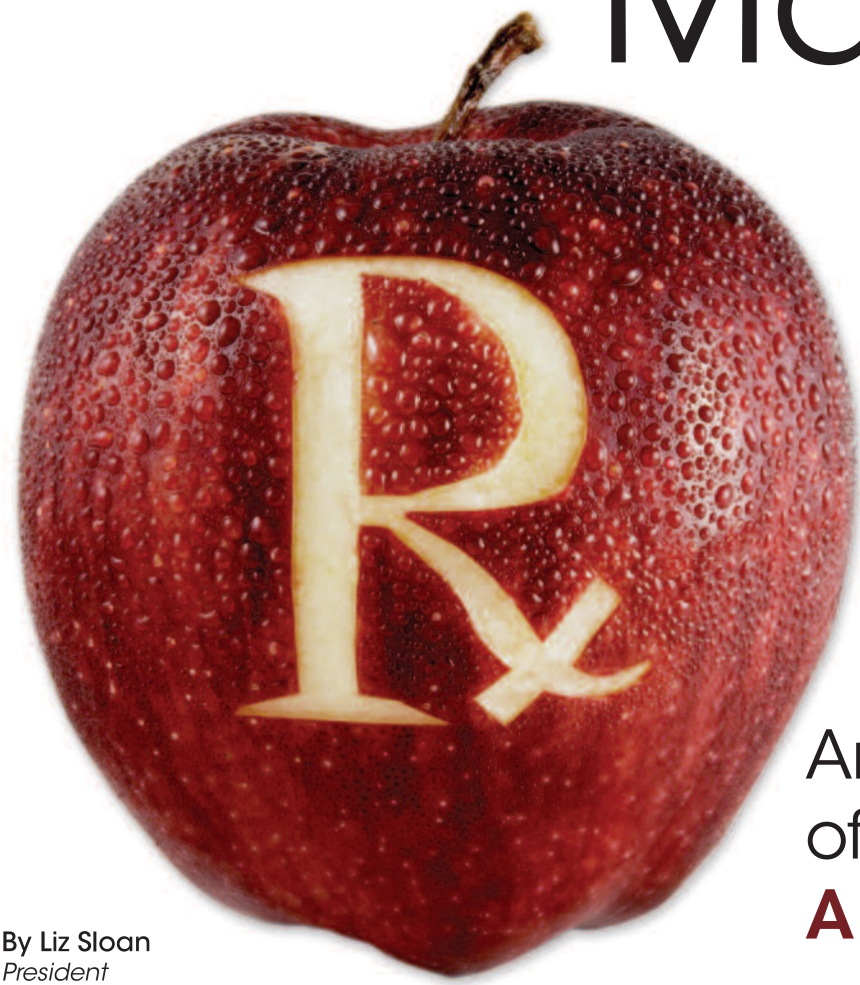
Up-And-Coming Markets:



An Ounce of Prevention= A Pound of Cure

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Contrary to popular belief, the economic downturn has created an unprecedented "window of opportunity" for dietary supplement and functional food and beverage marketers by luring cost-weary and drug-wary consumers into the nutraceutical fold. And, if future products and claims are positioned and supported correctly, for the first time in history the nutrition industry will make major inroads into the Rx prescription and over-the-counter (OTC) drug sectors.

Unit sales of vitamins/supplements grew nearly 6% in grocery, drug and mass merchandiser channels, including Wal-Mart, in 2008, second only to sports drinks, up more than 7% (*see Figure 1*)[1]. More important, vitamins/supplements were the only top 10 healthcare category to post positive unit sales gains, up almost 6% in similar mass channels.

Despite half of households with incomes under $55K having difficulty buying the groceries they needed last year, only 38% of lower income households (<$35K) and 17% of those >$100K bought fewer healthy products according to IRI[2].

Moreover, Packaged Facts reports that U.S. sales of functional foods/drinks across all retail channels reached more than $30 billion in 2008, up 6% over the previous year; it projects that sales will reach $43 billion by 2013[3].

