

HPC – it's all in the (traced and transparent) ingredients

By <u>Olufunsho Ariyo</u> 11 Jan 2024

Today's home and personal care (HPC) encompasses a wide range of products that include shampoo, soaps, cosmetics, cleaning agents, and so forth. Like its other counterparts within the CPG (consumer packaged goods) industry, HPC also requires supply chain traceability to verify the origin, movement, and handling of raw materials, components, and finished products.

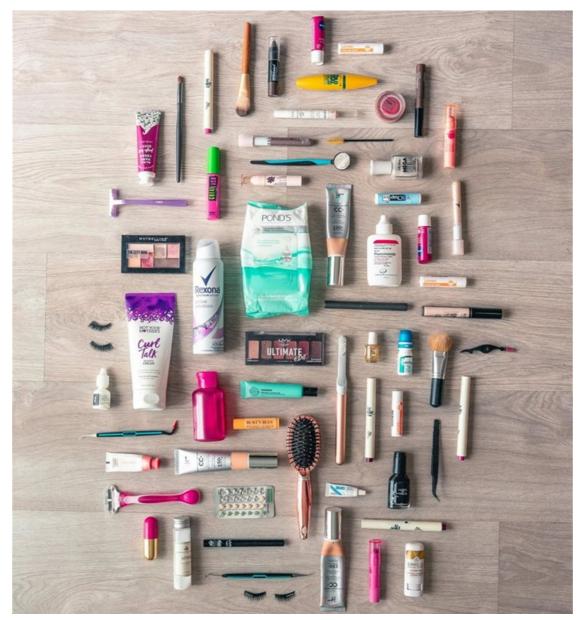


Photo by Hana Brannigan via www.pexels.com

The Environmental Working Group (EWG) emphasises that consumers are increasingly seeking traceability and transparency regarding the ingredients and sourcing practices of personal care products, which allow them to make informed purchasing decisions.

It is an all-important trend that has become prevalent across the globe including Western Africa which features a diverse range of HPC manufacturers and resultant products that are tailored to consumer preferences and market dynamics.

In fact, according to the recent Global Consumer Packaged Goods (CPG) Market Insights and Forecast to 2028, Nigeria is

cited as one of the leading contributors of the CPG market in the Middle East Africa region.

Consumer safety is paramount

The tracking and tracing of HPC plays a fundamental role in ensuring consumer safety, regulatory compliance, transparency, sustainability, and risk management. It is also those HPC companies that prioritise traceability and tracking that will solidify their customer relations, and brand reputation and differentiate themselves in a highly competitive marketplace.

The tracking and tracing of the HPC supply chain offers the following important benefits:

- Product safety and quality control traceability allows companies to monitor and control the quality of raw materials
 and components used in their products. By tracking the sources of ingredients and materials, companies can identify
 potential issues and recalls more efficiently.
- Production safety the production process of raw materials holds significant importance in ensuring both quality and sustainability. For example, the formulation of products like cosmetics, detergents, and toiletries relies heavily on a diverse range of raw materials, and optimising their production processes is essential for minimizing wastage and promoting eco-friendly practices.
- A streamlined raw material production process not only enhances the overall sustainability of HPC products but also contributes to cost-effectiveness, which can be crucial in a competitive market.
- Globalisation challenges the HPC industry in Nigeria like many other countries in Africa often involves global supply
 chains with multiple intermediaries. Ensuring traceability across these complex networks can be challenging, but it is
 essential for maintaining transparency and accountability.
- Regulatory compliance traceability helps companies ensure that their products meet specific country regulations and that potentially harmful or banned substances are not used.
- Consumer transparency as mentioned, it forms a critical part of creating brand trust, loyalty and visibility.
- Sustainability tracking and traceability enables HPC organisations to improve their supply chain; with more insight into raw materials sourcing and its environmental impact they take steps to reduce their C02 footprint.
- Risk management tracking and traceability provides companies with the ability to quickly identify and address issues in the supply chain, such as product contamination, recalls, or disruptions.

There are a number of compelling solutions that provide end-to-end traceability and transparency across the HPC supply chain. The traceability allows track and trace the products as they move along the supply chain, providing data about their

history, location, suppliers, etc.

The transparency ensures full visibility of every information related to the product, proving their origin and highlighting information about ingredients, allergens, physical characteristics and other key attributes.

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