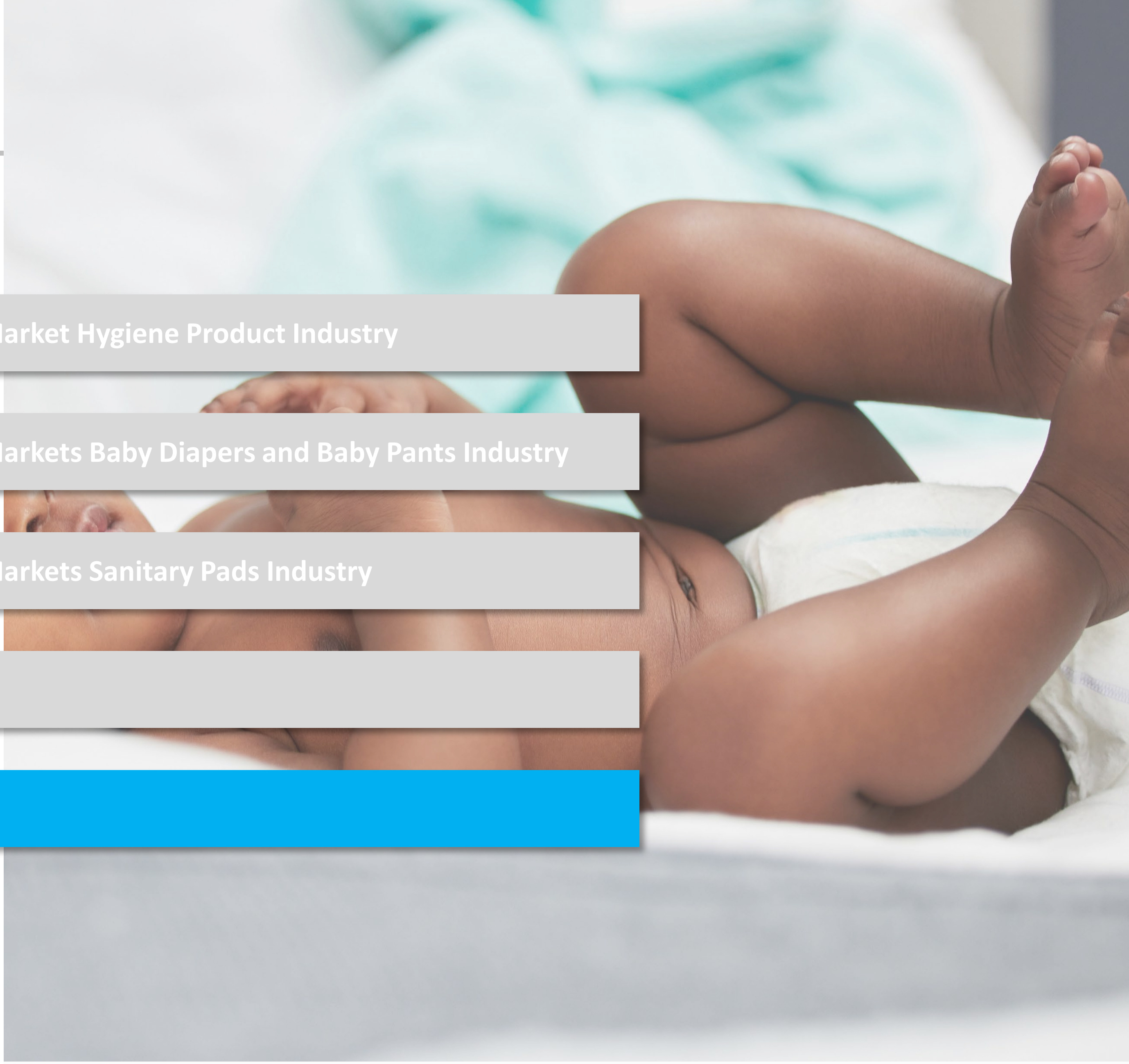
| HYGIENE PLUS | | Headquarter | Mumbai, India |
|---|---|---|---|
| | | Official Website | https://hygieneplus.in/ |
| | | Founded Year | 2015 |
| Company Overview | • Hygiene Plus is a leading manufacturer of hygiene products in India, distinguished by its commitment to trust, experience, and innovation. Emphasizing unconventional thinking, the company delivers high-quality, efficient, and valuable solutions for daily hygiene needs. Hygiene Plus is supported by the Kanodia Group's extensive business expertise and reliability, known for its pioneering role in the cement industry. The company's vision is to build sustainable business alliances through technology, trust, and value. Its mission focuses on surpassing customer expectations in quality, efficiency, cost, and reliability. Hygiene Plus operates with precision, pace, and passion, ensuring sustainable and environmentally-friendly growth for all stakeholders. | | |

