

# The children's sector

Towards a common understanding



**KID'S**  
CLUSTER

The children's sector  
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# About KID'S CLUSTER

We are an ecosystem of **80 companies and entities** aimed at the children and family sector that offers a common space to **collaborate to strengthen the competitive position** of the partners through **innovation** and collective intelligence.

Our organization was **founded in 2010** thanks to the collaboration between the public and private sector. We are based in **Catalonia** (Spain).

Our **mission** is to generate new opportunities to develop products and services that meet the real needs of children and their environment by promoting their comprehensive education.



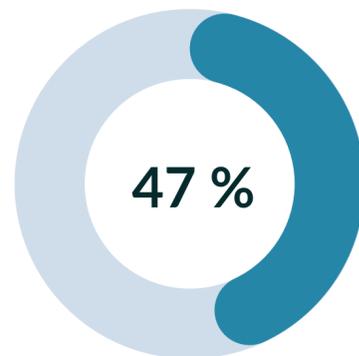
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# Segmentation

Only in Catalonia, the sector represents more than 400 companies with an aggregate turnover of 3,500M € and more than 15,700 employees.



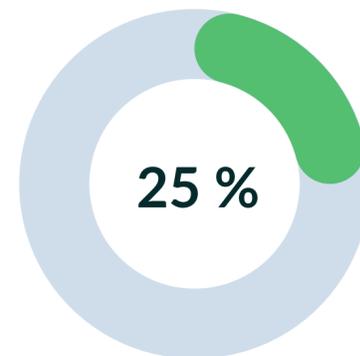
## LEISURE



- Games
- Toys
- Leisure spaces and services
- Tourism
- Videogames and audio-visuals



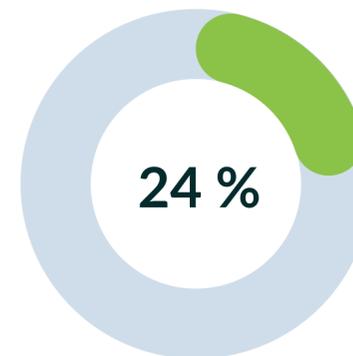
## BASICS



- Food
- Childcare
- Hygiene and cosmetics
- Health
- Fashion
- Housing and furniture



