



# RETHINK PROCESSES

INTERVIEW

**Crisis management** | Tradeshow organisers are perceiving all the changes impacting the industry during the pandemic. With digital events they contacted suppliers from all over the world. Antonia Benvegnù discusses how companies had to adapt themselves and their processes.



► **Antonia Benvegnù**,  
Cosmopack International Manager,  
BolognaFiere Cosmoprof Spa,  
Milan, Italy,  
[www.cosmoprof.com](http://www.cosmoprof.com)

**First, China led the way in terms of lockdown due to the Corona-virus pandemic. When were the effects of this felt in other countries?**

It is important to highlight how suppliers had to face the different phases

of the pandemic. The whole supply chain had to face meaningful difficulties. On the occasion of the Consumer Analyst Group of New York conference on February 2020, PG's CFO, Jon Moeller, reported that over 17,600 products could be affected by Covid-19, due to company's partnerships with nearly 400 suppliers across China, shipping more than 9,000 materials. This data was reported a long time before WHO declared Covid-19 as a global pandemic.

When at first it was China being blocked to face the emergency, companies all over the world had to deal with the impossibility to source materials and ingredients for their production. They had to start thinking about a different geographical source chain, thus focusing on companies working in other areas which could supply the necessary materials.

Thanks to diversification and new contacts they could react to such an unpredictable transformation.

**When and how did the lockdowns in other countries have an impact?**

When lockdowns started all over the world, the whole industry was upset. At first, purchases decreased everywhere, due to stores being closed and to human health being the main concern. Personal hygiene products, disinfectors and sterilisers became a global priority. As well as that, safety regulations forced suppliers to transform their processes. Social distancing requirements and travel restrictions forced them to rethink their districts to ensure people's safety, and to rethink shipping and transport rules too. The change in consumers' behaviour, with people staying at

photo: pathdoc/Shutterstock.com



**PACKAGING**

customers. Mario De Luigi, Founder and Art Director of B.Kolormakeup&Skincare, listed the main factors they had to evaluate as a contract manufacturer to meet market needs. Boundaries between make-up and skincare got blurred: customers' attention on hygiene, health protection and wellbeing are leading to make-up products which are also special treatments for face, hair and body. Multi-functional and multi-purpose products are leading the market as De Luigi stated, and they need to be easy-to-apply too, since people are staying at home more and more to avoid health risks. Beauty companies could focus again on their main business, and they had to face trends which were already occurring before the pandemic: Covid-19 was just an accelerator for changes.

home, and the increase of e-commerce, required suppliers to adapt to new conditions.

**How creative and flexible were the companies in finding and producing alternatives, for example in terms of materials, additives or ingredients?**

Beauty companies have been among the first ones to react to the emergency of Covid-19, representing how nowadays it is essential for companies to be agile and flexible. Thanks to these values, beauty companies could adapt to the new scenario, thus continuing to do business, but just in a different way. At first, sanitisers and personal hygiene products became the new core business. Contract manufacturers transformed their proposals, thus working on new formulations, and packaging suppliers worked on simpler and anti-bacterial jars, for example. Once personal safety was provided, e-commerce forced companies to face different requests compared to retail. Contract manufacturers started working on more long-lasting, easy to apply and safe products, thus involving other entrepreneurs specialised in formulation and ingredients to increase research and develop new solutions.

Secondary packaging became much more important, since it had to help customers to purchase and manage home-delivered products in perfect conditions and in the most hygienic way. The experts and CEOs we invited to participate in our webinars agree that product and packaging have to proceed hand-in-hand, and in these circumstances as well, all companies collaborated as a highly performing network of competences and innovations. It was a gradual process, for sure: at first, some activities had to be delayed because of the difficulty in receiving goods, for example, but then the global supply chain was able to restart with brand-new processes and standards.

**To what extent was the situation able to calm down in the summer months and to what extent was stocks able to be replenished?**

Once health and people's safety were no longer the main emergency, companies resumed putting beauty and skincare products at the core of their business. Conditions have changed: they had to rethink their commercial partnerships, thus diversifying the geographical origin of their sources, and they had to adapt to new needs from brands and from

**What preparations was the industry able to make for the second wave and the winter months?**

Beauty companies need to be flexible and to work with agile partners. The diversification of sourcing processes, the research on new materials and solutions for packaging and shipping goods which characterised the last few months after the emergency started have created the basis for the industry to keep creating safe beauty products. Customers will still need to take care of themselves, they just have different priorities from what we would have expected. As Lilly Berelovich, President & Chief Innovation Officer of Fashion Snoops highlighted, the claim today is "less but better", since customers are concentrating on their wellbeing and on what is really essential for their health. Trends focusing on glamorous and opulent beauty will be on pause for some time, but it is also true that when the emergency is over, people will want to celebrate, to express their relief, and things will change again rapidly. The most important thing for the supply chain is keeping working as a unique network, collaborating with partners to find the best solutions to adapt to what customers need. □