| GROUPE PROMED CAMEROON | | Headquarter | Bali & Douala, Cameroon |
|---|---|---|---|
| | | Official Website | https://maligah.com/entreprises/details/promed-cameroun?id=26963 / https://www.promed-int.com |
| | | Founded Year | / |
| Company Overview | • GROUPE PROMED CAMEROON comprises four sub-groups dedicated to various activities. The first sub-group focuses on the import, export, and sales of food and hygiene products. The second sub-group handles the sales of laboratory reagents and consumables. The third sub-group offers service provision by promoting pharmaceutical products through a team of medical representatives throughout Cameroon. The fourth sub-group is responsible for representing pharmaceutical firms in Cameroon, including companies such as Microlabs, Glenmark, and Alice Pharma. | | |

*Source: Frost & Sullivan*

# Agenda





# Supplementary Information
## Softcare's Sales Network

| | Softcare Covered Administrative Region |
|---|---|
| Ghana | Ashanti、 Bono East、 Central、 Eastern、 Greater Accra、 Savannah、 Upper East、 Upper West、 Volta、 Western、 Western North |
| Ivory Coast | Abidjan、 Bas-Sassandra、 Comoé、 Denguélé、 Goh-Djiboua、 LacsLagunes Montagnes Sassandra-Marahoué Savanes Vallée duBandama、 Woroba、 Yamoussoukro、 Zanzan |
| Senegal | Dakar、 Diourbel、 Fatick、 Kaolack、 Kolda、 Louga、 Matam、 Saint-Louis、 Sédhiou、 Tambacounda、 Thiès、 Ziguinchor |
| Kenya | Central、 Coast、 Eastern、 Nairobi、 North Eastern、 Nyanza、 Rift Valley、 Western |
| Tanzania | Arusha、 Dar es Salaam、 Dodoma、 Geita、 Iringa、 Kagera、 Katavi、 Kigoma、 Kilimanjaro、 Lindi、 Manyara、 Mara、 Mbeya、 MorogoroMrwara、 Mwanza、 Njombe、 Rukwa、 Ruvuma、 Shinyanga、 Singida、 Songwe、 Tabora、 Tanga、 Zanzibar |
| Cameroon | Adamaoua、 Centre、 Est、 Extreme-Nord、 Littoral、 Nord、 Nord-Ouest、 Ouest、 Sud、 Sud-Ouest |

- Softcare's sales network covers all administrative regions in its core operating countries and reaching over 80% of the local population of these countries.

# Supplementary Information

## Banking Agency Model and Third-party Commercial Entity Payment in Emerging Markets

| Emerging Market Analysis | |
|---|---|
| **Current State of Banking Development in Africa** | • Due to Africa's vast expanse of land, low population density, low degree of urbanization, and great distances between towns and cities, it is not commercially viable for traditional banks to establish extensive banking infrastructure, such as bank branches and ATMs, across the continent. For instance, the Sahara Desert, which covers over 3.3 million square miles and spans 11 countries, presents significant logistical challenges for banking infrastructure expansion. Consequently, some towns have almost no bank branches or ATMs, and it is common for local people in remote areas to have to travel long distances before they can deposit money or make bank transfers at their nearest bank branches and ATMs. This is neither convenient nor safe.<br>• Moreover, the ratio of adults with bank accounts is relatively low. This limited access to traditional banking services has created a significant gap in financial inclusion, leaving a large portion of the population without the means to participate fully in the formal financial system. |
| **Banking Agency Model and Third-party Commercial Entity Payment** | • In response to the challenges posed by the current state of banking development, certain commercial banks in Tanzania have adopted a banking agency model. Under this model, a third-party commercial entity approved by the central bank may contract with a commercial bank to act as a banking agent and provide certain banking services on its behalf, such as cash deposits and fund transfers. Due to the low degree of urbanization and scarcity of bank branches and ATMs in Tanzania, the banking agency model has emerged as a common and legitimate method of funds transfer. This allows commercial banks to extend their network through the resources of third-party banking agents and enables local people to deposit and transfer funds more conveniently and safely.<br>• It is a common commercial practice for wholesalers, distributors, and retailers in Africa to settle payments through third-party payors for the aforementioned reasons. Given the challenges of establishing traditional banking infrastructure and the low bank account penetration, it may not be commercially viable for them to completely stop this practice. This model not only addresses the immediate needs of the unbanked population but also provides a stepping stone towards more inclusive financial services across the continent. By leveraging the banking agency model and third-party commercial entities, financial institutions can reach a broader customer base, facilitate economic activity in remote areas, and contribute to the overall financial development of Africa. |

