



**Australia's  
Complementary Medicines  
Industry Audit 2019**

**GROWING  
NATURALLY**

# ABOUT COMPLEMENTARY MEDICINES

## Complementary Medicines Australia (CMA)

CMA is the peak industry body for the complementary medicines industry, representing stakeholders across the value chain, including manufacturers, raw material suppliers, distributors, consultants, retailers, allied health professionals, researchers and educators.

CMA promotes appropriate industry regulation and advancement to ensure consumers have access to complementary medicines of the highest quality.

We have been conducting annual audits of the industry for 10 years and are pleased to present our most comprehensive audit to date.

## Complementary Medicines

Regulated in Australia as medicines under the *Therapeutic Goods Act 1989*, complementary medicines include vitamins, mineral and nutritional supplements, homeopathic, aromatherapy products and herbal medicines. The term 'complementary medicines' also comprises traditional medicines, which includes traditional Chinese medicines, Ayurvedic, Australian Indigenous and Western herbal medicines.



# INDUSTRY AUDIT SUMMARY



## 7 out of 10 People

Most Australians (73%) have used at least one form of complementary medicine in the last year.



## Assisting in Your Health

One third of Australians using Complementary Medicines do so to manage the symptoms of a chronic disease.



## Number One

Australia has become the largest exporter of Nutrition and Health Food to China.



## \$5.2 billion Industry

Vitamin & Dietary Supplements: **\$2.94 billion**  
Sports Nutrition: **\$1.11 billion**  
Herbal / Traditional Products: **\$0.72 billion**  
Weight loss: **\$0.43 billion**



## Healthy Growth

The Complementary Medicines industry continues to outpace growth in the broader economy.



# CHOOSING WELLNESS OVER ILLNESS



## A National Crisis

50% of all  
Australians have a  
chronic disease



## Obesity

Around 63% of  
Australians are  
overweight or obese



## Diabetes

1 million  
hospitalisations



## Cardiovascular

Almost 1 in 3 deaths

In 2020 the Australian  
Government will spend  
over \$80 Billion on  
Medical Care



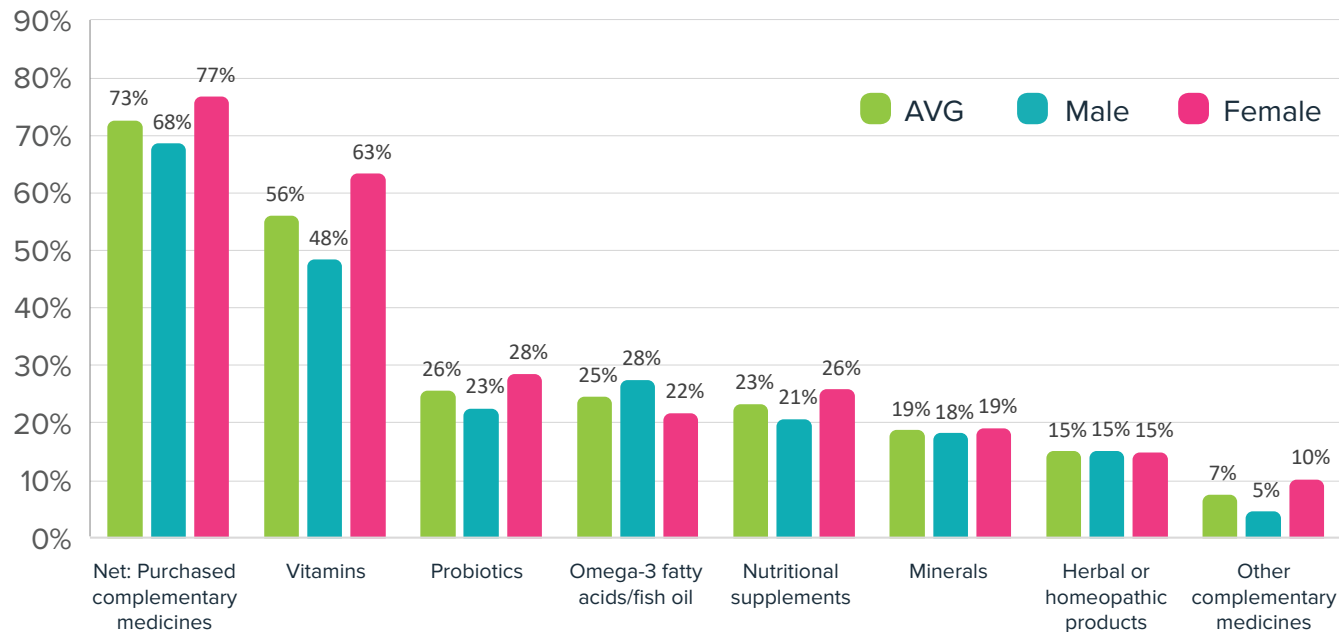
Source: Australian Institute of Health and Welfare 2018