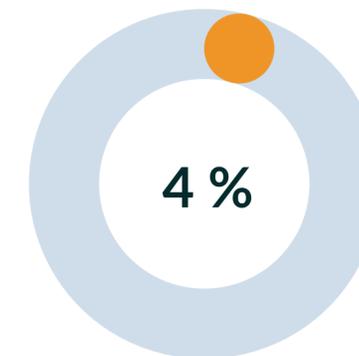
## LEARNING



- Publishing
- School materials
- Learning services

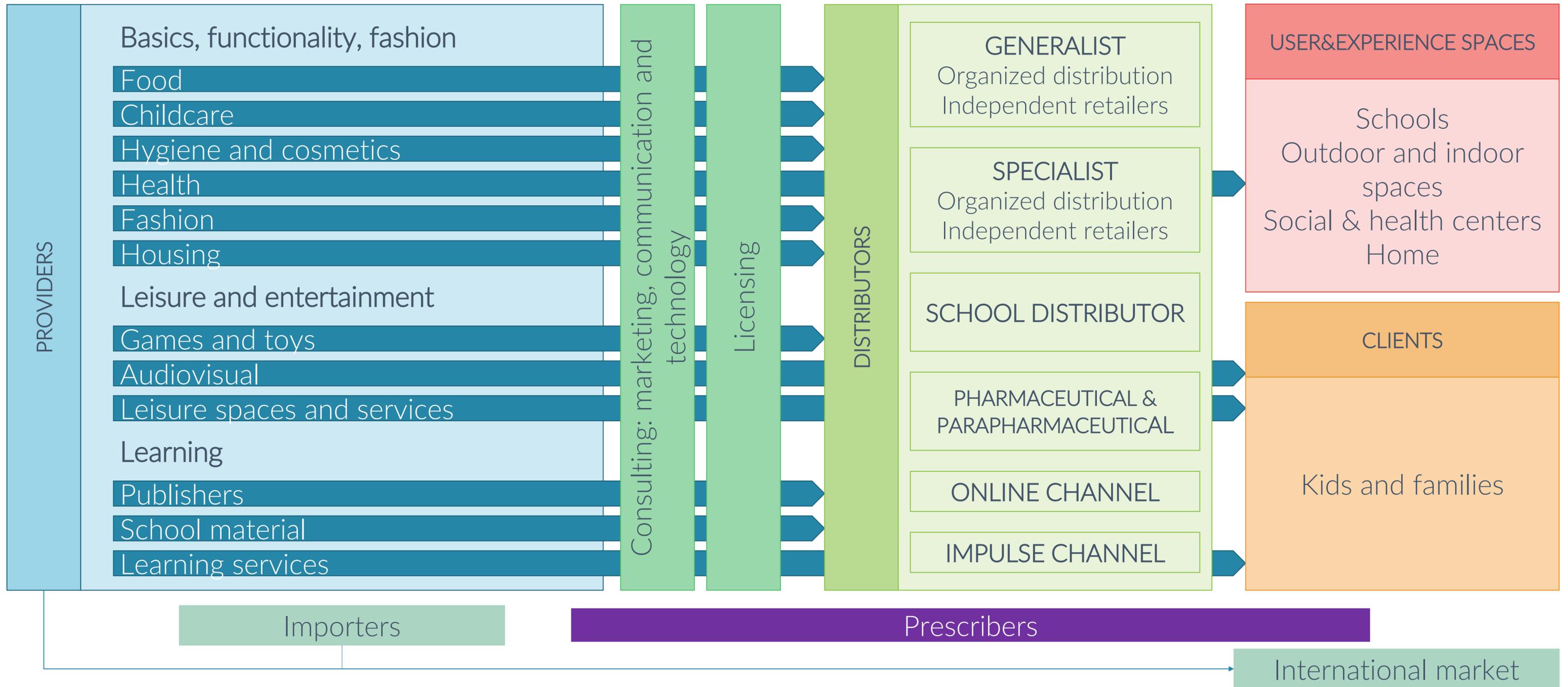


## CONSULTING



- Communication and marketing agencies
- Market research

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**Value chain**





## MILLENNIALS

They represent 23% of the world's population, they are the largest group of adults, and they are the new generation of fathers and mothers. They are a hyperconnected, enterprising and committed generation.

## The children's sector Our target



## CENTENNIALS

They represent 25% of the world population, and together with the millennials they already account for 35% of the world's income. They are digital natives, impatient, open to plurality and with a collective conscience.



## ALPHA

It is estimated that every week 2.5 million Alpha kids are born in the world. They influence 40-60% of family purchasing decisions, technology is fully integrated in their lives, and they will perform jobs we haven't yet imagined.

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# Our target



## OWN MARKET

Made up of the products that kids consume directly, such as food, childcare, clothing, furniture, games, books,...



## INFLUENCE MARKET

All those products and services in which the fact of having or not having kids in the family implies differences in decision making, such as the purchase of a car, travel, leisure time,...