*Source: Frost & Sullivan*

# Supplementary Information

## Cash Transactions within Hygiene Products Industry in Emerging Markets

| Emerging Market Analysis | |
|---|---|
| **Cash Transactions within Hygiene Products Industry** | • Cash transactions in the hygiene products industry are influenced by regional market characteristics and consumer behaviors. In Africa, cash transactions are relatively common due to limited banking infrastructure, the dominance of informal markets, and consumer preference for simplicity, especially in rural and underserved areas. In Latin America, while there has been a noticeable shift towards digital and card-based payments in recent years, cash transactions remain prevalent in smaller, rural markets and among lower-income consumers. Central Asia presents a mixed scenario, with cash still being the preferred mode of transaction in local and informal markets, despite ongoing economic transitions. Overall, cash transactions can be considered in line with industry practices in these regions, particularly in informal and rural market segments. |

*Source: Frost & Sullivan*

# Supplementary Information

## Challenges of Power Instability in Emerging Markets

**Emerging Market Analysis**

Emerging markets such as Africa faces significant challenges in maintaining stable power supplies and developing comprehensive infrastructure. These issues are deeply intertwined and stem from a combination of historical, financial, and operational factors.

| | |
|---|---|
| **Inadequate Infrastructure Development** | • Many African countries struggle with underdeveloped infrastructure, particularly in the power sector. The electrical grid is often limited in its coverage, leaving a large portion of the population, especially in rural areas, without access to reliable electricity. This gap is further exacerbated by the lack of robust transportation and communication networks, which are essential for the efficient construction and operation of power projects. |
| **Aging Facilities and Insufficient Maintenance** | • The existing power infrastructure in Africa is often outdated and unable to meet the growing demand for electricity. In some countries, power plants and transmission lines are decades old and have not been adequately maintained. For example, some African countries' power system, which relies heavily on aging coal-fired plants, frequently experiences breakdowns and outages due to poor maintenance. |
| **Financial and Regulatory Challenges** | • African countries face significant financial and regulatory hurdles that impede the development and maintenance of robust power infrastructure. Limited public funds, compounded by high levels of debt and volatile revenue streams, restrict governments' ability to invest in large-scale power projects. Additionally, the high costs associated with importing fuel and advanced technologies further strain national budgets. |

# Consumer Survey Background

| Delivery Channel | Sample Quota |
| --- | --- |
| Online | A total of 200 valid questionnaires, with three income tiers and more than 60 questionnaires in each income tier |

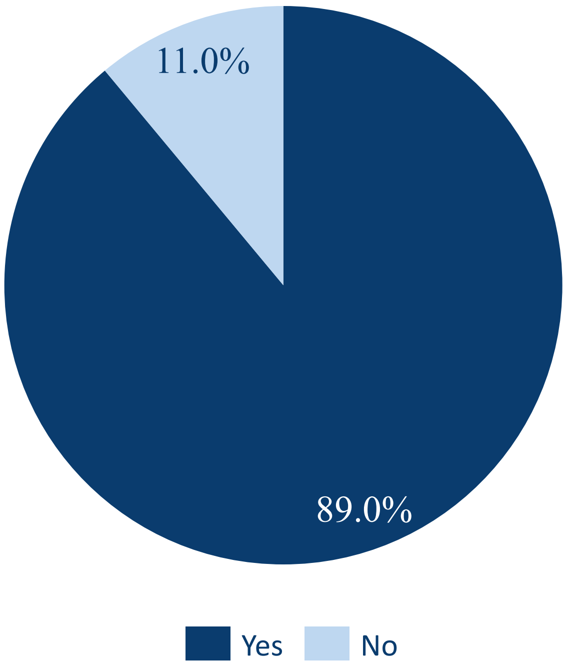
| Delivery Area | Specific Country Coverage |
| --- | --- |
| Africa | Ghana, Senegal, Ivory Coast, Kenya, Tanzania, Cameroon |