# CONSUMER DEMOGRAPHICS

## MEN VS WOMEN

CM purchases in last 12 months



Source: RoyMorgan (2019)

**Women are more likely to have purchased complementary medicine in the last 12 months (77%) than men (68%)**

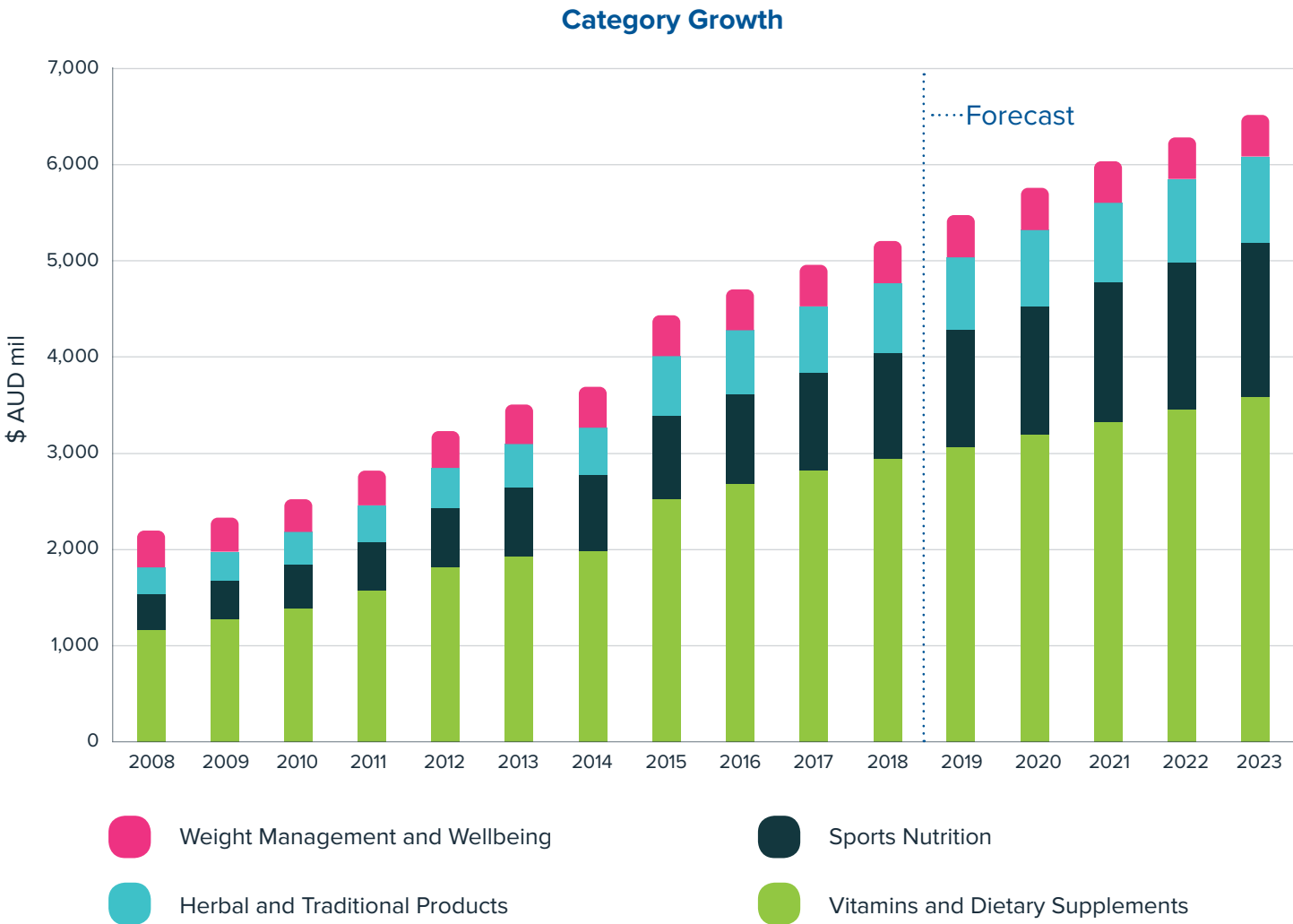
Source: CMA/YouGov Galaxy (2019)



# HEALTHY GROWTH

The Vitamins and Dietary Supplement Category has doubled in size over 10 years

Forecasted to grow 22% CAGR over the next 10 years.

