



# The Body Shop Supply Chain

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## Contents

- The Body Shop
- Supply Chain of The Body Shop
- How to Make the Supply Chain More Resilient
- Conclusion



# The Body Shop

- The Body Shop International Limited, trading as The Body Shop, is a British cosmetics, skin care and perfume company.
- Founded in 1976 by Anita Roddick.
- Franchised outlets in 69 countries.
- Over 900 skincare, haircare, bodycare and makeup products.
- The company had been owned by the French cosmetics company L'Oréal between 2006 and 2017.
- The Body Shop is used to owned by the Brazilian company Natura & Co group In November 2023, Natura & Co signed an arrangement with group Aurelius to sell the brand.
- Ethical and cruelty-free products.



A close-up photograph showing a pair of hands, likely belonging to a person of African descent, holding a large quantity of small, light-brown, oval-shaped objects, possibly seeds or beans. The hands are positioned at the top of the frame, with the fingers spread, holding the objects. Below the hands, a large pile of the same objects is visible, filling the lower half of the image. The background is a light-colored, textured surface, possibly a piece of fabric or paper. The overall lighting is warm and natural.

# Supply Chain of The Body Shop



### Sourcing of Products:

- The Body Shop places a strong emphasis on using natural ingredients and ethically sourcing them. This means that upholding rights, decent working conditions, health and safety and a good business ethic is considered in the process.

### Supplier Relationships:

- Long-term relationships with suppliers
- Quality standards

### Community Trade:

- This initiative aims to provide fair income and employment opportunities for people in developing countries, supporting sustainable development.
- By sourcing ingredients traditionally used in local beauty and wellness practices, the program aimed to celebrate and preserve cultural heritage.





- 1 Wooden Massagers & Textile Bags**  
COUNTRY: India
- 2 Handmade Paper Products**  
COUNTRY: Nepal
- 3 Cactus Mitts**  
COUNTRY: Mexico
- 4 File a Foot & Detangling Combs**  
COUNTRY: Russia
- 5 Sesame Oil**  
COUNTRY: Nicaragua
- 6 Shea Butter**  
COUNTRY: Ghana
- 7 Organic Babassu Oil**  
COUNTRY: Brazil
- 8 Soapstone Oil Burners** COUNTRY: India
- 9 Brazil Nut Oil**  
COUNTRY: Peru
- 10 Organic Olive Oil**  
COUNTRY: Italy

- 11 Marula Oil**  
COUNTRY: Namibia
- 12 Hemp Mitts**  
COUNTRY: Bangladesh
- 13 Organic Virgin Coconut Oil**  
COUNTRY: Samoa
- 14 Organic Aloe Vera**  
COUNTRY: Mexico
- 15 Mango Seed Oil**  
COUNTRY: India
- 16 Moringa Seed Oil**  
COUNTRY: Rwanda
- 17 Organic Almond Oil & Milk**  
COUNTRY: Spain
- 18 Recycled Plastic**  
COUNTRY: India
- 19 Tea Tree Oil**  
COUNTRY: Kenya

Our pioneering Community Fair Trade programme has been going strong since 1987. We're committed to trading fairly with marginalised farmers, traditional artisans and rural cooperatives around the world.



THE BODY SHOP

## Manufacturing:

Company does not own manufacturing facilities. Instead, a significant portion of their retail goods, approximately 80% by spending, is sourced from 11 ethically approved third-party manufacturers.

## Packaging:

The Body Shop uses recycled materials.

Some Body Shop stores have implemented refill stations.





## Reducing the Carbon Footprint

- Implementing renewable energy initiatives helps reduce the carbon footprint associated with manufacturing and other operations. Since 2019, they have been procuring recycled plastic from India for plastic packaging. Also, they make an effort to minimize carbon emissions, water usage, and waste generation across its operations.





# Distribution, Stores, and Franchises

- The distribution strategy of The Body Shop involves a multi-channel approach to make its products accessible to customers around the world.
- Utilizing a franchise model allows independent entrepreneurs to own and operate their Body Shop stores.
- Online presence through its official website facilitates direct-to-customer sales.
- Moreover, third-party retailers, travel retail locations, and collaborations with influencers contribute to the brand's reach and accessibility.