This consumer survey project is conducted in December 2024 in order to gain a comprehensive understanding of the performance of Softcare brand **baby diapers and baby pants** in the African market and its competitiveness in the market. The purpose of this research is to collect multi-dimensional information about the Softcare brand, including but not limited to brand awareness, brand reputation, brand repurchase rate and consumer perception of the brand. This research will provide us with valuable data to assess the Softcare brand's current status and growth potential in the African market, particularly in terms of its position in relation to similar brands.

Through this research, we will analyze African consumers' perceptions of the Softcare brand to understand their identification with the brand, their satisfaction, and the motivations behind their purchasing behavior. At the same time, we will also assess consumers' willingness to repurchase in order to determine brand loyalty and consumer stickiness. In addition, the study will explore the differences in brand performance across socio-economic groups to help us better understand market needs and consumer preferences. The results of this survey will help Softcare Group to validate its leading position in the African market and provide data support for brand strategy adjustment, market expansion and product development.

# Question: Have you ever heard of Softcare baby diapers or baby pants in your daily life? 【Single choice】

| Selection | Responses |
|---|---|
| Yes | 1,087 |
| No | 135 |
| **Total** | **1,222** |

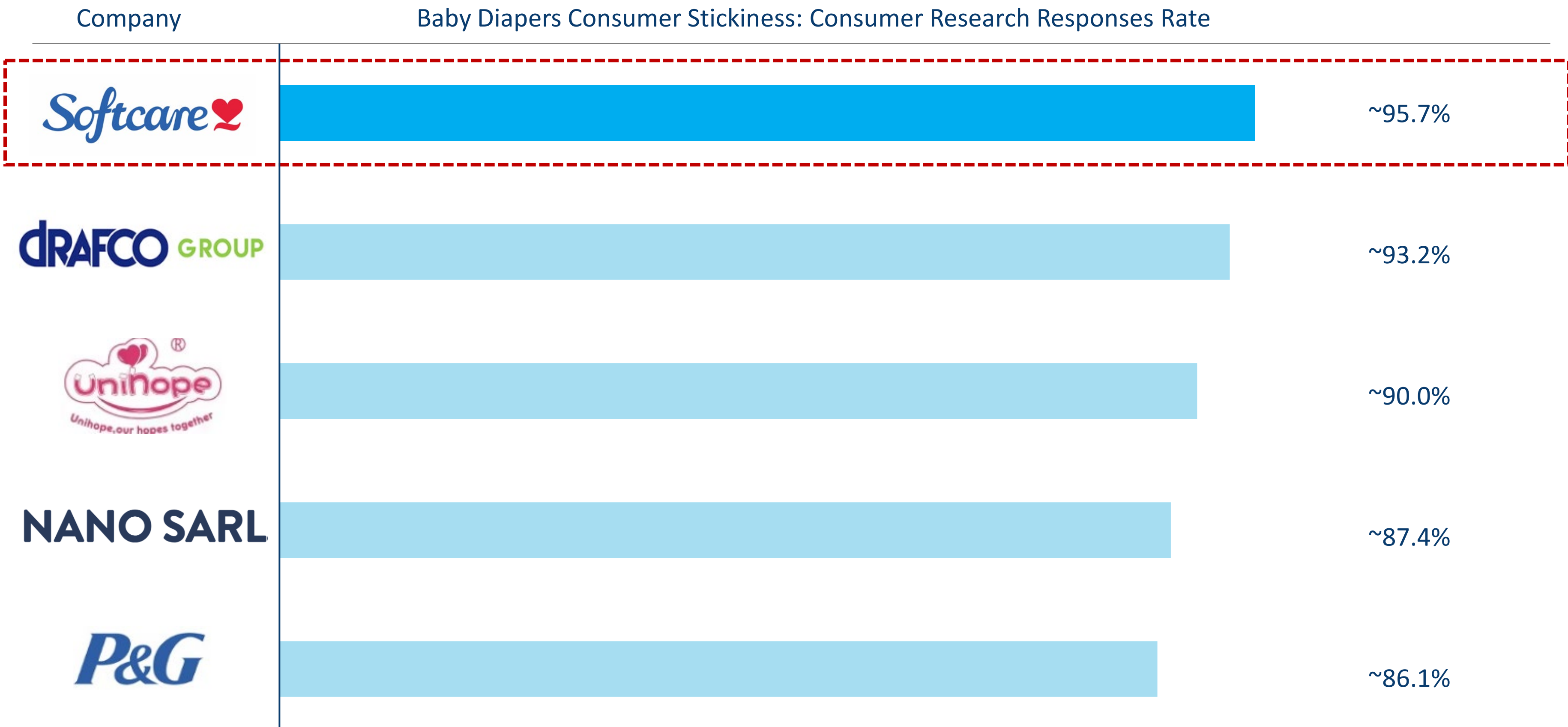


# Question: What is your brand impression of Softcare? 【Multiple choices, up to three choices】

| Selection | Responses | Selection | Responses |
|---|---|---|---|
| The brand advertises a lot | 443 | The brand is well-known | 283 |
| The products of this brand have good quality | 613 | The brand offers wide selection of styles and prices | 121 |
