

Untapped market potential found in ‘big gap’ between consumers seeking, using functional foods

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“Consumers today really are involved in a prevention mindset. In fact, 65% of consumers say that they’re proactive about their health and are doing things to actively lower health risks and prevent disease,” Shelley Balanko, senior vice president at The Hartman Group, told attendees earlier this month at a virtual conference hosted by Whole Foods Magazine and Trust Transparency Center.

While that number may sound impressive, the difference between what consumers say and do shows there is still room for consumer education, engagement and outreach, as well as product development – specifically around immunity, Balanko added.

She explained, *“when it comes to immunity, consumers do understand that it requires a lot of prevention, but at times they do want to feel some immediate results,”* without which their dedication may falter along with the connection between intention and action.

For example, she said, most consumers – even mainstream ones – believe immunity support starts with healthy digestion, and so they seek to support digestion by consuming foods and beverages that are rich in dietary fiber and pre- and probiotics.

“They’re also looking for food and beverages that are rich in antioxidants, and they’re looking to proactively reduce systemic inflammation in the body by avoiding inflammatory foods,” she said.

But, she added, *“there’s a pretty big gap”* between those seeking products with these benefits and those actually using them as illustrated by the use of supplements, functional foods and beverages to aid digestion, and by extension immunity.

According to data collected by The Hartman Group, 45% of consumers say they are interested in functional beverages for digestion, yet only 13% currently use them. Similarly, 47% say they are interested in functional foods for digestion, but only 21% currently use them. And finally, 44% say they are interested in supplements for digestion or microbiome support, but only 24% currently use them.

The discrepancy between intent and action may be because consumers do *“not have enough information yet, or they may not be aware of enough products,”* Balanako said. Either way, she added, *“there certainly is an opportunity in this space for consumers to support immunity through digestion-promoting foods and products.”*

Bone broth exemplifies potential of immunity-boosting products

The rapid rise of bone broth is a good example of the industry innovating to meet consumer need and sufficiently educating them about the functional benefits of a product, Balanko said.

“One of the products we’ve seen resonate quite strongly with consumers in recent years is the bone broth category. It’s a category that didn’t exist several years ago. But in the last few years, we’ve seen an explosion of innovation in this space and consumers are embracing it absolutely for immune functioning, but also for all the other benefits that bone broth can provide, such as joint health and skin health and blood sugar management,” Balanko said.

She added that *“interesting innovations”* in the space have helped fuel consumer engagement and category growth, including the launch of Nona Lim’s noodle and soup brand, which offers slow simmered, *“globally inflected bone broths in RTD format.”*

Another example is the DC-area Prescription Chicken, which *“offers bone broth and chicken soup in a fast-casual setting that emphasizes health benefits across its menu,”* according to Balanko’s research.

Consumer sophistication about fiber increases

Fiber is another area of growing consumer interest as people look to support their immunity through better digestion, Balanko said.

“Consumers are getting interested in new forms of fiber. They are looking for resistant starches and we’re seeing some interesting snack products, such as plantain chips enter the marketplace,” she said.

As with digestion, Balanko said there is *“a bit of a gap between the 20% of consumers who are currently adding prebiotic resistant starches to their diet, and the 45% who are interested in adding those resistant starches to their diet. So, again, an opportunity here as consumers are starting to understand the benefit of these resistant starches and the prebiotics that they provide in supporting healthy digestion.”*

Adaptogens gain traction

Consumers also are interested in adaptogens to support their immunity, stress and energy, Balanko said.

In particular, she said, 45% of consumers are interested in trying rhodiola to support their immunity and energy. Other adaptogens that The Hartman Group expects to show up in more CPGs in the next several years includes ashwagandha, to help regulate the immune system and ease anxiety, astragalus to buffer the effects of stress, tulsi to fight fatigue and stress and boost immunity, eleuthero to help withstand stress and reishi to combat allergies and stress, she said.

In addition to reishi, other medicinal mushrooms of increasing interest to consumers are Lion’s mane, chaga, turkey tail and cordyceps, Balanko said, adding that 37% of consumers are interested in adding medicinal or adaptogenic mushrooms to their diets.

“Antioxidants are absolutely on consumers’ minds”

Finally, Balanko said, consumers are interested in antioxidants for their immunity support, but she added that their understanding of them varies greatly, so it is important that brands know who their target shopper is when touting antioxidant benefits.

“Antioxidants are absolutely on consumers’ minds when it comes to supporting immune function. And one thing that we want to underscore in terms of attracting consumers is understanding where they’re at in that journey,” and whether a brand is targeting a mid-level, core or periphery consumer, she said

For example, she said, a Suja immunity shot with turmeric, ginger and echinacea speaks to a mainstream consumer who has likely heard of the key ingredients. A little bit more advanced consumer might be drawn to a Mama Chia blackberry hibiscus beverage. And a Pedal sparkling beverage speaks to a consumer who understands the immune boosting properties of white tea flower and elderberry.

Within the antioxidant space, across all consumers, is a rising interest in purple, red and blue plants, Balanko added. In particular, she said core consumers are experimenting with saskatoon berries, choke berries, purple artichokes and black rice, while the mainstream consumer is drawn to blueberries, red apples, red cabbage and black beans.

The impact of coronavirus

Consumer interest in immunity-supporting ingredients and products likely will continue to rise in the coming months and year as communities continue to fight the coronavirus, said Balanko.

“Thirty percent of COVID-19-aware consumers say that immunity is a greater concern since the outbreak, and really what it has done is drive mainstream consumers to become much more interested in finding new ways to support health and immunity in general,” she explained. *“So, it is starting to reinforce some immune beliefs around healthy digestion ... as well as underscoring the importance of sleep and stress management ... and when it comes to self-care, certainly food and beverage and supplements are part of it.”*