

## Promotions, price increases stir up vitamins

In the vitamin category, private label leads the one- and two-letter segment, with \$425 million in annual dollar sales, according to the latest Promo Watch report from *Drug Store News*, Competitive Promotion Report and IRI. Nature Made, Nature's Bounty and Rexall Sundown are the top three manufacturers with annual dollar sales of \$352 million, \$177 million and \$77 million, respectively. In the drug channel, Nature Made leads the market, surpassing private-label sales with \$132 million, while private-label sales are at \$129 million, followed by Nature's Bounty with \$101 million in dollar sales. Nature Made has shown the highest average units sold on promotion at 59%, followed by Nature's Bounty at 44% (See Figure 1).

According to CPR, Nature Made and Vitafusion had the highest average weighted retail margins at 43%, while Sundown Naturals had 35% in the drug channel. Nature's Bounty leads in highest average retailer margin at 40% in the food channel, while Rexall Sundown Naturals had the lowest average weighted retailer margin at 33%. Nature's Bounty had the highest retailer margin in the mass channel at 39%, while Sundown Naturals and Nature Made showed an average retailer margin of 31% and 30%, respectively.

CPR data showed that in the one- and two-letter vitamin category, there were several list price increases during the past 24 months. Among the major national brands, Nature Made had a total of 92 price increases in the past two years. The first price increase happened in November 2014 across 62 products with an average increase in price of 6%. A second wave of price increases occurred in July 2015, with 30 price increases with an average increase of 8%. Sundown Naturals had 63 different price increases with an average increase of 5% (See Figure 2).

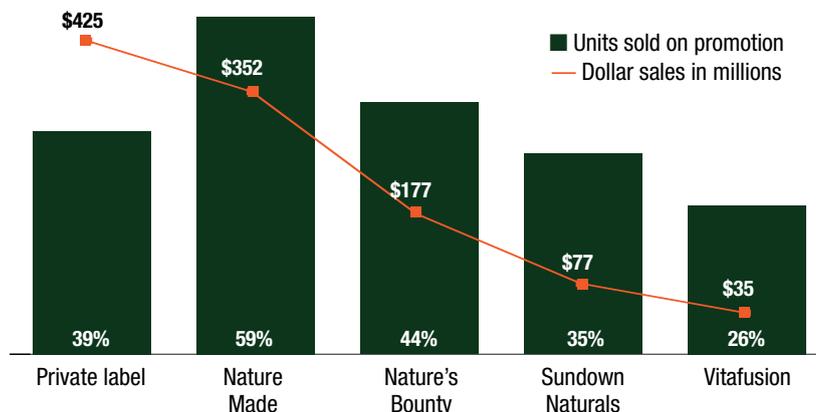
According to MarketTrack, ad comparisons in the vitamin category are characterized by high promotional activity, with many brands sold on promotion. The top three brands with highest circular ad counts for the past three months ended November 2015 were Nature Made with 597, Nature's Bounty at 516 and Sundown Naturals with 321 (See Figure 3).

*Drug Store News* has partnered with Competitive Promotion Report, IRI and MarketTrack to create a series of exclusive reports. The results in this study reflect the leading brands/manufacturers in terms of retail sales, list price changes, average weighted retailer margins and promotional ad activity.

CPR is a leading provider of competitive market intelligence and insights in the health, beauty and wellness industry. Learn more by visiting [competitivepromotion.com](http://competitivepromotion.com).

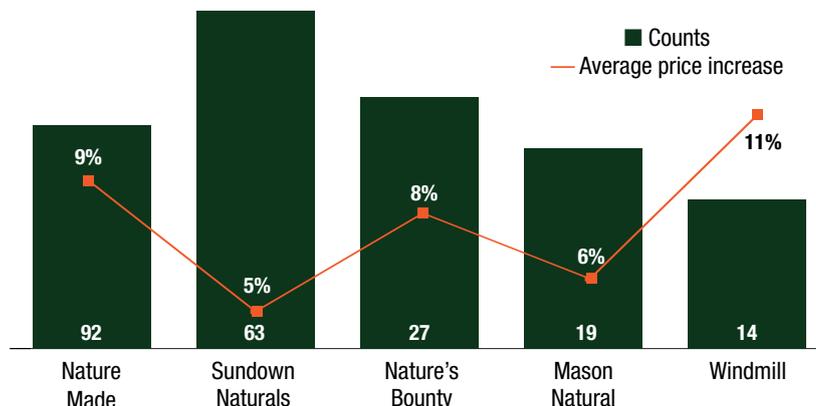
### VITAMIN CATEGORY — ONE- AND TWO-LETTER SEGMENT

#### TOP FIVE BRANDS



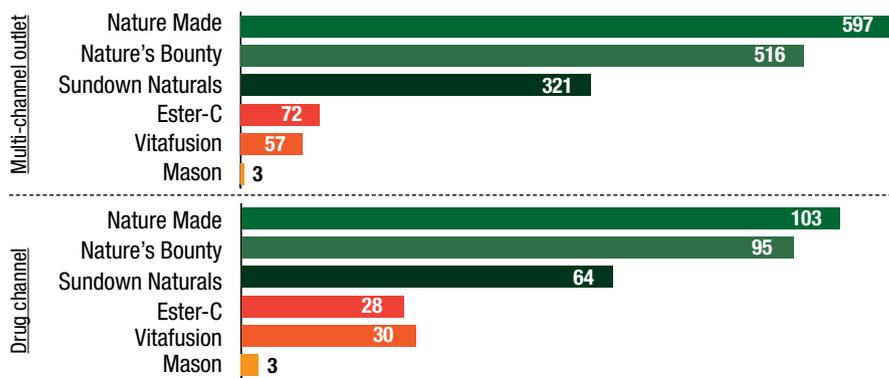
Source: IRI data for the one- and two-letter vitamin segment in multi-outlet channel for the 12 months ended Nov. 1, 2015

#### LIST PRICE CHANGE VS. AVERAGE PRICE INCREASE



Source: IRI data for the one- and two-letter vitamin segment in multi-outlet channel for the 12 months ended Nov. 1, 2015

#### CIRCULAR AD COUNTS



Source: MarketTrack circular ad counts for the vitamin category in multi-outlet and drug channels for the three months ended November 2015

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