| The products of this brand are easy to access in my country | 493 | The products of this brand are domestically manufactured | 65 |
| The products of this brand are the one I use most often | 276 | The products of this brand offer different lines matching individual needs and preferences | 84 |
| The products of this brand offer competitive pricing | 197 | **Total Responses** | **1,087** |

# Question: Have you repurchased the brands you selected 【Single choice】

**Baby Diapers Consumer Stickiness in Africa/Consumer Research Responses Rate, 2024**




- The company is the **No. 1 player** in Africa based on consumer stickiness. The consumer preference is measured by consumer research responses rate to the question: “Have you repurchased the brands you selected [Single choice]”.
- The consumer research project is conducted in order to gain a comprehensive understanding of the performance of Softcare brand baby diapers and baby pants in the African market and its competitiveness in the market. Total valid responses are 1,222.

# Consumer Survey Background

| Delivery Channel | Sample Quota |
|---|---|
| Online | A total of 200 valid questionnaires, with three income tiers and more than 60 questionnaires in each income tier |

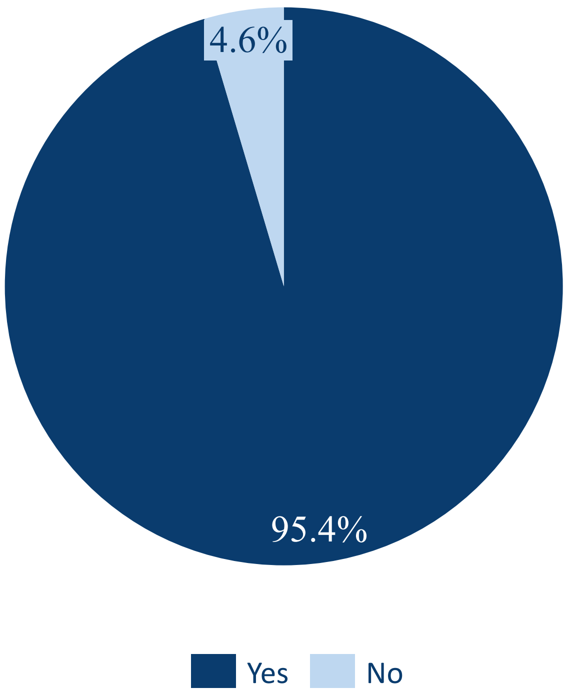
| Delivery Area | Specific Country Coverage |
|---|---|
| Africa | Ghana, Senegal, Ivory Coast, Kenya, Tanzania, Cameroon |

This consumer survey project is conducted in December 2024 in order to gain a comprehensive understanding of the performance of Softcare brand **sanitary pads** in the African market and its competitiveness in the market. The purpose of this research is to collect multi-dimensional information about the Softcare brand, including but not limited to brand awareness, brand reputation, brand repurchase rate and consumer perception of the brand. This research will provide us with valuable data to assess the Softcare brand's current status and growth potential in the African market, particularly in terms of its position in relation to similar brands.