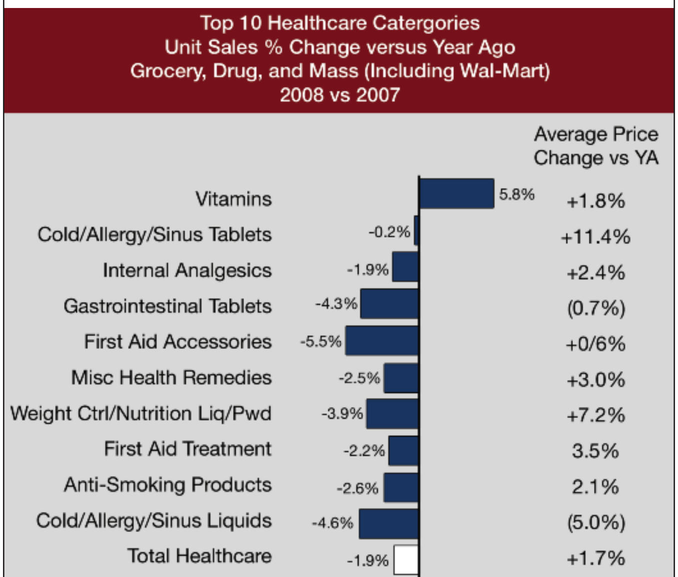
A Pound of Cure

The high cost of prescription drugs/healthcare and growing concern

This article in a nutshell:

- A pound of cure
- Healthy food fetishes
- New attitudes
- Natural goodness
- Conditionally speaking
- Circulation, stroke & artery health
- The 'primature' market
- Body fat, toning & anti-aging
- Hunger control
- Vitality
- Inevitable diseases of aging

Figure 1



Source: Information Resources, Inc. Y/E 12/27/08

over the safety and side effects of both Rx and OTC drugs have further prompted Americans to take health into their own hands. In 2008, three-quarters (76%) of adults self medicated common ailments without consulting a physician; 82% of those who were treated by a physician during the past year continued to treat a condition on their own. Allergy, heartburn and headaches topped the list of conditions consumers treated themselves[4]. Nearly six in 10 (58%) consumers feel that FDA is doing a fair/poor job of ensuring the safety and efficacy of Rx drugs, up 9% over the previous year[5].

In October last year, 36% of Americans said they put off or postponed getting necessary healthcare because of cost, up 7% from April the same year; 31% skipped a recommended medical test or treatment, also up 7%; 27% didn't fill a prescription, up 4%; and 22% cut pills or skipped a medical dose, up 3%[6]. Nearly eight in 10 (78%) Rx drug buyers were very/somewhat interested in switching to OTC medications[7].

Quietly, consumers continue to turn to more natural solutions. U.S. sales of homeopathic medicines, which have been enjoying double-digit growth for the past several years, brought in $860 million in sales in 2008[8]. IRI also reported that six of the top 10 best-selling non-prescription sleep aids sold in drug stores were natural remedies. Alternative products also penetrated the top 10 list in categories ranging from nasal sprays and ear drops to oral pain relief and insect bite relief. Natural and mass market retail sales of adult homeopathic medicines grew nearly 6%, while herbal formulas also grew almost 6%[9].

Preventative practices are also on the rise. Over half (56%) of adults, or 121 million, used nutritional supplements in 2008, approaching the recent peak of 58% in 2005[10]. Further, nearly two-thirds (62%) of consumers agree a lot or a little (29%) that vitamins/minerals make a difference.

Multivitamins remained the largest mass market supplement category with sales up nearly 3% for the year ended 11/30/08, including Wal-Mart sales, followed by glucosamine/chondroitin, up 4%, calcium up 5%, omega3/6/fish oil up nearly 3%, children's multivitamins up 6%, vitamin C up 10%, vitamin B up 29%, CoQ10 up 15%, vitamin E down almost 8%, and vitamin B complex up 5%[1].

The largest condition specific supplement markets include joint health, which over took calcium in 2007, calcium, children's and eye. The largest dollar increases over 2007 were in joint, energy, eye and children's products[1].

Digestive/liver health, heart, immunity, skin, oral, eye and brain/mental health are the positioning categories showing growth as a percentage of all new product launches from 2008 to 2009 according to Innova[11]. Weight loss, energy/stamina, children's health and general health/wellness positionings are showing the biggest declines (*see Figure 2*).

One in four supplement dollar sales went to private label in 2008[12]. Analgesics, cold/sinus remedies and vitamins are the categories where interest in private label is highest in drug stores. New supplement forms and delivery formats are also in high demand. For example, in the drug store channel, unit sales of liquid vitamins/minerals jumped 51%[8,12].