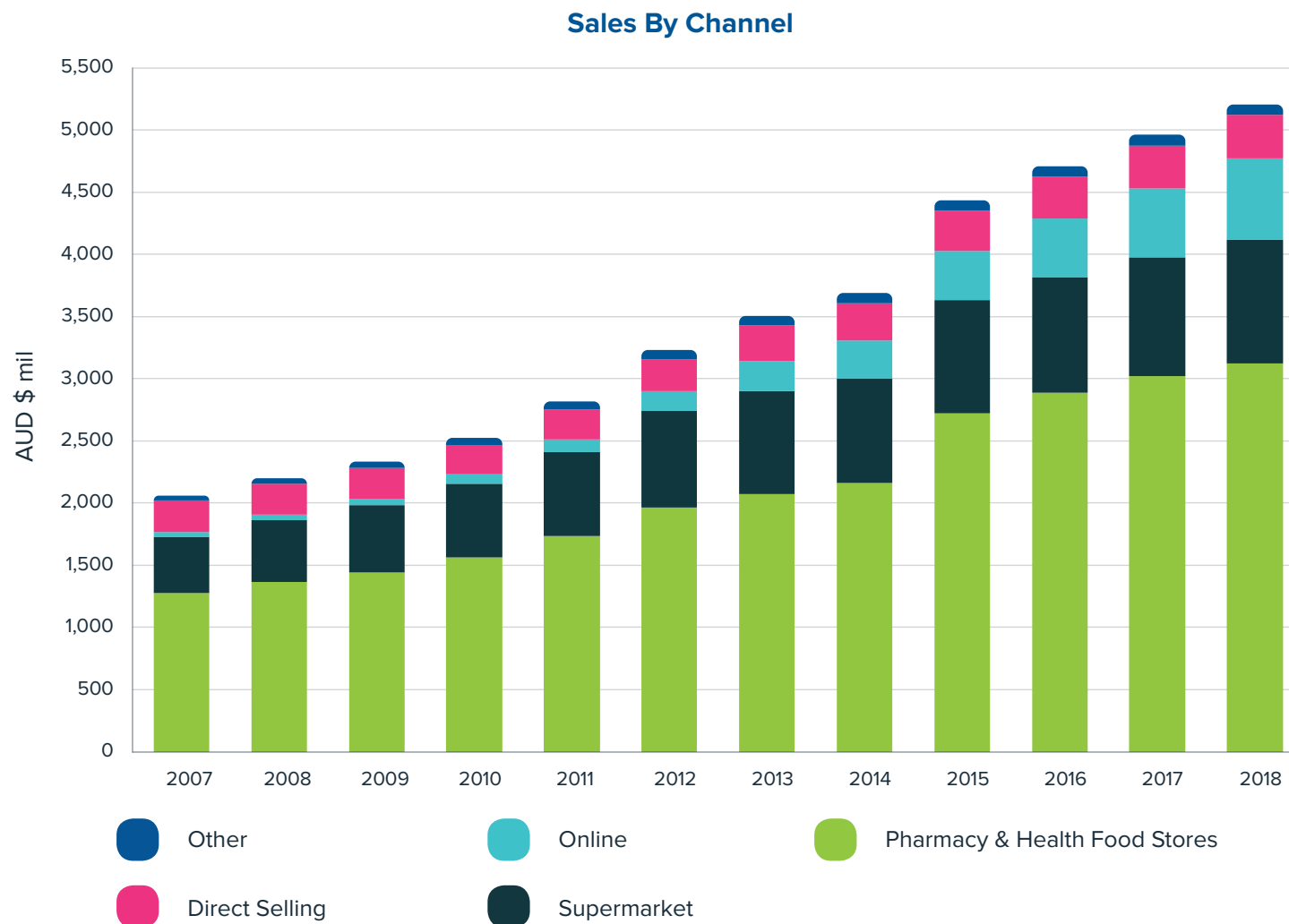


Source: EuroMonitor (2019)

# CONSUMER PURCHASING DECISIONS

Most Australians consider pharmacies to be the best outlet for buying complementary medicines (68%), with supermarkets (37%) and health food stores (32%) also popular.