Through this research, we will analyze African consumers' perceptions of the Softcare brand to understand their identification with the brand, their satisfaction, and the motivations behind their purchasing behavior. At the same time, we will also assess consumers' willingness to repurchase in order to determine brand loyalty and consumer stickiness. In addition, the study will explore the differences in brand performance across socio-economic groups to help us better understand market needs and consumer preferences. The results of this survey will help Softcare Group to validate its leading position in the African market and provide data support for brand strategy adjustment, market expansion and product development.

# Question: Have you ever heard of Softcare sanitary pads in your daily life?【Single choice】

| Selection | Responses |
|---|---|
| Yes | 1,197 |
| No | 58 |
| **Total** | **1,255** |

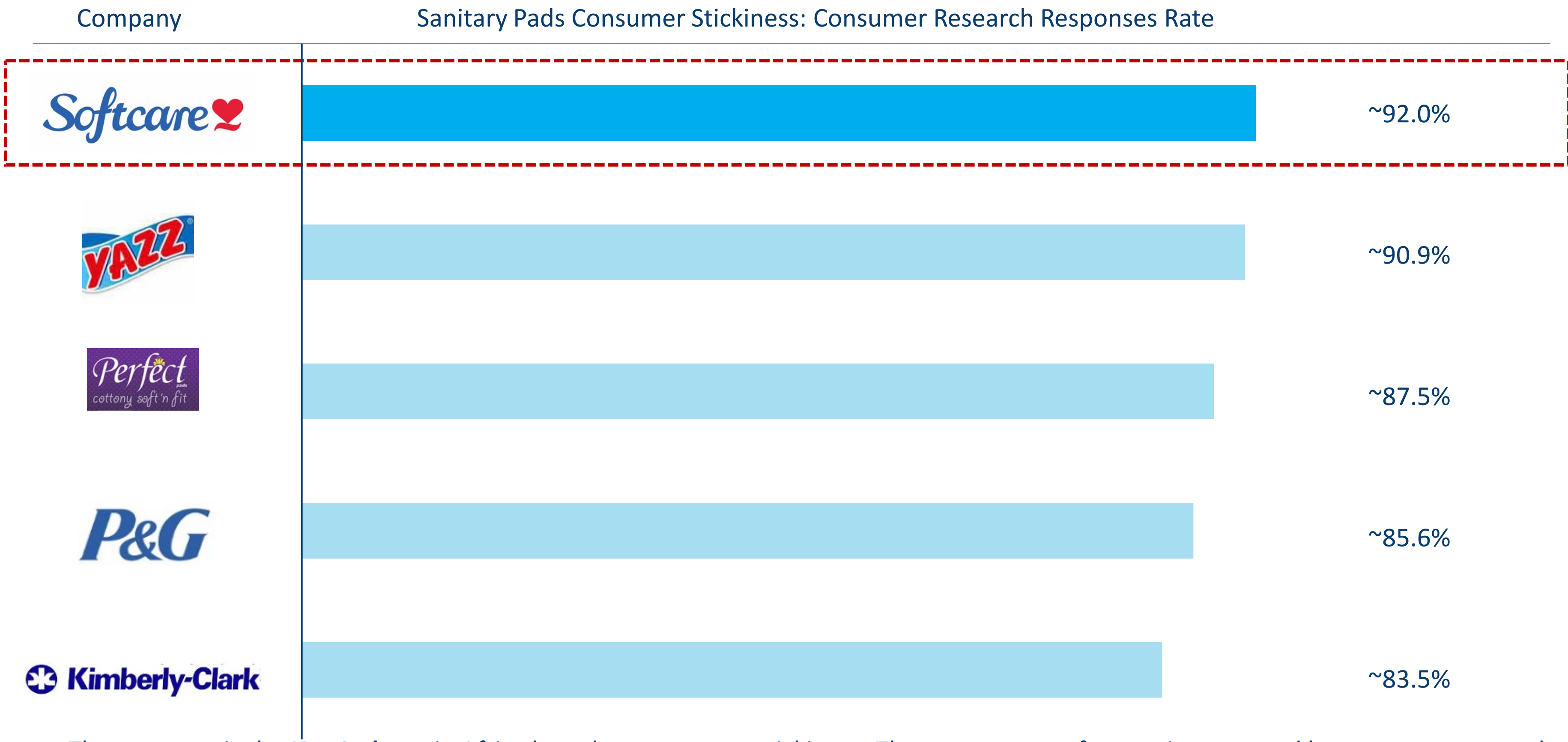


# Question: What is your brand impression of Softcare? 【Multiple choices, up to three choices】

| Selection | Responses | Selection | Responses |
|---|---|---|---|
| The brand advertises a lot | 486 | The brand is well-known | 316 |
| The products of this brand have good quality | 621 | The brand offers wide selection of styles and prices | 106 |
| The products of this brand are easy to access in my country | 581 | The products of this brand are domestically manufactured | 64 |
| The products of this brand are the one I use most often | 338 | The products of this brand offer different lines matching individual needs and preferences | 105 |
| The products of this brand offer competitive pricing | 200 | **Total Responses** | **1,197** |

# Question: Have you repurchased the brands you selected 【Single choice】

**Sanitary Pads Consumer Stickiness in Africa/Consumer Research Responses Rate, 2024**




- The company is the **No. 1 player** in Africa based on consumer stickiness. The consumer preference is measured by consumer research responses rate to the question: “Have you repurchased the brands you selected [Single choice]”.
- The consumer research project is conducted in order to gain a comprehensive understanding of the performance of Softcare brand sanitary pads in the African market and its competitiveness in the market. Total valid responses are 1,255.

# Supplementary Information

- Leveraging Softcare's globalized operational strategies implemented for over 15 years, it has become a leading enterprise in the hygiene product industry in various countries in Africa as well as a key player in the Emerging Markets.
- Softcare were one of the first international baby and feminine hygiene product brands to enter the African market and establish local production plants.
- In Africa, offline purchase is the main consumption mode and the population is highly dispersed.
- It takes years to develop and maintain a well-established sales network, which is not easily replaceable.
- Due to rural-urban disparities and the underdevelopment of transportation network, consumer products can only reach consumers through multiple layers of sales network.
