

Generation COVID Boomer

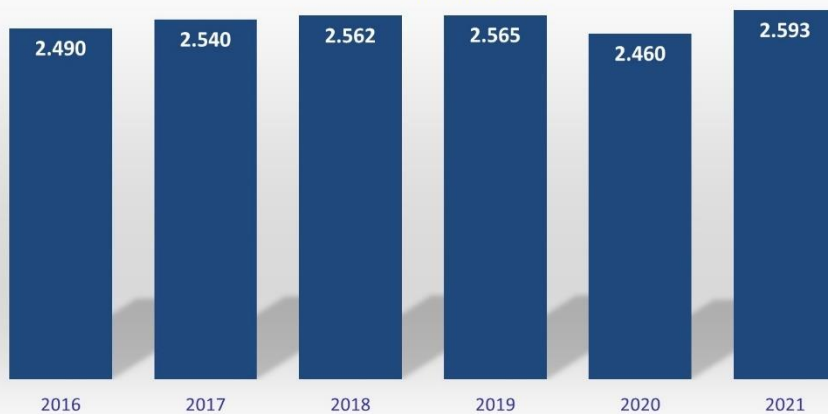
Birth rate stabilises turnovers

Cologne, 8 September 2022

The highest birth rate since 1997 stabilises the turnovers of the baby and children's outfitters. In the year 2021, according to the estimate of the IFH Retail Consultants, parents spent just under **Euro 2.6 billion** in the first three years of their children's lives. Hence, they invested **5.4% more** than in the previous year. This figure corresponds to **approx. Euro 1,105 per child**. "The record-breaking birth rates in March last year already pre-announced the fact: The year 2021 experienced a true baby boom and gave the trade a boost," stated Steffen Kahnt, Chief Operating Officer of the German Association of the Toy Retail Trade (BVS)

According to the provisional data of the Federal Statistical Office **795,492 children** were born last year. Around **22,000 more than in 2020**. Is this the start of the **Generation COVID Boomer**? The fact that a particularly high amount of children were born in the fourth quarter of 2021, implies a **connection** with the second **COVID lockdown** in the winter of 2020/21. The number of births per woman also rose in 2021 for the first time since 2017, namely from 1.53 children in the year 2020 up to 1.58 children per woman in the year 2021.

**Ausgaben für Baby- und Kinderausstattung
in Deutschland in den ersten 3 Lebensjahren**
in Mrd. Euro



Quelle: IFH Köln

PRESEMITTEILUNG

Prams: Trend towards brighter colours

In addition to the quality, the design is of course also decisive when buying a pram. Here the manufacturers are proving to have a good nose for trends this year too. Alongside eye-catchers like a MERCEDES BENZ COLLECTION for instance, many models are also shining out in bright colours. Whereas in the past years black, grey and beige shades dominated the scene, more and more mustard or green-coloured designs can be found. According to the market research company, Interconnection Consulting, the Germans bought a total of **720,755 prams** (incl. buggies) in **2021**. This corresponds to an increase of 3.2% in comparison to the previous year. However, a **growth in turnover** of 11.6% was achieved, which is due to the price increases. **Disruptions in the supply chains and rocketing transport and logistics costs** are the **price drivers** here. In spite of the strong birth rates, the investments in prams **didn't** suffice to match the **pre-pandemic level**.



Children's car seats: Recovery in 2021

In 2021, the market for **children's car seats** recovered slightly from the losses in 2020. According to Interconnection Consulting, the Germans purchased around **2.2 million children's car seats** last year - that is **2.6% more** than in the previous year. By contrast, a strong **growth in turnover of 16.7%** was recorded, which as in the pram segment was above all attributable to price increases. The manufacturers also proved to be innovative regarding children's car seats this year. Whereas the trend went towards reboarders for years, the manufacturers are now favouring seats in which the child faces the direction of travel. The innovation allegedly offers up to 50 percent more safety than conventional children's seats that face in the direction of travel and comes as the first children's seat with an integrated full-body airbag.

Outlook for 2022: Increase in breast-feeding products

According to GfK Trade Panel, the market for **Mother and Child Accessories** declined by -8% during the first six months of 2022. Whereby the **decline in turnover** applied for both the online business (-6%) and for the stationary trade (-11%). Above all the high-turnover categories children's car seats and prams are also affected here. The growing inflation and the insecurity in the face of the war in the Ukraine are **putting the dampers on the spending mood** and are forcing people to economise. Nevertheless, there are still **growing markets**. The **breast-feeding products** section, which is being pushed by the turnover growth of electric breast pumps, increased by 6% compared to the first six months of 2021. Whereas parents in Germany spent Euro 117 on average for an electric breast pump between January and June 2021, the average price in the first six months of 2022 is Euro 126.

Toys for babies and toddlers: +2%

In **2021** the Germans spent more money on toys for babies and toddlers. According to the Toys Consumer Panel of the npd group, the turnover **for toys** for under 3-year-olds rose by 2%. If one counts everything that according to the npd group statistics is purchased for under 3-year-olds, such as sand toys, Lego, Duplo, board games or bobby cars, the Germans spent around **Euro 682 million** in 2021.

Spielzeugausgaben in Deutschland in den ersten 3 Lebensjahren in Mio. Euro



German Association of the Toy Retail Trade (BVS)

The BVS represents the interests of the toy retail trade for all sales channels and company size categories in Germany. It is affiliated with the German trade association (HDE), the federal state associations of which provide the delegates for the BVS general assembly. Associate members are the most important purchasing cooperatives of the industry.

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