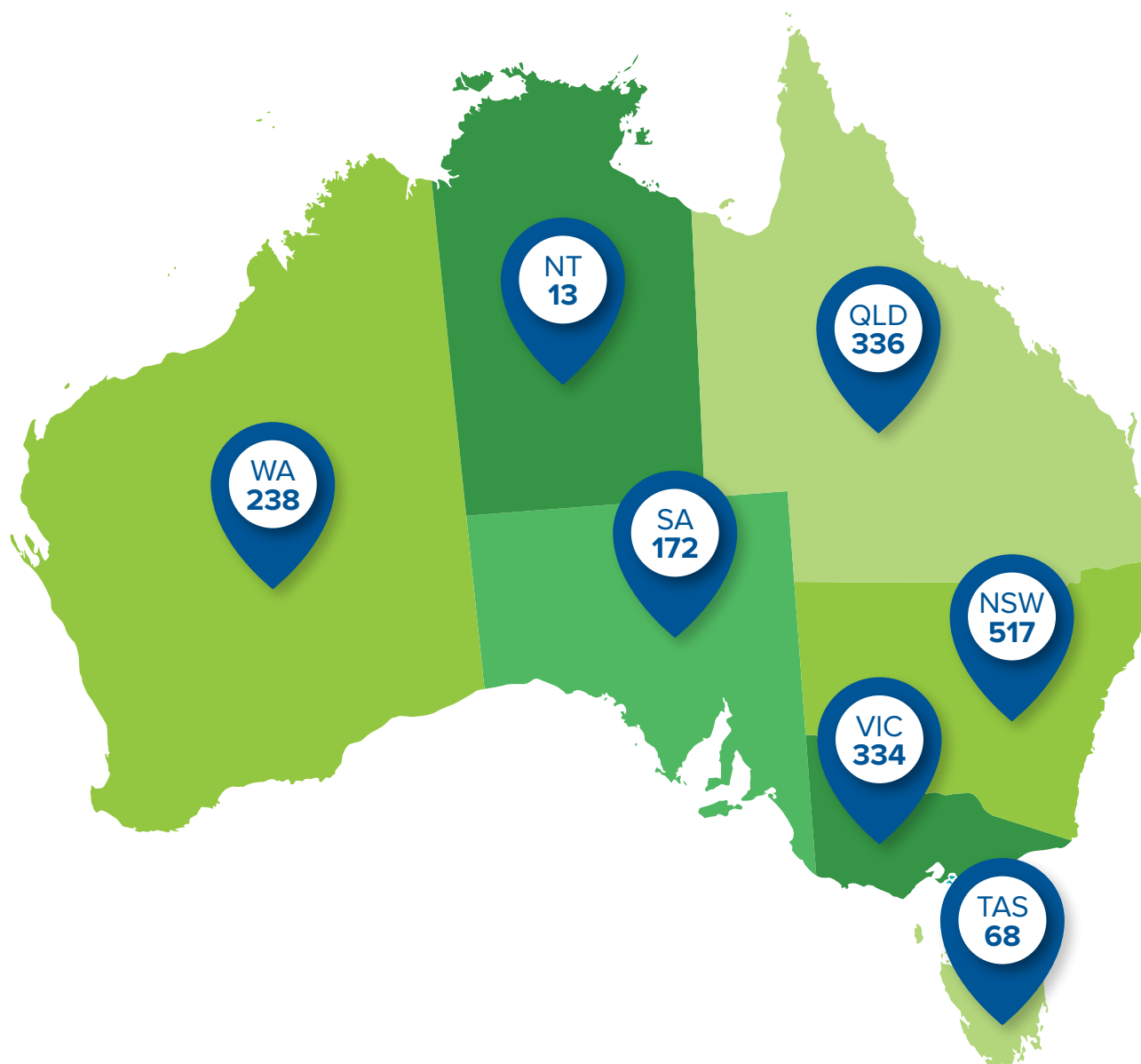
Source: CMA/YouGov Galaxy (2019)



Source: EuroMonitor (2019)



# NATURAL HEALTH PRODUCT BUYERS



Australia's health food stores remain one of the most trusted places for help and wellness advice.

They offer an extensive range of products and brands for every area of health and wellness.