- In the Emerging Markets, sales network is key to success in the baby and feminine hygiene product industry.
- Softcare's extensive experience in developing sales channels has laid a solid foundation on which Softcare's success can be replicated in other countries in the Emerging Markets.
- As the African market is highly dispersed, with the individual markets therein being relatively small in scale such that it is difficult to achieve economies of scale, Softcare's first-mover advantage in developing sales network has formed an entry barrier in the African market.
- Being familiar with the local economic, political and cultural environment and having stable relationships with Softcare's business partners are not only Softcare's competitive strengths but also entry barriers for potential competitors.
- The Emerging Markets generally have a lower level of industrialization.
- As a first-mover in localized manufacturing, Softcare benefit from a greatly shortened chain of sales such that products can reach the consumers much faster.
- As an international enterprise that grew up in the African market, Softcare connect with the consumers more effectively through our "Made Here, Sold Here" operation mode.
- Distributors are customers who purchase goods from product manufacturer and provider in the mid-segment of the supply chain and possess robust marketing capabilities, dedicated sales teams, and their own delivery vehicles to effectively and proactively distribute products to the end market. They are usually able to follow the manufacturer's guidelines and responsible for managing and servicing the downstream sales channels within their designated geographical area, ensuring effective product rollout and market coverage.
- In 2024, the market penetration rate of baby diapers and baby pants in Africa was around 20%, lower than the market penetration rates of baby diapers and baby pants in the European, North American and Chinese markets, which were over 70% to 86%, and the market penetration rate of sanitary pads in Africa was around 30%, and also lower than the market penetration rates of sanitary pads in the European, North American and Chinese markets, which ranged from around 35% to 80%.

# Supplementary Information

- Future Development Trends in the Emerging Market Hygiene Product Industry:

Rising Global Demand for Eco-Friendly Hygiene Products

In recent years, there has been a significant global shift toward sustainability, with a growing number of consumers actively seeking eco-friendly hygiene products. As environmental awareness increases, people are becoming more conscious of the ecological impact of disposable hygiene items. Consumers now prefer products made from biodegradable materials, sustainably sourced ingredients, and recyclable packaging. This trend is driven by rising concerns over plastic pollution, stricter environmental regulations, and a preference for brands that embrace corporate social responsibility. In response, hygiene product companies are accelerating innovation, developing sustainable alternatives to meet the surging global demand for greener, more responsible hygiene solutions.