# Challenges in The Body Shop Supply Chain



A close-up photograph of a person's hands, likely of African descent, reaching up to harvest a long, dark, elongated seed pod from a tree branch. The background shows more of the tree's branches and green leaves, suggesting a rural or agricultural setting. The lighting is natural, highlighting the texture of the seed pod and the person's skin.

# Dependency on Key Suppliers and Climate Change

- Dependency on key suppliers can pose risks such as supply chain disruptions, price fluctuations, and issues related to quality and compliance.
- Businesses may face challenges if they depend on a limited number of suppliers for crucial inputs. Any disruption in the supply chain, whether due to natural disasters, geopolitical events, or other factors, can have a negative effect on production and distribution.
- In 2011, heavy rains cut off Achuapa from surrounding communities for nearly two weeks. The northern Nicaraguan municipality is home to the Juan Francisco Paz Silva (JFPS) Cooperative, a collection of smallholder farmers. As an Oxfam report detailed, “crops have been weakened and left vulnerable to disease and pests, and roads have been washed away.” Some families were forced to migrate.
- JFPS is the sole supplier to The Body Shop, a global cosmetics company, of sesame oil. The Body Shop’s supply chain – which sources ingredients from 25 smallholder cooperatives across 21 countries – illustrates its unique ‘win-win’ value proposition: to deliver products with high-quality ingredients while driving social impact, such as benefiting vulnerable populations.



# RELIANCE ON THIRD-PARTY MANUFACTURERS

- The Body Shop's business model, as of 2022, relies on a unique approach where the company does not own manufacturing facilities. Instead, a significant portion of their retail goods, approximately 80% by spending, is sourced from 11 ethically approved third-party manufacturers.
- **Advantages:** Flexibility, product development, branding, retail operations.
- **Disadvantages:** If manufacturers face financial instability, capacity constraints, or production disruptions.
- Consistent product quality
- Transparency.





# How to Make the Supply Chain More Resilient

## RISK DIVERSIFICATION THROUGH PARTNERSHIPS

- The Body Shop is expanding its cooperative relationships to diversify risks across multiple farms and regions. This strategy helps to reduce the impact of adverse weather events on a single community or cooperative.

## BUILDING FARMER RESILIENCE

- Initiatives such as funding credit and savings schemes for women, and supporting income diversification contribute to building resilience among smallholder farmers. This, in turn, helps ensure a more stable supply base for The Body Shop.





## SECTOR-WIDE RESILIENCE

- Beyond diversifying its own supply base, The Body Shop could encourage producers to diversify smallholder production across the sector. This involves promoting crop diversity to make cooperatives more resilient to specific climate-related challenges.

## FINANCIAL SUPPORT FOR CROP EXPERIMENTATION

- Introducing new crops involves risks, and small-scale financing schemes can aid cooperatives in experimenting with different crops. This support can help to decrease the financial risks associated with crop failures.

## GLOBAL VOICE FOR SMALLHOLDER FARMERS

- As a cosmetics company with a global presence, The Body Shop can use its platform to give a voice to thousands of smallholder farmers. This involves raising awareness about the challenges they face due to climate change, promoting sustainable practices, and advocating for policies that support the resilience of smallholder communities.



## DIVERSIFICATION OF MANUFACTURING PARTNERS

- The Body Shop can reduce dependency on a limited number of manufacturers by diversifying its supplier base. Engaging with a broader range of ethically approved manufacturers helps spread risks and ensures a more powerful and flexible supply chain.

## ENHANCING SUPPLY CHAIN VISIBILITY

- Utilizing advanced supply chain management tools and technologies can enhance visibility into the entire supply chain. This includes tracking raw materials, monitoring production processes, and ensuring adherence with ethical and sustainability standards.
- Implementing transparency initiatives, such as blockchain technology, can enable end-to-end traceability of products. This ensures that The Body Shop can verify the authenticity of ethically sourced ingredients and monitor compliance with sustainability standards.







## Conclusion

- The Body Shop's supply chain is characterized by commitment to ethical and sustainable practices throughout its operations. From responsibly sourcing natural ingredients to manufacturing processes that prioritize environmental impact. The Body Shop's dedication to fair trade, community empowerment, and cruelty-free testing is evident in its long-standing relationships with suppliers and efforts to minimize the environmental footprint of its supply chain.
- Despite challenges like high dependency on key suppliers The Body Shop's Supply Chain can be considered as a Sustainable Supply Chain.





# Thank You for Listening



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