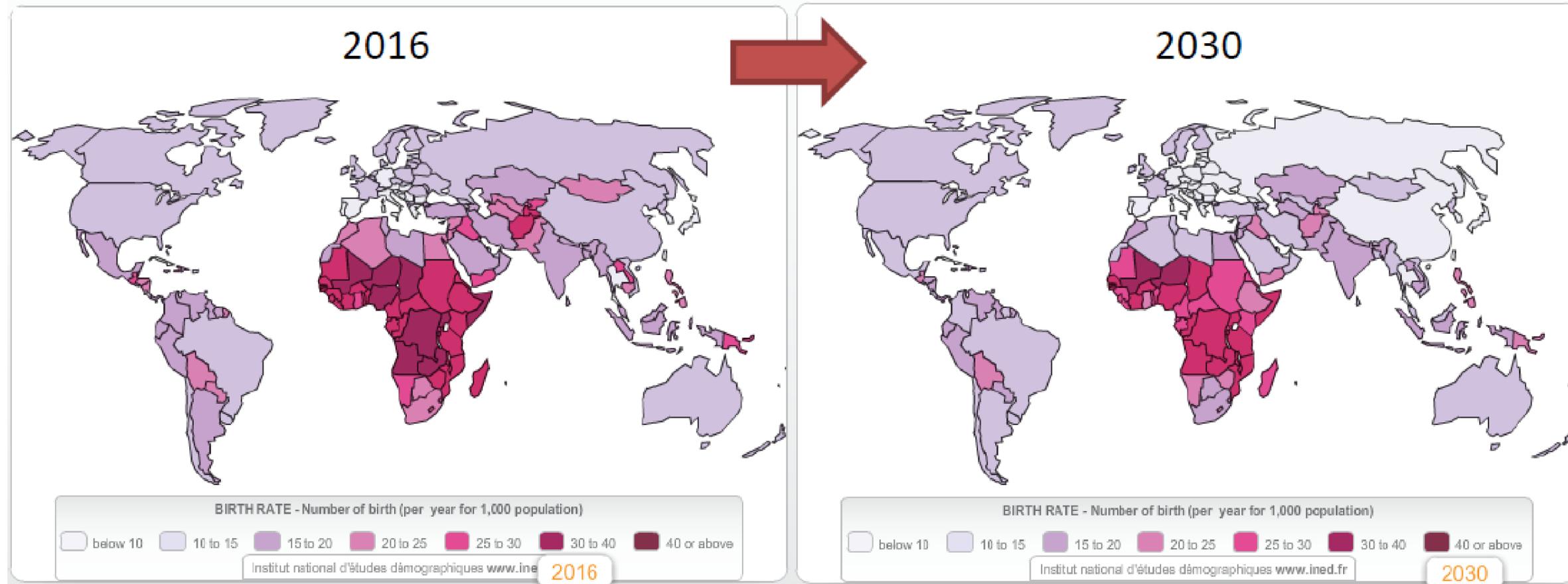
## FUTURE MARKET

Those brands and products that can generate engagement from a very early age will be able to retain their consumers in their adult stage. Addressing the kids is addressing the market of the future.

# Overall figures: demography, market and external sector

## Births ratio

Number of births for each 1.000 inhabitants



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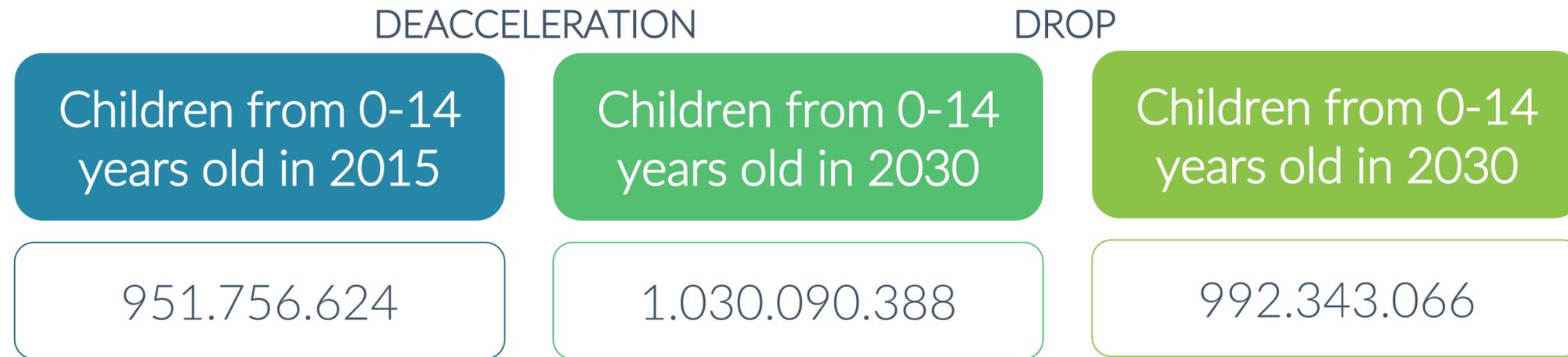
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According to UN data, the number of births for 1.000 inhabitants will vary from 18,8 in 2016 to 16,3 in 2030.

In Spain, this number will vary from 9,8 to 8,3.

*Slowdown in per capita births worldwide*

# Overall figures: worldwide children population



Birth-rates	2016	2030
North America	12,9	12,4
South America	17,1	14
Asia	16,8	13,6
Africa	32,4	29,3
Europe	10,6	9,6

This prospect evidences the need of creating supporting structures to push the internationalization of EU firms from the children sector in third countries beyond the single market, and thus proves the extreme relevance of the ESCP-4i creation

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# Children's expense



Some studies estimate the **annual value of the EU children market on € 20 bn.** As data related to the dimension of the sector at EU level is quite fragmented, KIDS project will address this lack of information through a thorough study.