Increasing Use of Eco-Friendly Packaging and Sustainable Product Materials

The growing environmental awareness among consumers will drive companies to use recyclable, biodegradable, or sustainably sourced packaging materials. Reducing the use of plastics and improving the environmental friendliness of packaging will become significant trends in the development of the industry. Consumers will also favor environmentally friendly, biodegradable product materials with sustainability attributes. Companies can also simplify product packaging designs, reducing resource consumption in the production process while catering to the environmental awareness of consumers. Additionally, companies may optimize sustainable practices throughout the supply chain. This includes choosing environmentally certified suppliers and reducing carbon emissions in the logistics process.

- Consumption Upgrade Driving Higher Demand for Quality and Eco-Friendly Hygiene Products：

The hygiene products industry is experiencing a consumption upgrade, driven by rising disposable incomes and evolving consumer expectations. In emerging markets, increasing per capita GDP is fueling demand for higher-quality, more sophisticated hygiene products. Emerging markets have seen steady economic growth, leading to a shift from basic hygiene essentials to skin-friendly, and high-performance products. Alongside quality, consumers are also prioritizing eco-friendly solutions, reflecting a broader global trend toward sustainability. Consumers are increasingly prioritizing biodegradable materials, recyclable packaging, and chemical-free formulations in hygiene products.

- In 2022, the market prices of fluff pulp and SAP as well as ocean freight rates saw an increase due to supply chain disruption caused by the COVID-19 pandemic.
- In 2023, as the supply chain disruption subsided, the market prices of fluff pulp and SAP as well as ocean freight rates declined to almost the same as or below the pre-pandemic level.
- The market price of non-woven fabric in China rose to a peak in 2020 due to a surge in demand for masks which resulted in a supply shortage of non-woven fabric.
- As production capacity of non-woven fabric expanded, the market prices of non-woven fabric declined in 2021 to almost the same as the pre-pandemic level and continued to decline steadily in subsequent years.

# Supplementary Information

- Hygiene products such as baby diapers and sanitary pads have a relatively low consumption threshold.
- Due to highly developed industrialization, the direct production costs of hygiene products have been continuously optimized. Thus, in remote and rural areas, the primary constraint on achieving more efficient sales of hygiene products is the limited accessibility due to high supply chain and logistics expenses.
- In the cost structure of hygiene products in remote and rural areas of the Emerging Markets, supply chain and logistics expenses account for at least 30% of the product cost, significantly higher than the 15% to 20% ratio in mature urban markets. n the future, the development of global supply chains and logistics networks for baby diapers and sanitary pads brands, such as the establishment of new online and offline retail sales systems and the rise of more diversified consumption methods, will enable more efficient sales to remote and rural areas in Emerging Markets, increasing product accessibility, expanding potential markets and ensuring that products can arrive on time.
- Growing market penetration rate. According to Frost & Sullivan, the Emerging Markets have seen sustained growth in the market penetration rates of baby and feminine hygiene products, with considerable room for further growth compared to developed countries. For example, in 2024, the market penetration rate of baby diapers and baby pants in Africa was around 20%, lower than that in the European, North American and Chinese markets, which ranged from around 70% to 86%, and the market penetration rate of sanitary pads in Africa was around 30%, lower than the market penetration rates of similar products in the European, North American and Chinese markets, which ranged from around 86% to 92%. As such, the Emerging Markets have great potential for long-term growth as the market penetration rate steadily grows.
- The market size of the baby diapers, baby pants and sanitary pads markets in Africa, Latin America and Central Asia in aggregate grew at a CAGR of 3.9% from 2022 to 2024.

| Average Retail Price of Sanitary Pad, | US cent per piece |
|---|---|
| Mass | <5 |
| Mid-end | 5-7 |
| Mid-premium | 7-9 |
| High-end | >9 |

| Average Retail Price of Baby Diaper, | US cent per piece |
|---|---|
| Mass | <10 |
| Mid-end | 10-15 |
| Mid-premium | 15-20 |
| High-end | >20 |

# Thanks !

FROST & SULLIVAN