Healthy Food Fetishes

NPD Group reports that on a typical day in 2008, consumers ate an average of two-and-a-half "better-for-you" foods/beverages[13]. Moreover, nine in 10 (89%) food

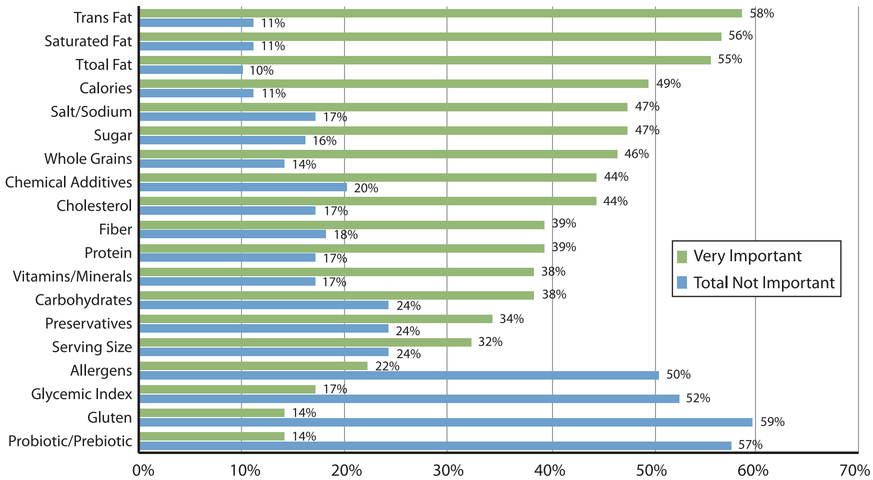
Figure 2

Positioning (% of total product Intros)	2007	2008	2009
Health/Wellness	35.0%	17.4%	16.6%
Digestive/Liver Health	5.8%	9.5%	11.2%
Heart Health	6.9%	8.1%	10.9%
Immune Health	7.9%	9.8%	10.3%
Energy and Stamina	8.5%	7.9%	6.9%
Weight Management	10.1%	8.2%	6.3%
Brain-Mood Health	3.6%	5.3%	5.6%
Bone Health	2.2%	5.3%	5.1%
Skin Health	1.7%	3.6%	4.3%
Joint Health	2.7%	3.9%	4.1%
Women's Health	2.4%	3.3%	3.0%
Eye Health	1.3%	2.1%	2.5%
Children	1.0%	3.6%	1.8%
Blood Pressure	1.8%	1.5%	1.7%
Oral Health	0.1%	0.7%	1.7%
Men's Health	1.1%	1.4%	1.5%
Diabetes	0.7%	1.0%	1.3%
Insomnia	1.7%	0.9%	1.3%
Kidney/Bladder Health	1.0%	1.2%	1.1%
Mental Acuity	2.2%	2.1%	1.1%
Sexual Health	1.0%	1.0%	0.9%
Anti-Cancer	0.2%	0.3%	0.5%
Lung Health	0.4%	0.4%	0.3%

Source: Innova Database, 2009

Figure 3

Importance of Ingredients When Checking the Nutrition Facts Label



Source: FMI, 2009. U.S. Grocery Shopper Trends

shoppers remain very (46%) or somewhat (44%) concerned about the nutritional content of their food[14]. "Helps me maintain a healthy diet" became the most important parameter for new convenience foods in 2008 cited by 48% of consumers, just above "requires little or no preparation" (32%)[15].

Consumers continue to increase their use of lower fat and calorie foods and beverages. According to Nielsen's LabelTrends, sales of foods carrying a "fat claim" reached $48 billion for the year ended 12/27/08, up 9% versus the previous year, and 12% over the year prior; "lower calorie" reached $12 billion, up 9% from last year and 6% the year prior[16].

Sloan Trends' TrendSense Model reports that market interest in trans fat has begun to wane, while saturated fat continues to gain[17]. Between 2008 and 2009, the number of food shoppers who say that saturated fat is "very important" to them on a label jumped 7%; trans fat rose 4% and calories 3% *(see Figure 3)*[14]. Calcium and low carb fell off the top 10 list of the most sought after label claims in supermarkets.

Consumers' aversion to chemical additives is also accelerating. Those who feel "no chemical additives" and "no preservatives" are "very important" on a label jumped 7% and 6% respectively during the last year[14]. Natural food sales grew to more than $20 billion in 2008, up close to 7%[18]. Sales of foods and beverages with a "no preservative" claim reached $13 billion, up 8%[16]. However, sales growth of UPC-coded organic foods and drinks fell from 24% growth in March 2008 to only 1% growth in March 2009[19].