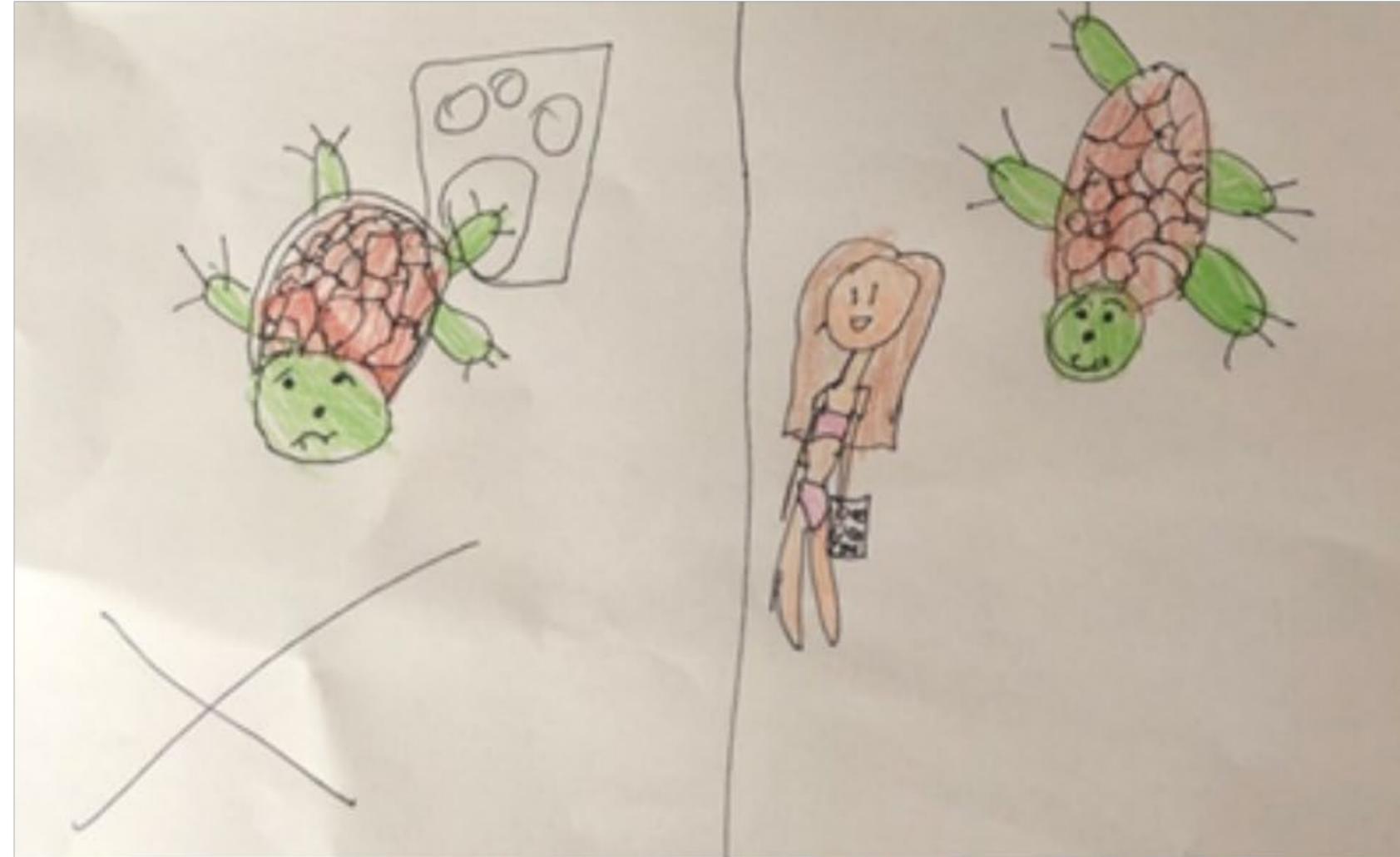
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# Trends & challenges in the sector



## Circularity

**Sustainability** and **Circular Economy** are overarching models of this project. This means that, acknowledging the increasing demand from customers' for circular economy-based products, the focus will be in working with SMEs to make design and production processes more sustainable, by fostering opportunities for reducing and re-using the waste generated by the different segments of the children's industry (e.g. increasing the reuse of toys, increasing the use of sustainable materials, etc.).



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# Trends & challenges in the sector



## Digitalization

As stated in the 'An SME Strategy for a sustainable and digital Europe' only 17% of SMEs have successfully integrated digital technologies into their businesses, compared to 54% of large companies. Traditional SMEs are often uncertain in their choice of digital business strategy, have problems tapping large repositories of data available to larger companies and shy away from advanced AI-based tools and applications. At the same time, they are very vulnerable to cyber threats.



# Trends & challenges in the sector



## Gender perspective

Research shows that children learn cultural stereotypes at an early age that suggest that women are not as smart as men. These stereotypes are perpetuated by the media and adults, who subtly reinforce them. The self-limiting beliefs that these stereotypes create can cause a "snowball" effect, affecting girls' careers and future career choices. They can even discourage them from pursuing prestigious careers, especially in fields where intelligence prevails. Up to the age of five, boys and girls think they can be whatever they want. However, from that age, girls begin to think that they are less intelligent than boys and that this will prevent them from carrying out certain professions. This gap is what is called the **Dream Gap**.



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# The big challenge: we are kids





# THANKS



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