Source: Food Source 2019





# AUSTRALIA'S MANUFACTURING SECTOR

Australian manufacturers are the global leaders in driving industry best practice. The sector is recognised around the world for the highest quality and safety standards.

**148** TGA licensed manufacturing sites<sup>1</sup>

**2852** direct employees in the sector<sup>2</sup>

**\$71,704** average wage in sector<sup>2</sup>

**\$407** million of economic value

**6%** annual growth rate (2014-2019)<sup>2</sup>



Sources:  
(TGA, 2019)<sup>1</sup>  
(IBISWorld, 2019)<sup>2</sup>

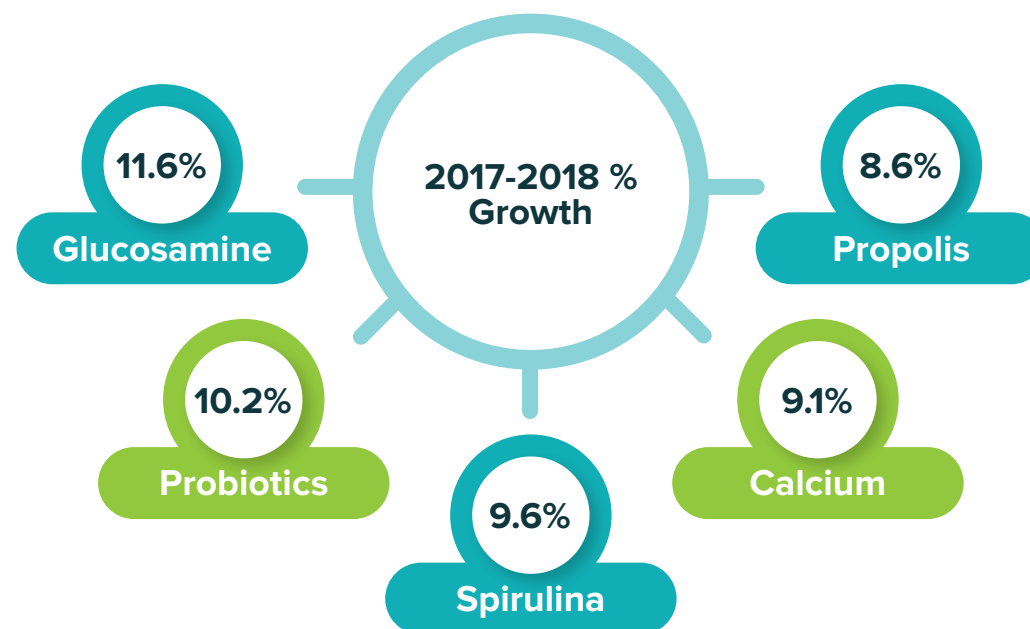


# PRODUCTS BY HEALTH CATEGORY AND TRENDING INGREDIENTS

## Products by Health Category

Total \$ AUD (m)		2,937.8
Position <sup>1</sup>	Category	% Share 2018
1	General Health	17.5
2	Joint and Bone	14.7
3	Heart Health	13.6
4	Digestive	9.9
5	Women's Health	8.1
6	All Other	36.2

## Top 5 Fastest Growing Ingredients



Sources: EuroMonitor (2019)



# AUSTRALIA: WORLD LEADING EXPORTS



Australia has created a \$1 billion export success story as consumer demand continues to grow for high quality Australian complementary medicines.

Official exports of Complementary Medicines has trebled in the last year to \$1 Billion.

Asia continues to drive growth with the lion's share of exports.

Asia is the fastest-growing region of the world, with a growing middle class and ageing population; this trend is expected to continue to grow our export market.

Source: Austrade (2019)



# AUSTRALIA: THE NUMBER ONE CHOICE FOR CHINA

Australia has become the largest source of Nutrition and Health Food Imports with an import volume of AU \$940 million (US \$670 Million)

USA is second with US\$620 million and Germany is third with US\$280 million

Australia year-on-year growth of imports into China of Nutrition and Health Food Imports 60.8%

Source: China Chamber of Commerce for Import and Export of Medicines and Health food Products (CCCMHPIE)



Potential size of China Market US\$68b

Size of Import Market 2018: \$3b USD to reach \$11b by 2024

China represents a significant growth opportunity for the Australian industry potentially doubling in size in 3 years

Sources: EuroMonitor (2019) CMA (2019)



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