Moreover, according to the Hartman Group, a clear hierarchy of natural claims has developed[20]. Fresh is "somewhat/very important" to 76% of consumers, pesticide-free to 48%, hormone-free to 35% and a natural claim is more important to consumers (32%) than locally grown 23%, USDA organic 19% or organic 15%. Natural, organic and no additives/preservatives top the list of U.S. better-for-you claims on new product introductions (*see Figure 4*)[11].

Figure 4

U.S. Better-for-you Claims	2007	2008	Jan-Jun 2009
Natural	1728	2281	1580
Organic	1620	2020	1343
No Additives/Preservatives	1158	1731	1157
Allergy	724	1415	1013
Low Fat	1103	1515	812
No Trans Fats	877	1254	778
Gluten Free	542	1008	690
Wholegrain	526	754	605
Low Calorie	630	741	432
Antioxidant	476	632	404
Low Cholesterol	383	600	375
Low Sodium	318	550	289
Sugar Free	497	413	233
No Added Sugar	262	297	177
Lactose Free	102	168	106
HFCS Free	49	167	105
Low Sugar	163	137	87
Low Carb	160	129	63
Wellness	453	239	55
Diabetic	43	33	33
Low GI	89	26	20

Source: Innova Database, 2009

Protein is the hot "add in" for future healthy products, with those saying it is "very important" on a label jumping 9% during the past year[14]. In 2008, 53% made a "strong effort to consume" more calcium, 51% vitamin C, 42% fish oil/omega 3, 40% vitamin D and 38% B vitamins[21].

In 2008, 66% of consumers made a "strong/some effort" to eat more fortified foods. More than one-third (36%) used dairy products fortified with probiotics, up from 28% in 2007; those making a "strong effort" rose from 5% to 14%[20].

New Attitudes

No Kidding. America is in the midst of the largest baby boom in its history. With 72 million Gen Yers entering their parenting years and tremendous growth in the U.S. Hispanic community, the number of households with children under age 12 will explode during the next few years.

From "follow-on" milks specially formulated for specific age groups and calorie/nutrient-appropriate meals/snacks, to products that support proper growth and brain/vision development, the market is ripe for a flurry of new concepts. And, with 15% of U.S. infants overweight and the advent of dental cavities in baby teeth, there are a considerable set of new challenges and opportunities for marketers[22].

As FDA continues to question the safety of some OTC medications for children (e.g., cough remedies), parents are turning to homeopathic remedies and herbal formulas. Sales of children's homeopathic medicines in both the natural and mass channels rose 13.5% in 2008's down economy, kids' herbal formulas 20% and children's vitamins/minerals 3.5%, according to SPINS[9].

Furthermore, the recognition of serious "adult" disease risk factors in children by health professionals and parents will create a new demand for naturally preventative and functional foods for children[23]. With a tripling of high blood pressure in children during the past decade and one in eight kids already having two or more risk factors for heart disease, the American Academy of Pediatrics has mandated that pediatricians begin monitoring calcium and blood pressure at age 2 and complete a lipid profile between the ages of 2 and 8[24,25].

Sloan Trends' TrendSense model reports that children's heart health including high blood pressure and cholesterol, diabetes prevention and other "adult" conditions have already reached mass market status[17].

In 2008, nearly all families practiced some form of healthy eating strategy; 64% did so "regularly"[26]. Two-thirds (67%) of moms with kids under age12 monitored their child's diet very closely[27]. More than half (56%) made a "strong effort" to limit caffeine, sugar and high fructose corn syrup both 37%, trans fat 36%, low/no-calorie sweeteners 35% and artificial flavors/colors 27%. Calcium, vitamins/ minerals, whole grains, and vitamins C and D are the ingredients moms are trying to increase in their diets.

Half of shoppers with kids look to avoid antibiotics/hormones; 38% steer clear of additives/preservatives; and 29% look for all natural claims. One in 10 preferred to buy organic for their kids[28].

Gen Y = f(x) Health. Undoubtedly, one of the biggest opportunities of all lies with America's young Gen Y adults, now ages 16 to 32, as they discover the performance power of nutrients and create a new path in the naturally healthy product arena. Between 2007 and 2008, the number of Gen Yers "extremely concerned" about the nutrient content of food jumped 6%[29]. "Vitamins/minerals" and "provides energy," now rank 4th and 5th on the list of reasons that Gen Yers choose foods, right behind "freshness," "on-the-go/easy to prepare" and "portability"[30].

