AVERY DENNISON

Beauty Industry

Why supply chain visibility is key to brand's success

Greener habits and ever-evolving consumer demands are requiring beauty and personal care brands to provide full supply chain transparency.

Better supply chain visibility enables flexibility and agility to fulfill demand and adapt to market fluctuations. It also reduces overproduction, waste and enables circularity.

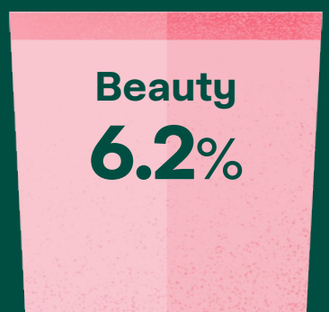
Businesses overproduce to fulfill deliveries and navigate customer anxiety

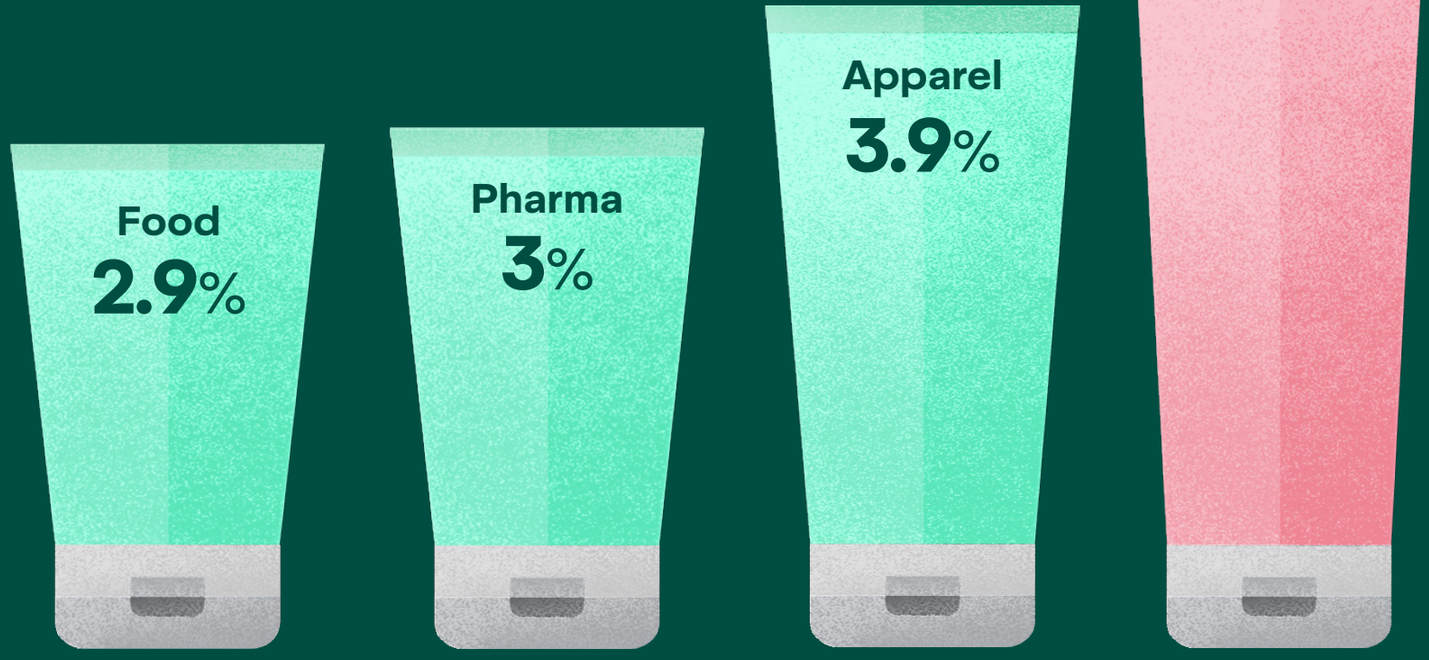
$4.8bn

worth of beauty inventory is **wasted globally every year** due to **expiry** or **overproduction**

Equivalent to the entire skincare industry in France

Percentage of inventory loss per year caused by overproduction





47%

of beauty consumers reported thinking more about the **availability of items** since recent global events

Consumers are prioritizing durability over sustainability when making purchase decisions

48%

rank ‘product durability’ in their top five most important factors when making a purchase

45%

agree that choosing a durable product is a sustainable purchase*

*Across all industries

Sustainability is still important for beauty brands

93%

of businesses say they are coming under pressure to become sustainable

Ingredient transparency appeals

to customers and regulators

36%

of customers would be encouraged to make more sustainable purchases if brands were transparent about product ingredients

US – The Cosmetic Supply Chain Transparency Act of 2021 (USA)

Requires beauty suppliers to prove that their products do not contain banned substances or chemicals. A measure that endeavors to eliminate the need to verify if a company is acting ethically.

The transformative power of digital identities

Digital identification technologies are proven to improve transparency thus helping to reduce waste, increase brand protection and provide consumers with product authentication.

Thanks to digital IDs, **inventory accuracy increases to >95%**, helping to reduce overproduction and unnecessary waste.

Source: The Missing Billions: The real cost of supply chain waste

For more information about RFID and our digital ID solutions

Connect with our team

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