

Projections | Economic Impact

- Europe and advanced economies are particularly at risk of falling into recession; with predictions of real GDP falling by 7.5% and 6.1% respectively. Although the US economy is currently robust, economic turmoil in other parts of the world could make the country more vulnerable to a downturn: it is predicted to decline 5.9%.
- Global economy is expected to fall by 3% in 2020 with a view to stabilise in 2021 (growing at 5.8%) following the devastating effect of Covid-19 according to IMF projections (published April 2020)
- China economy is on the verge of recovery (although there is still concern about a second wave) and is predicted to grow as strong as 9.2% for 2021
- ... Whilst Advanced Economies such as US (4.7%) and Euro Area (4.0%) will aim to recover losses by implementing new monetary policies and providing necessary fiscal stimulus

	2019	2020	2021
World output	2.9	-3.0	5.8
Advanced Economies	1.7	-6.1	4.5
Developing Economies	3.7	-1.0	6.6
US	2.3	-5.9	4.7
Euro Area	1.2	-7.5	4.7
Germany	0.6	-7.0	5.2
France	1.3	-7.2	4.5
Italy	0.3	-9.1	4.8
Spain	2.0	-8.0	4.3
Japan	0.7	-5.2	3.0
UK	1.4	-6.5	4.0
Canada	1.6	-6.2	4.2
China	6.1	1.2	9.2

*Real GDP, Annual percent change
Source: IMF, World Economic Outlook, April 2020*

How should the CHC industry react to a 2020 Recession?

Marketers must look to retain consumers as well as converting new buyers to loyal consumers:

- Open distribution channels: particularly across e-Commerce and grocery stores
- Tailor messages to consumers new lifestyle e.g. home cooking, home entertainment, family
- Innovation refocus on cheaper products to create affordable luxury

Though products to keep consumers working through illness were popular during the Great Recession, they may not be so appropriate to promote amid Covid-19, as masking symptoms to continue to work may spread infection

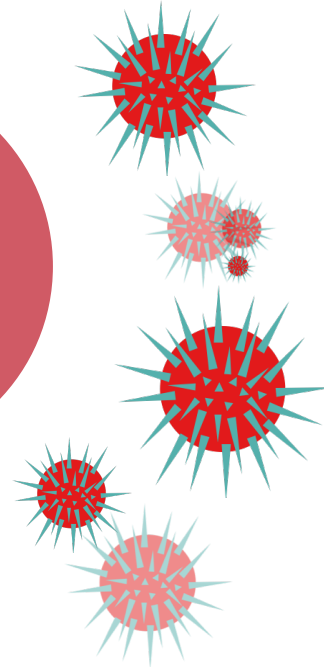
CHC Category Impact | Overview

Key CHC categories impacted:

- **Antiseptics & disinfectants**
- Cough, cold & allergy
- Analgesics
- Vitamins, minerals & supplements
- **Immunity**
- Sleep aids
- Antivirals (OTC availability limited to C&E Europe)
- **Face masks**

Categories performing exceptionally well as consumers look to prevention rather than symptomatic relief

Potential for lasting positive effect as Covid-19 refocuses consumer attention on wellness



CHC Category Impact | Sleep Aids and Self-Care

Increased anxieties leads to poor sleep

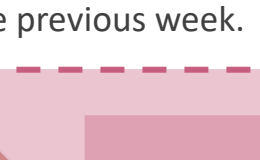
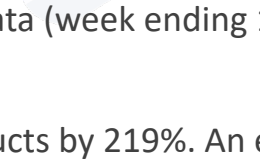
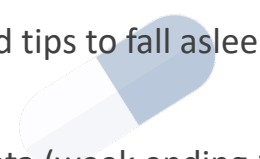
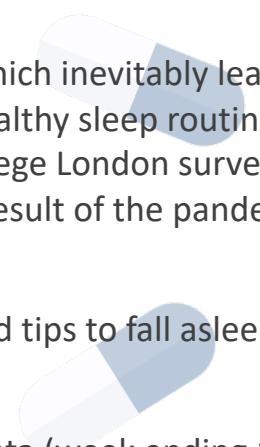
With uncertain times amid the global pandemic, individuals are increasingly experiencing heightened anxiety, which inevitably leads to poorer quality of sleep. On top of this, with many countries in lockdown, some are struggling to maintain a healthy sleep routine, resulting in inconsistent sleeping patterns: #cantsleep has been a trending hashtag on social media. A King's College London survey has suggested that two thirds of the British public have suffered from some negative impact on their sleep as a result of the pandemic and subsequent lockdown measures.

Health sites are promoting the avoidance of sleep aids during this time, in favour of more structured routines and tips to fall asleep – this is in line with the global natural trend/lifestyle we have seen being adopted pre-pandemic.

Yet sales of sleep aids and wellness products have increased, as consumers look to calm their racing minds. IRI data (week ending 15th March) shows **US melatonin sales up 40%** from the same week the previous year, 56.6% from the prior week.

In May *Cult Beauty* (a UK wellness and beauty site) reported an increase in sales of sleep aids and wellness products by 219%. An even greater increase has been seen in its bath oils and soaks category with an rise of 527% compared to last year.

Another trend is the rise in CBD-based products – popular at present for their relaxing properties in relation to both sleep and anxiety. In the US, IRI data shows that CBD sales in w/e 15th March were up 38.7% from the previous year, 75.8% from the previous week.



- More than one in four Americans report a lack of energy (30%)
- Difficulty sleeping (29%),
- Or exercising less (29%) during the pandemic

With health at its lowest, gives opportunity for marketers to promote

Survey



- A majority (64%) say they are focused on their mental health now more than ever
- With mental health being a topic of discussion prior to the pandemic, current events have raised even more awareness of the subject when isolation is at its peak



Imboost body defence brand states intent to join the fight against coronavirus in Indonesia

Imboost is positioned as not just a vitamin, but also an immunity booster, **claiming to both prevent illness and accelerate the healing process.**

SOHO has sought to educate the public by holding a Discussion Forum entitled **“Prevent coronavirus by strengthening the immune system”**

“Combination of immunostimulant, virus replication inhibitor and antioxidant”



ES EXTRA STRENGTH
IMBOOST® FORCE
The IMMUNOMODULATOR with EXTRA STRENGTH Action

KOMBINASI IMUNOSTIMULAN, PENGHAMBAT REPLIKASI VIRUS DAN ANTIOKSIDAN

KANDUNGAN AKTIF

- ECHINACEA PURPUREA 1000 mg ^{3,4}**
Bekerja sebagai Peningkat daya tahan tubuh
- BLACK ELDERBERRY 400 mg ^{5,6}**
Bekerja sebagai Penghambat replikasi virus
- ZINC PICOLINATE 10 mg ^{6,7}**
Bekerja sebagai anti oksidan

Imboost, Indonesia



IMBOOST®
WASPADA VIRUS CORONA
#CepatMelindungi

ALERT CORONAVIRUS
Tingkatkan Daya Tahan Tubuh

Soho Global Health - VP Marketing Health Care, Sylvia Rizal:

“As a manufacturer of Imboost (which is the market leader of body defense supplements in Indonesia, and Imboost Force which is the immunostimulant supplement most recommended by doctors), we have a social responsibility for public health. We hope that this scientific and objective information can help calm the public and jointly fight the threat of the corona virus with strong immune systems. Imboost and Imboost Force as immuno stimulants can be the best choice of supplement for strengthening endurance.”