Gen Yers are the heaviest users of functional foods and the most likely to say they follow a treatment lifestyle[31,32]. One-third of Gen Yers regularly use energy beverages and one-third is dissatisfied with their weight[33]. Look for this group to drive an explosion in the sports nutrition market, and expect Gen Y parents to drive new demand for fortified foods, healthier snacks and more natural foods for their kids.

60-Somethings: The Pill Pushers. With 39 million Americans already age 65+, and 31 million older boomers entering their "senior" years in the next 10 years, the 60- and 70-somethings will be a lucrative force to be reckoned with—and they're squarely focused on dietary supplements. Contrary to popular belief, nearly all of the wealth created in the U.S. in the past decade has gone to those 55+; 30% of those 65 to 74 still work[34]. Moreover, only 22% of those 65-74 is in fair/poor health; 88% describe themselves as "active and on-the-go"[22].

Those aged 65 to 74 are the most frequent users of dietary supplements and the most likely to practice preventative medicine[33]. In fact, seniors are twice as likely as any other age group to take fish oil/omega 3s, vitamin E and calcium supplements; they're also heavy users of vitamins C, B12 and B complex, and to a lesser extent antioxidants and herbals[10].

Ironically, there appears to be a disconnect between the 60- and 70-somethings and functional foods, as they are the least likely to use them[31]. Those 65+ are least likely to believe that food contains active components that reduce disease risk; they're also less likely than the average population to seek out fortified foods[35].

Those 65+ will drive demand for home healthcare tests, internal analgesics, sleep remedies, denture products, pain rubs, gastrointestinal products and vitamins. They'll drive a decreased demand for cold/allergy tabs and nasal products[36]. Products that address vision problems, periodontal disease, root cavities, loss of mental sharpness, sleeplessness and decreased metabolism represent other opportunities.

Older adults also are the most likely to be on a special diet. Of those 65+, 38% are on a low-fat diet, 34% follow a low-salt regimen, 28% low-sugar, and 26% a high-fiber diet[36]. IRI's MedProfiler found that six in 10 adults age 65+ suffer from arthritis, half from high cholesterol, one-third from osteoporosis, and one in five from diabetes.

But it's the true diseases of aging, such as sarcopenia—the age-related loss of muscle mass/strength, which is solvable by dietary means—that may well provide the biggest market opportunity, taking the food industry into the "Foods for Special Dietary Needs" category. Additionally, deficiencies of calcium, vitamin D and vitamin B12 are of particular concern.

Figure 5

Percent of U.S. Consumers Who Have Purchased Food or Beverage Products in the Last 12 Months Because of Specific Nutritional Content, 2009

Food or Beverage Products	% of Consumers
Any	79%
Antioxidants	53
Vitamins/Minerals	51
Calcium	43
Fiber	39
Protein	33
Omega 3/Omegas	29
Probiotics/Prebiotics	12
Beta-Carotene	11

Source: Packaged Facts, 2009. Functional Foods and Beverages in the US.

Natural Goodness

Functional foods, beverages and supplements that deliver high nutrient or specific health benefits "naturally" by blending foods or ingredients inherently high in vitamins/minerals or phytochemicals—e.g., Campbell Soup's V-8 Fusion, Well's Dairy's Blue Bunny Lite Superfruit Yogurts, Green

Giant's new Digestive Health frozen vegetable mix or Dole's Wildly Nutritious Heart Healthy Mixed Fruit—represents one of the fastest-growing, high-potential market directions. Nine in 10 (88%) shoppers believe it is important to eat foods naturally rich in vitamins/minerals vs. 53% foods fortified with vitamins/minerals[35].

Antioxidants' popularity—now being fueled by superfoods, superfruits and phytochemicals—shows no signs of slowing down, according to Sloan Trends' TrendSense model, and remains the kingpin of the naturally functional movement. More than half (53%) of consumers bought a food/beverage in the past year because it carried an antioxidant claim; 60% will buy/stay loyal to a product because of its antioxidant claim (*see Figure 5, previous page*)[3].

Led by the flavonoids and polyphenols, phytochemicals continue to reach mainstream status (Commercialization) per TrendSense and have a definite hierarchy for marketability. For example, while carotenoids are fast approaching mass market status, anthocyanins are still only well-positioned for specialty channels or products aimed at very health conscious shoppers.

Moreover, it is critically important to understand the strength, marketability and ordering of specific health benefits for each of these fast emerging ingredients. For example, while flavonoids/flavanols offer a wide variety of health linkages, their antioxidant and heart health properties are currently the strongest and most marketable characteristics, followed closely by their performance and anti-inflammatory benefits. Mars Botanical's Cirku cocoa flavanols have clinically been proven to improve circulation.

Eight in 10 (80%) consumers bought a beverage in 2008 because of a specific nutritional benefit: 49% chose orange juice, 45% cranberry, 42% green tea, 28% pomegranate juice, 23% red wine, 20% black tea, 19% yogurt drinks, 16% blueberry blend/juice and beverages with acai, goji, noni or mangosteen, 14% [3]. In fact, the American Culinary Federation chefs named acai, goji berry and mangosteen the "hot" superfruits for 2009; durian, passion fruit, dragon fruit and guava are considered the next trendy exotic fruits[37]. Also, keep an eye on kombucha, cha de bugre and baobab fruit.

Six in 10 (60%) food company R & D executives surveyed said that antioxidants will be very important to their healthy food formulations in the next two to three years, while 33% are focused on whole fruits, 33% vitamins, 28% fruit extracts, 23% botanicals, 15% lycopene, 12% lutein and 6% grape seed extract[38].

Delivering electrolytes naturally in sports beverages and enhancing the bioavailability of a product naturally through blending are two other hot naturally functional trends. Watch for super spices and seasonings to be the next powerful wave in superfoods. A recent press release from McCormick & Company, Inc. cites that one-half teaspoon of ground cinnamon has as many antioxidants as one-half cup raspberries or strawberries, and just one-half teaspoon of oregano has as many antioxidants as three cups of fresh spinach. One-third of all R&D executives would like more information on the health benefits associated with spices and seasonings[38].

Lastly, with 72% of North Americans saying that a serving of fruits/vegetables is "very/extremely important" to them on a label, look for new modes of delivering the natural goodness of fruits and vegetables to remain an industry priority[35].

Figure 6

Top U.S Claims: New Product Intros	2008	Jan-Jun 2009
Digestive/Gut Health	366	260
Heart Health	326	247
Omega-3	261	213
Energy/Alertness	196	166
Vitamin/Mineral Fortified	387	165
Immune Health	266	113
Weight Management	112	96
Functional, not specified	105	72
Oral Health	140	57
Skin Health	125	57
DHA	108	51
Added Calcium	66	47
Added Fibre	51	46
Brain Health	105	45
Eye Health	76	35
Bone Health	113	34
Sports & Recovery	214	28
Joint Health	52	25
Added Protein	8	21
Anti-Aging/Aging-Well	23	13

Source: Innova Database, 2009

Conditionally Speaking

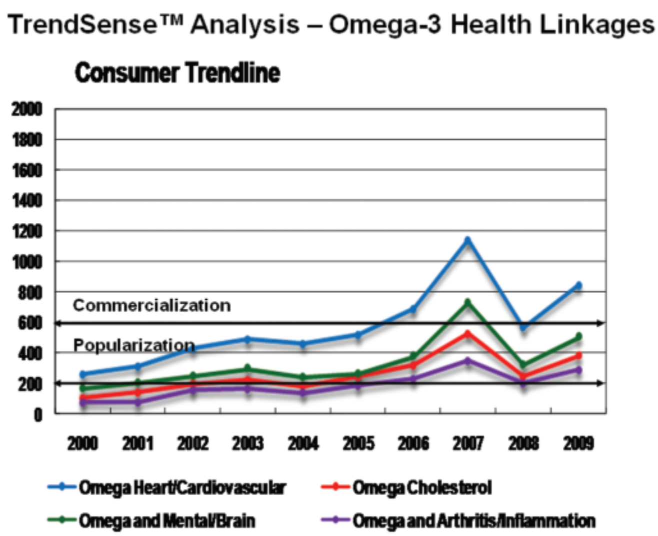
Eye health, arthritis, Alzheimer's, cholesterol and mental focus are among the fastest growing conditions that food shoppers are "extremely/very concerned about," according to HealthFocus[35]. Heart disease, cancer, tiredness/energy and stress top the list.

Digestive/gut health tops the list of claims on new U.S. functional food products in 2009, followed by heart health, omega 3, energy/alertness, vitamin /fortified, immune health and weight management; skin and oral health and DHA are other fast emerging new directions (*see Figure 6*)[11].

Circulation, Stroke & Artery Health

With Boomers now at the age when they are most likely to experience a heart attack—or in a few years a stroke—and the American Heart Association focusing increased attention on the high rate of these conditions in African American and other racial groups, products that aid cir-

Figure 7



Source: Sloan Trends, Inc. TrendSense, 2009

culation, improve artery health/elasticity and help prevent platelet aggregation will create a new wave of heart healthy and anti-stroke products.

Heart health tops the list of benefits consumers (78%) believe that foods/beverages can naturally provide[39]. However, with only 24% of food R&D executives in 2008 reporting that "cardio health" will be a functional food opportunity for their company in the next two to three years—down from 36% in 2007—heart health will instead remain a strong supplement platform[38]. While the number of Americans with high cholesterol fell slightly last year, the incidence of hypertension, already affecting one in three in the U.S., rose another 4.5%[24].

Those making a "strong effort" (42%) to get more omega 3s jumped 10% last year[21]. In fact, omega 3s are now the 3rd most frequently used supplement behind multivitamins and calcium[10]. According to Sloan Trends' TrendSense model, the marketability of omega 3 and brain health appears to be waning; cholesterol and arthritis/inflammation may well be better bets (*see Figure 7*)[7].

The 'Primature' Market

With 44% of all women in the U.S. post menopausal and women 55+ the heaviest users of dietary supplements, it's clear that products geared toward the increased health risks and lifestyle issues of "primature" women (Prime + Mature) could fill an enormous market void. One-third to one-half of women spend most of their life post menopausal, vs. menopause, which averages only four years[40].

Post-menopausal women are at significantly higher risk for heart disease, stroke, osteoporosis, depression/anxiety, periodontal disease and other conditions. They're also more likely to suffer from insomnia, reduced metabolism/weight gain, dry eye, dry mouth, urinary tract infections and other discomforts.

Plus, women aged 55+ are the #1 condition-specific supplement, multiple and multi-formula supplement users. They're most likely to say they'll pay anything when it comes to their health and are the #1 preventative medicine users[10]. Women are also more likely to purchase functional beverages for their health benefits than men (*see Figure 8*)[4].

Figure 8

Percent of Consumers Who Have Purchased Food or Beverage Products in the Last 12 Months Because of Their Nutritional Benefits in Relation to Specific Health Conditions or Concerns: By Gender, 2009

Condition/Concern	Female	Male
Any	75%	67%
Energy Levels	24	23
Appearance/Beauty	30	*
Digestive Health	26	*
Cholesterol	20	22
Obesity/Weight Management	23	*
Immune System	20	18
Sports/Fitness Performance	11	18
Joint/Bone Health	14	*
Heart/Circulatory Health	12	12
Allergies	14	*
Blood Pressure	11	12
Female Health	17	n/a
Anti-Aging	14	*

* Data omitted due to small sample size.
Source: Packaged Facts online poll, February 2009 (2,600 U.S. adult respondents).

Source: Packaged Facts, 2009. Functional Foods & Beverages in the US.

Body Fat, Toning & Anti-Aging

Body fat is the new target in the weight management and anti-aging markets. One-third (34%) of consumers equate calories from fats with increased body fat; those aged 18-24 have the strongest belief that fat calories equate to body fat[41].

Expect Boomers to embrace products that build lean body mass and improve muscle tone loss associated with aging. Weight lifting to improve muscle tone and strength is already the fastest growing sport among exercisers age 50+[42]. With 65% of Boomers trying to lose—and 18% trying to maintain weight—the market potential is large[33]. Moreover, HealthFocus reports that weight conscious consumers are significantly more motivated by appearance than the general population[35].

Watch for ingredients/products that improve body composition and/or increase muscle mass/tone (e.g., sports protein powders, conjugated linoleic acid, etc.) to crossover from the sports nutrition market and be viewed as the next "fountain of youth." Years of well-proven body sculpting results and strong clinical data will help this mass market segment build quickly.

According to Sloan Trend's TrendSense, body composition and body fat are just crossing into the mainstream market phase; the timing is perfect. And the market will be broader still, because even though age-related body composition changes are most pronounced after age 50, the normal conversion of muscle mass to fat begins in one's 30s.

Hunger Control

Satiety and hunger/craving-control are other fast emerging tools in the war on weight—it's all about staying full. With dinner eaten later—closer to 7 p.m.—hold-me-over foods have found a particular stronghold in the late afternoon and early evening snack segments. In fact, "satisfies my immediate hunger" and "satisfies a specific craving" are the two most important new snack criteria for 43% and 33% of consumers respectively, according to IRI[43].

Watch for an onrush of super-satiating beverages and foods that claim appetite suppression, lasting satisfaction, sustained energy and blood sugar control. Protein and fiber are the most frequently used formulations, but prebiotics, low glycemic sugars, super fibers and proprietary ingredients such as DSM's Fabuless and Lipid Nutrition's Pinnothin are among those satiating agents also in use.

At the same time, the weight loss aid/supplement market is moving away from stimulants and toward appetite suppressants. Nielsen reports that sales of appetite suppressants increased nearly 12% in dollar sales and 7% in unit sales to $142 million, while diet aids fell 5% in dollar sales and 11% in units to $282 million[44]. Further, Innova reports that new products carrying a functional weight management claim increased 7.5% in 2008[11].

Kelloggs' Special K20 Protein Water Mix, Post Shredded Wheat, Kraft's South Beach Diet Bars and Slim-Fast's Hunger Shots are among the products designed to "help you eat less."

Vitality

As the sports nutrition market moves away from pure sports and performance benefits to active lifestyle and health and wellness issues, there will be many opportunities to enhance performance, appearance and the feeling of vitality/well-being on a daily mass market level.

Exercise and sports-minded Americans have a unique set of attitudes and behaviors that impact their everyday food and beverage choices. And, with 61% of those age 18+ "regularly" (31%) or "sometimes" (30%) exercising in some form, it might be one of the largest overlooked mass-market food opportunities in recent years[22].

HealthFocus reports that few segments are more passionate about health than performance-minded consumers, and that they frequently take their involvement to an extreme. They understand the link between healthy foods and improved performance—as well as feeling and looking better. Appearance is highly important to these shoppers; 69% of sports performance-minded adults choose foods/beverages to improve their appearance vs. 22% of total shoppers[35].

Performance-minded consumers are also more likely than the general population (64% vs. 56%) to pay for food fortification and to "always/usually" believe foods can replace some of their drugs for health issues. They're also more likely than average consumers (62% vs. 37%) to "always/usually" choose foods for specific medical purposes such as cranberry juice for urinary tract infections[35].

Products that enhance vitality and everyday performance represent a particularly big opportunity for those aged 50+. Those 50+ are the fastest-growing group of exercisers[42]. While older adults index among the lowest for use of sports/activity drinks, liquid nutritional supplements, energy drinks and energy/diet/snack bars, they're as likely to select foods for energy as those 18–29[33,35]. Four in 10 (40%) older boomers and 34% of those 65+ frequently report a lack of energy/tiredness.

And the future looks better still for this market. Nearly three-quarters (72%) of male teens and 60% of female teens eat food for heightened energy and vitality[45]. When all children ages six to 17 are included, 42% try to eat foods that give them more energy and 35% seek foods that are rich in vitamins, which they believe will give them more energy.

Moreover, foods, beverages and snacks specially formulated for kids' needs when they're exercising is virtually an untapped opportunity; 58% of kids ages six to 17 eat at a practice game or after-school activity during the week[45].

Weight conscious consumers are also significantly more concerned about tiredness and lack of energy than the general population (78% vs. 50%). Increased energy is a motivator for staying on track with weight management goals for (48%) of consumers.

Inevitable Diseases of Aging

Staying physically strong and healthy is the biggest consumer priority as Americans age (58%) followed by keeping the mind sharp (25%)[46].

As a result, sarcopenia, the age related loss of muscle mass, strength and function with age, may well be one of the highest potential new condition-specific market opportunities of all-time. Onset of the condition, which turns muscle into fat, begins around age 40, with profound implications by age 75. In the U.S., 45% of those aged 75+ suffer from sarcopenia.

On a more serious note, sarcopenia is associated with increased broken bones, falls and sports injuries among older consumers. The good news is CLA, protein, certain amino acids, calcium and vitamin D can play a key role in prevention.

Periodontal disease, which also now has a nutrition connection, and afflicts one in three aged 30+ and half of those over age 55 is another fast-emerging opportunity. Dynopenia, diverticular disease and irritable bowel syndrome are other conditions moving center stage. NW

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